

FTA Issues Pillar Two Compliance Timelines: What MNE Groups Need to Know?



The FTA has issued Decision No. 12 of 2026, providing much-needed clarity on the Registration and Deregistration timeline applicable to the entities within the scope of the **UAE Pillar Two** regime.

Who is in scope?

Constituent Entities that are part of a Multinational Enterprise (MNE) Group with annual consolidated revenue of EUR 750 million or more in the financial statements of the Ultimate Parent Entity (UPE) for at least two of the four fiscal years immediately preceding the tested fiscal year.



By When You Must Register



General Rule	Within 7 months from end of first Fiscal Year in which the Entity is in scope*
Exception — FY ending before 30 April 2026	On or before 30 November 2026

Deadline for UAE Pillar Two Registration (Illustrative)

First fiscal year ending	Registration due by
31 December 2025	30 November 2026
31 March 2026	30 November 2026
30 April 2026	30 November 2026
30 June 2026	31 January 2027
31 December 2026	31 July 2027

UAE Pillar Two Deregistration

**Entity ceases to exist /
leaves MNE Group**

Within 6 months from the:

- **Date when entity ceases to exist**
- or
- **End of Fiscal year in which entity leave an MNE Group and Entity is no longer in scope**

whichever is earlier

**Exception — Ceases
to exist before 30
June 2026**

**On or before 31 December
2026**

Note:

Entity will be deregistered only upon settlement in full of all Top-up Tax liability and penalties payable and filing of all Top-up Tax Returns and Pillar Two Information Returns due.



Notification - 'Out Of Scope' / 'In Scope'

When entity is required to make an out of scope notification

MNE Group ceases to exist to be in scope	Within 6 months from end of tested Fiscal Year
If out-of-scope status holds for 5 consecutive Fiscal Years	Tax Deregistration application within 6 months from end of the 5th consecutive year
Validity period of notification	Tested FY + 4 subsequent years (5 years total)

When entity is required to make in scope notification

Entity re-enters scope	Within 7 months from end of tested Fiscal Year
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