

Law No. (1) of 2018
Concerning the Knowledge Dirham Fee¹

We, Mohammed bin Rashid Al Maktoum, Ruler of Dubai,

After perusal of:

Law No. (5) of 1995 Establishing the Department of Finance;

Law No. (4) of 2005 Imposing the Knowledge Dirham Fee, its amendments, and its Implementing Bylaw;

Law No. (14) of 2009 Concerning the Pricing of Government Services in the Emirate of Dubai and its amendments;

Law No. (1) of 2016 Concerning the Financial Regulations of the Government of Dubai; and

Decree No. (24) of 2007 Forming the Supreme Fiscal Committee in the Emirate of Dubai and its amendments,

Do hereby issue this Law.

Title of the Law
Article (1)

This Law will be cited as “Law No. (1) of 2018 Concerning the Knowledge Dirham Fee”.

Definitions
Article (2)

The following words and expressions, wherever mentioned in this Law, will have the meaning indicated opposite each of them unless the context implies otherwise:

Emirate: The Emirate of Dubai.

Government: The Government of Dubai.

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¹*Every effort has been made to produce an accurate and complete English version of this legislation. However, for the purpose of its interpretation and application, reference must be made to the original Arabic text. In case of conflict, the Arabic text will prevail.*

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SFC:	The Supreme Fiscal Committee in the Emirate of Dubai.
DOF:	The Department of Finance.
Government Entity:	Any of the Government departments; public agencies and corporations; Government councils and authorities, including the authorities supervising Special Development Zones and free zones, such as the Dubai International Financial Centre; or other entities affiliated to the Government.
Revenue:	Financial proceeds generated from the services provided and the activities conducted by a Government Entity. This includes fees, fines, sale proceeds, rent, proceeds from franchises, and proceeds from encashing guarantees.
Knowledge Dirham Fee:	The fee collected pursuant to the provisions of this Law.

Objectives of the Law Article (3)

This Law aims to:

1. provide the support required for educational and cultural projects in the Emirate;
2. ensure that members and all categories of the community bear part of the costs and burdens incurred by the Government in the development of Education and culture; and
3. ensure that the collection of the Knowledge Dirham Fee is in accordance with clear and simplified rules.

Scope of Application Article (4)

The provisions of this Law will apply to all Revenues, including those collected by any federal government entity on behalf of the Public Treasury of the Government.

Collecting the Knowledge Dirham Fee
Article (5)

A "Knowledge Dirham Fee" in the amount of ten Dirhams (AED 10.00) will be charged on the Revenue collected by a Government Entity in return for the services it provides and the activities it conducts. The proceeds of the Knowledge Dirham Fee will be paid in full to the Public Treasury of the Government.

Revenues Exempt from the Knowledge Dirham Fee
Article (6)

The Knowledge Dirham Fee will not be collected in respect of Revenues generated from:

1. the services and activities whose Revenue is less than fifty Dirhams (AED 50.00);
2. the tariffs and prices collected by Government Entities in return for the goods and services they provide;
3. the fiscal charges determined by the DOF;
4. the costs of medical treatment and healthcare services provided by the healthcare facilities affiliated to the Government;
5. traffic violations which are committed in the Emirate and whose prescribed fines are collected by any other emirate or by any Gulf Corporation Council state;
6. traffic violations which are committed in any other emirate or in any Gulf Corporation Council state and whose prescribed fines are collected by the concerned entities in the Emirate;
7. the services provided to Government Entities whose budgets are included in the General Budget of the Government;
8. the services that are exempt from fees; and
9. any other services or activities determined by the SFC upon the recommendation of the DOF.

Rules for Collecting the Knowledge Dirham Fee
Article (7)

- a. The Knowledge Dirham Fee will be collected subject to the following rules:

1. The Knowledge Dirham Fee will be collected in respect of the Revenue generated from any service or activity, including the Revenues generated from the fines imposed for acts constituting violations under the legislation in force in the Emirate.
 2. Where a financial claim includes multiple Revenues generated from various services or activities that are provided or conducted through one or more steps, the Knowledge Dirham Fee will be collected in respect of each Revenue separately.
 3. Where a financial claim includes multiple Revenues generated from various services or activities that are provided or conducted by more than one Government Entity, the Knowledge Dirham Fee will be collected in respect of each Revenue separately, whether these services or activities have been provided or conducted through a single window or by each entity separately.
- b. The Knowledge Dirham Fee will be collected upon collecting the relevant Revenue, whether through ordinary, electronic, or smart collection methods.

Refund of the Knowledge Dirham Fee Article (8)

- a. A refund of an amount paid as Knowledge Dirham Fee may be requested in case there is an error in collecting or calculating this fee.
- b. An amount collected as Knowledge Dirham Fee may not be refunded where the client cancels the service in respect of whose Revenue the Knowledge Dirham Fee has been collected.

Functions of the DOF Article (9)

For purposes of this Law, the DOF must:

1. determine any dispute arising in connection with the Knowledge Dirham Fee, whether the dispute relates to the type of the Revenue to which the Knowledge Dirham Fee applies, or to collection methods and rules;
2. identify, upon reviewing the Annual Budget of the Government, the areas of investment of the proceeds of the Knowledge Dirham Fee, which must be allocated to supporting educational and cultural projects in the Emirate;
3. propose the Revenues to which the Knowledge Dirham Fee applies, and submit the relevant recommendations to the SFC for approval; and

4. perform any other duties required for the implementation, and achievement of the objectives, of this Law.

Depositing the Knowledge Dirham Fee Article (10)

A Government Entity which collects the Knowledge Dirham Fee by itself or through private entities it contracts must, by the end of each month, transfer the proceeds of this fee to the DOF; and submit a financial report with all the details determined by the DOF.

Issuing Implementing Resolutions Article (11)

The Director General of the DOF will issue the resolutions required for the implementation of the provisions of this Law.

Repeals Article (12)

The above-mentioned Law No. (4) of 2005 and its Implementing Bylaw are hereby repealed. Any provision in any other legislation will also be repealed to the extent that it contradicts the provisions of this Law.

Publication and Commencement Article (13)

This Law will be published in the Official Gazette and will come into force on the day on which it is published.

**Mohammed bin Rashid Al Maktoum
Ruler of Dubai**

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Corresponding to 6 Jumada al-Ula 1439 A.H.