

Fairwinds Management introduces UAE company formations – FAQs on RAK Offshore Company

Why open a RAK Offshore Company?

With a RAK Offshore Company you have the best option possible. The flexibility, long-term cost effectiveness and the security of the international business company, but not the administrative, reporting and financial burden of a local company. Furthermore, it is a fact that doing business from other typical offshore jurisdictions like Seychelles or BVI is becoming increasingly difficult.

What are the key benefits of a RAK Offshore Company?

On top of the list: no taxes, meaning no income taxes, no corporate taxes, no withholding taxes, no social security taxes and no VAT. There is no requirement to pay up a share capital. There are also no reporting requirements and publishing of annual accounts. There is strict confidentiality as far as the legal entity is concerned. Shareholders, directors and secretaries cannot be seen in a public register. In comparison to other offshore jurisdictions, the UAE provides you with a solid international banking system with accounts in multiple currencies. In addition, there are banking options in jurisdictions abroad. You will have peace of mind when you know that your money is secure and within reach. Lastly, there is one little secret about the RAK Offshore Company that makes it stand out from all other offshore jurisdictions: Your registered office in Dubai, UAE.

What activities can I do with a RAK Offshore Company?

There are many options of different business activities. Some examples are: Administration services, Internet businesses, holding companies, trading companies, consulting services, marketing services and more.

How long does it take to incorporate a RAK Offshore Company?

Once all due diligence documentation are collected and submitted, and the signed incorporation documents reach the UAE by courier, it usually takes around 2 weeks to set up the company. Once the company is open, you will receive a letter where the authority allows you open a bank account in the name of the company.

Is it true that there are no taxes to pay?

Indeed, no taxes. The UAE is one of the few countries in the world with no taxation, other than on hotel bills, import and alcohol. The UAE has a great number of Tax Treaties which makes the country an optimal location for legal and compliant international tax planning.

What about confidentiality?

There is absolutely strict confidentiality. When you have a RAK Offshore Company, outsiders will not be able to find out who the shareholder or director is.

Is it true there is no reporting?

True, you will not be required to file annual reports and there will be no audit. This gives you room to focus on what is important, managing and growing your business.

Will I be 100% owner?

Yes, you will be 100% owner of your RAK Offshore Company. Most of our clients are foreigners who want to keep full control of their business.

Will I be able to get a travel or residency visa?

No, with a RAK Offshore Company you are not able to obtain any type of visa.

Can I do business inside the UAE?

No, with a RAK Offshore Company you cannot do business inside the UAE. RAK Offshore Companies are used to do business outside of the country.

Can I set up a RAK Offshore Company without visiting Dubai?

Yes you can.

What other services are on offer together with a RAK Offshore Company?

There are a lot of additional services that we can provide you with. Firstly, a registered address in Dubai to improve your business image. Secondly, bank introductions with local and international banks. Thirdly, nominee directors and/or shareholders services to obtain complete confidentiality by adding an extra layer of security. Separately, should you wish, we can also provide you with management and bookkeeping to provide substance.

What are the advantages of having a bank account in Dubai?

Even though you have an offshore company, when your invoices are coming from a Dubai address, your mailbox is in Dubai and your bank is in Dubai, for the outside world, you are doing business from Dubai... Dubai is rapidly becoming a major financial powerhouse.

Can I open a bank account without visiting Dubai?

No. If you want to have a local bank account, you will have to visit Dubai for a meeting with the bank. And in some cases applications signed abroad, require notarised documents.

Do all UBOs need to visit the bank?

Depends. Standard policy is that UBO with 20% or more need to visit the bank, but someone the banks also require that all UBOs visit them. We will advise on this situation once the company is incorporated.

Which is the best bank for me?

Once we have a detailed explanation of your business, we will be able to advise which bank suits your business model.

How flexible are the bank in the UAE?

The banks are quite flexible, especially if you have all the documents in place. Occasionally the bank might request proof for the incoming or outgoing funds, but usually this is done for big transfers and if funds are coming in from high risk countries.

What is the minimum amount to deposit and keep in a UAE bank account?

Minimum deposit is AED10,000 (EUR2,500) per account.

Can I open a bank account for a RAK Offshore Company outside the UAE?

Yes, we can open your bank account in Belize. You will not need to travel there.

Can I open a personal bank account?

Depends. It has become harder to open personal bank accounts without residency. This solely depends on the bank, the KYC provided and the amount that one is planning to hold on this account. Should this be possible, a current account will be provided, with debit card and support SWIFT service. We will advise on this situation once the company is incorporated and we speak to the concerned bank.

Why should I choose Fairwinds Management to incorporate my RAK Offshore Company?

When you use Fairwinds Management for the incorporation of your RAK Offshore Company, your company will have a registered office in Dubai. We work with the top local partners who offer the best pricing plans to be able to offer you in return top quality service with reasonable prices.

I checked other websites and found cheaper prices; why?

There is a lot of info and pricing options on the Internet, however, there are also a lot of hidden charges and fees that will be added to your bill once you incorporate with other companies. With Fairwinds Management, we will assist and handle your requests through the initial stages of incorporation until the opening of the company and bank account. We work with official registered agents and we administer RAK Offshore Companies directly.

Is setting up a RAK Offshore Company really that simple?

Yes and no. Setting up an offshore company is generally quite easy. But the process for the RAK Offshore Company is a little bit more cumbersome than other offshore jurisdictions. Here, the authorities do their own due diligence. More documentation is required than in other jurisdictions such as the Seychelles or Belize. The UAE authorities want serious, ethical and honest businesses on their shores. In addition, you will need to originally sign the memorandum and articles of association.