

NEW FTA RULE FROM 1 OCTOBER 2026

Supplier Verification Checklist

10 checks before you claim input VAT.

For UAE SME owners, finance managers and procurement teams onboarding new suppliers under FTA Decision No. 13 of 2026.

What skipping verification actually costs you.

- Input VAT disallowed because the supplier's TRN was invalid or cancelled.
- A payment sent to a fraudster after an email quietly changed the bank details.
- A transaction with a sanctioned party that carries consequences far beyond tax.
- Penalties and interest on VAT you already paid and cannot recover.

The supplier made the mistake. The loss sits with you.

A valid invoice is no longer enough.

Article 54(bis) of the UAE VAT Law lets the FTA reject your input VAT if a supply is linked to tax evasion and you knew, or should have known.

Under FTA Decision No. 13 of 2026, if you did not verify the supplier and the supply, you are treated as someone who should have known. It applies from 1 October 2026.

Your protection is simple: run the checks and keep the evidence.

Before the first purchase order.

1

Valid trade license

WHY IT MATTERS

Check the issuing authority, expiry date, and that licensed activities match what they sell you.

2

TRN verified on the FTA website

WHY IT MATTERS

The legal name on the FTA result must match the name on every invoice. Save a screenshot.

Tax status and the invoice itself.

3

Corporate Tax registration status

WHY IT MATTERS

A supplier ignoring its own tax obligations is a supply chain risk you inherit.

4

Tax invoice meets FTA requirements

WHY IT MATTERS

Missing TRN, date, description or VAT amount means no input VAT recovery, whatever the TRN status.

The two checks most teams skip.

5

Bank account in the supplier's legal name

WHY IT MATTERS

Confirm by calling a number you already hold. Never change bank details based on an email alone.

6

Ultimate beneficial owner identified

WHY IT MATTERS

Know who really controls the company before you commit to high-value or ongoing supplies.

Protection beyond the FTA.

7

Sanctions screening completed

WHY IT MATTERS

Screen against the UAE Local Terrorist List and the UN Consolidated List before onboarding.

8

E-invoicing readiness confirmed

WHY IT MATTERS

SMEs must appoint an ASP by 31 March 2027 and go live on 1 July 2027. Your supplier's gap becomes yours.

Document it. Then revisit it.

9

Signed agreement and documented approval

WHY IT MATTERS

Proves the commercial arrangement and who approved it if the FTA asks.

10

Re-verify regularly

WHY IT MATTERS

At least once a year, and immediately on any change of name, address, TRN or bank details.

Keep the evidence, not just the invoice.

- The FTA result for the supplier's TRN, dated.
- Copies of the trade license and signed agreement.
- Notes of the bank detail callback: who, when, which number.
- Proof the goods or services were actually received.

I think this is the part most businesses underestimate. The checks take minutes. Rebuilding the evidence during an audit takes weeks.

Save this. Share it with your procurement team.

Comment CHECKLIST and we will send you a version your team can use today.

Want your supplier onboarding checked against the new FTA rules before 1 October?

Book a free 30-minute compliance review.

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