CORPORATE TAX CHALLENGE #1

This return has 8 errors. How many can you find?

A UAE Corporate Tax return, prepared and ready to file. Read it the way a reviewer would.

Company	**Dune Ridge Trading LLC**
Tax period	**1 Apr 2025 – 31 Mar 2026**
Level	**Accountant / tax reviewer**

Swipe →

1 · THE COMPANY

What the preparer's file says

Entity	Mainland LLC, Dubai — general trading
Tax period	1 Apr 2025 – 31 Mar 2026
Revenue	AED 14,600,000
Status	Not a Free Zone Person · not in a tax group

Notes on the file

1. **Entertainment AED 96,000** — dinners and event tickets for customers and suppliers.
2. **Fines AED 23,500** — traffic fines 8,500 and a municipality fine for signage 15,000.
3. **Donation AED 40,000** — a local community sports club. It is not on the list of Qualifying Public Benefit Entities.
4. **Other income AED 150,000** — cash dividend from a UAE-resident LLC in which the company holds 3%. No expenses relate to it.
5. **Bank interest AED 210,000** — term loan from a UAE bank. No interest income in the period.
6. **Salaries** include AED 300,000 paid to the managing partner (a Connected Person). HR benchmark for the role: AED 320,000.
7. **Tax losses brought forward** — FY 1 Apr 2023 – 31 Mar 2024: 500,000. FY 1 Apr 2024 – 31 Mar 2025: 1,900,000.

2 · THE ACCOUNTS

Statement of profit or loss

AED · year ended 31 March 2026

Revenue	14,600,000
Cost of sales	(9,490,000)
Gross profit	**5,110,000**
Salaries and wages	1,860,000
Rent	336,000
Depreciation	142,000
Client entertainment	96,000
Fines and penalties	23,500
Donations	40,000
Bank interest	210,000
Other administrative	302,500
Total operating expenses	**(3,010,000)**
Dividend income	150,000
Net profit before tax	**2,250,000**

3 · THE RETURN

Corporate Tax computation, as prepared

AED · year ended 31 March 2026

Accounting net profit	2,250,000
Add: interest disallowed (30% × 210,000)	63,000
Taxable income before loss relief	**2,313,000**
Tax losses available	2,400,000
Tax losses used	(2,313,000)
Taxable income	**0**
Corporate Tax payable	**0**
Tax losses carried forward	87,000

Small Business Relief elected
No

Return due date
30 September 2026

4 · HOW TO TAKE PART

Your move

1. Find the errors. Work out the correct Corporate Tax payable and the losses carried forward.
2. Comment **“Done”** with your count — don’t post your answers, so others can play.
3. Send your full list to **info@taxcheck.ae** by **Sunday 25 October 2026**.
4. Answers and law references posted **Tuesday 27 October 2026**.

Scoring: 1 point per error found, 2 points for the correct tax payable. **10 points** in total.

Top scorers: we’ll review your profile first for roles at TaxCheck.

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