UAE Tax Disputes: Silence Is No Longer Refusal at the Committee Stage (Supreme Court 388/2024)

June 1, 2025

For almost seven years UAE taxpayers and their advisers treated the **lapse of the statutory time-frame** given to a Tax Disputes Resolution Committee (TDRC) as a de-facto "no" and went straight to court. The Federal Supreme Court has now changed that position in Judgment No. 388/2024 issued on 14 May 2025.

Judgment **No. 388/2024 (14 May 2025)** holds that:

- The TDRC is a **quasi-judicial body** whose work is governed by the Civil Procedures Law, not by the ordinary rules of administrative silence.
- The **20 + 60-working-day deadline** in Decree-Law 28/2022 is purely **regulatory**; exceeding it does **not** amount to an implied rejection.
- A court may only review a **written TDRC decision**. Filing a case before that moment is "premature and without subject-matter".

In effect, the "implied-rejection" doctrine survives **only** at the *administrative* level (the Federal Tax Authority's reconsideration stage). At the *quasi-judicial* committee level, silence no longer speaks.

The legal architecture in brief

Instrument	Relevant articles	Key deadlines
Cabinet Decision 23/2018 (creating the TDRCs)	Art. 6(1)-(2)	Committee decides objections within **20 WD**.
Decree-Law 7/2017 (old Tax Procedures Law)	Arts. 27-29	FTA must decide a *reconsideration* request in **20 WD**. Silence ⇒ taxpayer may object to TDRC.
Decree-Law 28/2022 (current Tax Procedures Law)	Art. 31	TDRC decides objections in **20 WD**, **extendable 60 WD** by the Exec. Regs.
Cabinet Decision 74/2023 (Exec. Regs.)	Art. 45	Confirms the **additional 60 WD** extension.

The "old" approach: silence = refusal

Courts had routinely applied classic principles of administrative law:

- **Primary Ct 507/2019** – declared the FTA's failure to rule on a reconsideration within 20 days an implicit refusal, giving the taxpayer standing before a TDRC.
- **Primary Ct 180/2021** – extended the same logic upward: if a TDRC exceeded its own statutory period, silence equaled rejection.
- **Supreme Ct 1245/2022** – characterized *any* unjustified administrative omission as a "negative administrative decision" subject to annulment.

Because TDRCs were often viewed as administrative adjuncts to the FTA, litigants treated them the same way: once 20 (or 20 + 60) working days expired, they filed suit.

Courts reinforced that view, a recent example was in Federal Supreme Court Judgment No. 1020/2023 (issued January 2024) where the taxpayer lodged an objection with the TDRC; when no

ruling emerged, the taxpayer petitioned the Federal Primary Court directly. The case travelled through **three tiers**—Primary Court → Appeals Court → Federal Supreme Court—**without a single court questioning the admissibility** of the claim in the absence of a TDRC decision. All three courts examined the substantive merits, confirming that – at that time – judicial practice accepted TDRC silence as a de-facto rejection.

Judgment 388/2024: the turn of the tide

Quasi-judicial status reaffirmed

The Supreme Court emphasized that a TDRC "exercises a form of judicial jurisdiction" and *applies the Civil Procedures Law*. Therefore **procedural silence does not generate a decision**—positive or negative. Only an express written decision can be challenged.

Regulatory vs. mandatory deadlines

Because the 20 + 60-day limit is "organizational", the committee may validly extend its deliberations without sanction. The Court explicitly stated that the legislator **attached no penalty** to non-compliance.

Premature actions dismissed

The claimant in the case filed in court five weeks **before** the extended deadline expired; the suit was struck out as "filed before its proper time".

Judgment extract

The reasoning of the Federal Supreme Court in Judgment 388/2024 was as follows:

"It is established that an administrative committee vested with quasi-judicial authority exercises a form of judicial jurisdiction and applies the provisions of the Civil Procedure Law. Accordingly, one must await its decision on the merits of

the dispute, since that decision is the subject and basis of any subsequent challenge.

When a statutory text is clear, explicit, and definitive as to its intent, no departure from it or interpretation contrary to its wording is permissible under the pretext of pursuing the purpose that inspired it; there is no room for interpretation where the text is unequivocal.

Because the legislator has conferred jurisdiction on the court only upon the issuance of a decision by the Tax Disputes Resolution Committee, judicial review pertains to that decision alone, and the court may not go beyond it by examining grounds not contained in the committee’s ruling.

Where the claimant’s submissions before the committee are identical to those later brought before the court of first instance, the claimant must wait, then promptly challenge the committee’s decision once issued.

In the present case, the claimant challenged the respondent’s reassessment decision and filed an objection with the Tax Disputes Resolution Committee on 25 June 2024. The committee was entitled—after the initial 20-day period—to extend the objection’s review by 60 working days, ending on 22 October 2024, as stated by the claimant in his pleading. Yet he brought his action before the court of first instance on 20 September 2024, without awaiting the committee’s decision, which would have been subject to annulment proceedings. Consequently, his action was filed prematurely and was inadmissible.

Nor is the matter altered by the committee’s statement of 15 November 2024 that the objection was still under consideration, for the committee may extend the period even after 80 working days have elapsed; that time limit is regulatory, and the legislator has prescribed no sanction for its breach.

Moreover, the court's review is confined to the committee's decision; it is not competent to revisit the respondent's underlying reassessment, as doing so would contravene the express statutory provisions cited above.

The requirement that a decision be issued by the Tax Disputes Resolution Committee—a body with quasi-judicial competence—is a formal prerequisite that must be satisfied."

Practical consequences

Issue	Before 388/2024	After 388/2024
When can a taxpayer go to court?	On day 21 (or day 81) if the TDRC had not ruled.	**Only after** receiving a written TDRC decision.
Risk of limitation periods	Taxpayer controlled timing by filing early.	Taxpayer must monitor issuance of the TDRC decision and file within **40 WD** of notification (Art. 46, Exec. Regs.).
Case-management strategy	Encourage early escalation to avoid delay.	Emphasise proactive engagement with the TDRC; consider follow-up letters but **do not** file in court prematurely.

The boundary that remains

FTA reconsideration stage
The FTA is a traditional administrative authority. Its silence for **20 WD** (or where extended) still triggers an implied rejection, enabling the taxpayer to proceed to a TDRC (Cabinet 23/2018 Art. 6(2); Decree-Law 28/2022 Art. 31(2)). Nothing in 388/2024 disturbs this.

TDRC stage

From 14 May 2025 onward, an objection **remains alive**—no matter how long it takes—until the committee signs and notifies its decision.

What taxpayers and advisors should do now

1. **Calendar both statutory windows** – the committee's 20 + 60 days **and** the court appeal window of 40 working days once a decision issues.
2. **Maintain correspondence** – ask the committee to confirm hearing dates or expected issuance, creating an evidentiary trail of diligence.
3. **Update timelines** – factor in the possibility that disputes may stay at the committee level for significantly longer than 80 working days.
4. **Educate finance teams** – delayed resolution affects provisioning and cash-flow planning (especially under the "pay now, argue later" rule).
5. **Screen legacy cases** – if a court claim was filed solely on the basis of a lapsed TDRC deadline, assess the vulnerability of a court strike-out and consider retrial, withdrawal or settlement.

Looking ahead

Whether the legislator will codify an explicit consequence for TDRC delay—mirroring the rule that already exists for the FTA—is now a policy question. Until that happens, **procedural patience** replaces "silence is refusal" at the committee stage.

For taxpayers, the takeaway is clear:

Wait for the TDRC gavel, not the clock.

Author: Mahmoud Abuwasel
Title: Partner – Disputes
Email: mabuwasel@waselandwasel.com
Profile: https://waselandwasel.com/about/mahmoud-abuwasel/

Lawyers and consultants.
Tier-1 services since 1799.
www.waselandwasel.com
business@waselandwasel.com