SALIENT FORMATION
GLOBAL STRUCTURING · UAE

THE ONE-PAGE COMPARISON

The UAE *Structure Guide*

RAK ICC vs DIFC vs Free Zone vs Mainland — when to use which, and why it matters.

PREPARED BY
Salient Formation · Al Saqr Tower, DIFC, Dubai, UAE
www.salientformation.com · business@salientformation.com

Edition I · MMXXVI

THE ONE-PAGE COMPARISON

RAK ICC vs DIFC vs Free Zone vs Mainland

Four UAE vehicles, four very different purposes. The right choice shapes your banking, tax position, residency, and operational reality for the next decade. This page distils 800+ engagements into the decision framework we use with every client.

	RAK ICC	DIFC	FREE ZONE	MAINLAND
BEST FOR	International holding, IP, offshore trading	Financial services, family offices, prestige	Operating businesses with international clients	UAE market trading, government contracts
CORP TAX	0% on offshore income	0% on qualifying income	0% on qualifying income (de minimis applies)	9% above AED 375K
OWNERSHIP	100% foreign	100% foreign	100% foreign	100% foreign (most activities)
RESIDENCY VISA	Cannot issue visas	Yes — scaled to office	Yes — typically 1–6+	Yes — unlimited
SETUP TIME	5 business days	14–28 days	7–14 days	14–21 days
YEAR 1 COST	$5K–$9K	$15K–$30K+	$5K–$15K	$8K–$22K
BANKING	Good with full KYC; selective banks	Excellent — premium banks all present	Strong, varies by zone (DMCC>IFZA)	Excellent — clear physical presence
SUBSTANCE NEED	Light (light ESR for relevant activities)	Moderate to heavy	Light to moderate	Moderate (office + Ejari)

	RAK ICC	DIFC	FREE ZONE	MAINLAND
USE WHEN	You need a holding vehicle, IP entity, or pure offshore structure	Regulated financial services, fund management, or family office	Active operating business with international (non-UAE) customers	Customers are UAE-based or you need to bid on UAE govt contracts
AVOID IF	You need UAE residency or to trade in UAE	Cost-sensitive or non-financial activities	Customers are primarily UAE mainland-based	Customers are global and you want lower tax

THE DECISION FRAMEWORK

Most international founders end up with a **combination**, not just one vehicle. Common pattern: **RAK ICC holding company + Free Zone operating company** (residency + banking) + sometimes an **ADGM/DIFC foundation** at the apex for legacy planning. The right combination depends on where your customers are, whether you need residency, and the level of UAE presence you'll actually have.

Ready to map the right structure for your specific situation? Book a free 30-minute strategy call with a senior advisor — confidential, no obligation, and you'll leave with a concrete recommendation. www.salientformation.com · business@salientformation.com · +971 56 480 0416