

Retiring in the UAE: Update on the Retirement Visa

In September last year, we published an article about the new retirement visa introduced in the United Arab Emirates ("UAE", for more information, [click here](#)). In the meantime, the first applications have been processed by the Department of Tourism and Commerce Marketing in cooperation with the General Directorate of Residency and Foreigners Affairs and resulting questions have been clarified.

What is the retirement visa?

The retirement visa is a new type of permanent residence permit. It is available to individuals who are at least 55 years old.

The applicant must further demonstrate the existence of certain financial resources. In case the conditions are met, the competent authorities deem the applicant able to fund a retirement in the UAE. Currently, a monthly income of at least AED 20,000, savings of at least AED 1 million, real estate property worth at least AED 2 million or a combination of savings and real estate property are recognised.

Does the applicant have to prove that he is retired?

When applying for a retirement visa based on monthly income or savings, it is now necessary to provide a letter proving that the applicant is actually retired. Such letter of confirmation can be issued by the relevant pensions office or the last employer.

If an application for a retirement visa had previously been submitted and have not been processed yet, the letter of confirmation must additionally be submitted.

Is it mandatory that the monthly income is generated from pension payments?

Applications which show that the monthly income of at least AED 20,000 is received from actual pension payments will be given priority. Applications indicating other sources of income will be considered on a case-by-case basis. In any case, a steady income must be demonstrated.

Do the savings have to be deposited in a UAE bank account?

At the time of applying for a retirement visa, the savings balance of at least AED 1 million can either be held in a bank account in the UAE or abroad.

Should the savings be initially deposited in a bank account outside the UAE, a legalised letter from the relevant bank confirming the existence of the savings must be submitted. This document has to be translated into Arabic. Once the applicant has received the retirement visa, the savings must be transferred to a local bank account within 30 days of visa issuance and assigned to a fixed-deposit account for three years.

In case the savings are already held in a UAE bank account, the funds must also be on fixed deposit for three years. In addition, a letter from the bank in Arabic confirming the savings balance has to be attached to the visa application.

Can the real estate property be mortgaged?

The application for a retirement visa is not precluded if the real estate property is mortgaged. However, the net equity value of the property must be above AED 2 million. The determination of the net equity value is at the discretion of the responsible authority.

Does the real estate property have to be directly owned by the applicant?

A real estate property can also be held by a company or a special purpose vehicle (SPV) which is wholly owned by the applicant.

Is the holder of a retirement visa able to sponsor third parties?

The holder of a retirement visa may sponsor his spouse, children and domestic workers, i.e. to provide these persons with a permanent residence permit.

Children can now be sponsored without restrictions on gender, age and marital status.

The sponsorship of domestic workers is subject to the regulations of the Ministry of Human Resources & Emiratisation. You can read more about the employment of domestic workers [here](#).

Is it allowed to work when holding a retirement visa?

Holders of a retirement visa are only allowed to work in the UAE, provided they have obtained a temporary work permit. Currently, temporary work permits are only issued for short-term consultancy work with government agencies in the Emirate of Dubai.



Do you have questions? – We would be glad to answer them!

From our office located in the heart of Dubai, our team of German attorneys has been advising small and medium-sized companies, corporations and individuals on the laws of the United Arab Emirates for more than 15 years. Our areas of expertise include corporate law (in particular business set-up), commercial agency law, employment law as well as tenancy and real estate law. We would be happy to attend to your questions as well. Contact us!

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Published: 11.01.2021

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