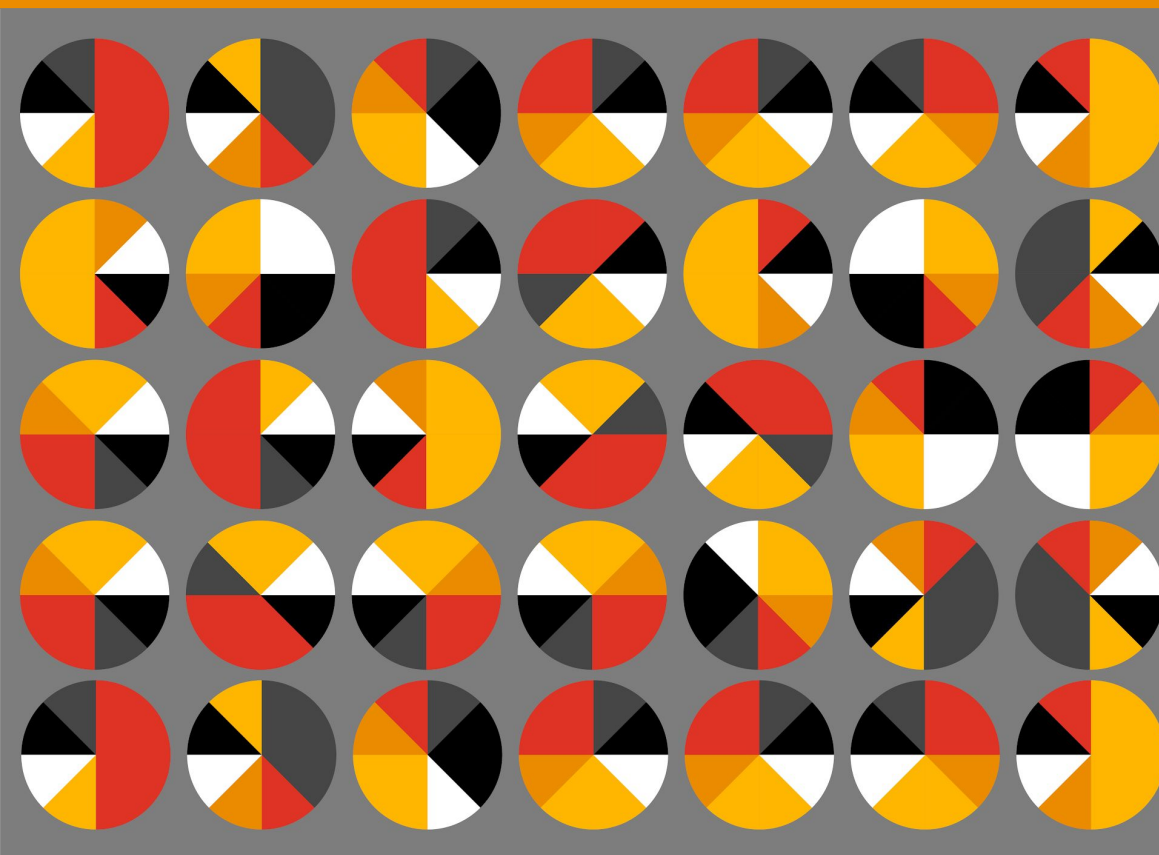


UAE: Changes to inheritance and succession regime

November 2020



In brief

The UAE recently announced some important changes to certain inheritance and succession aspects in the UAE as well as a range of other changes to rules affecting personal and family life in the country. The distribution of a deceased person's estate in the UAE, which was formerly governed by Islamic forced heirship principles, can now be divided in accordance with the rules of an individual's home country. This development is the latest in a continued series of measures aimed at ensuring the country remains attractive to expatriate individuals looking to reside in the UAE.

In detail

The UAE has recently announced a range of changes to the country's inheritance and succession regime, which will see the country's Islamic forced heirship provisions replaced by more alternative measures for non-Emiratis. This means that the distribution of the estate of a non-Emirati individual can now be dealt with under the rules of their home country (if that is different to the UAE position). Similar provisions will also apply on the division of property in the event of a divorce.

The changes represent the UAE's latest measures aimed at ensuring the country remains attractive to expatriate individuals and as a destination of choice for foreign direct investment - and should give additional comfort around certain succession issues and planning for many of the UAE's expat residents and private business owners, who come from over 200 different countries.

Sharia forced heirship provisions previously determined the division of a UAE resident individual's assets on their demise even for non-Muslims unless a will was registered with the Dubai International Financial Centre wills and probate registry or Abu Dhabi Judicial Department. Under the new regime, the rules of the country where the deceased is a citizen should now dictate how their assets are divided, unless they have written a will. UAE real estate will continue to be distributed according to the existing UAE rules.

More details are expected on these changes shortly.

Let's talk

Our Private Business & Private Client team focuses on helping families, family offices and individuals manage the tax, legal and governance concerns related to their personal and family business affairs, both in the region and internationally. If you have any queries about these changes or would like to discuss your wider affairs in more detail, please contact one of the team members below or your usual PwC contact:

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