



UAE INHERITANCE LAW FOR NON-MUSLIMS



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Non-Muslim foreigners living in the UAE are strongly encouraged to register their wills to protect their family and assets. A will represents a person's final wishes for asset distribution upon their death and appoints an executor responsible for managing the estate until all assets are distributed.

Historically, the UAE relied on Sharia Law to manage deceased residents and nationals' inheritance and asset distribution. This created complications for non-Muslim expatriates, who make up the majority of the UAE's diverse population of over 200 nationalities.

To address this, President Sheikh Khalifa Bin Zayed Al Nahyan introduced the Civil Code (Federal Law No. 5 of 1985) and the Personal Status (Federal Law No. 28 of 2005) laws. Both have been amended over time. One of the last amendments, Article 1 of Federal Decree Law No. 30 of 2020, allowed non-Muslim foreigners in the UAE to specify the applicable law and method of asset distribution and estate management in their wills.

If there is no will present, the courts will distribute assets in accordance with the intestacy rules within the Personal Status Law. This means that expats who don't have a will in place might have to deal with the complications of:

- Frozen Accounts – Access to a deceased person's assets is restricted until the local court provides directions, potentially causing delays and financial complications. Once the bank is notified of the death, joint bank accounts, including those held with a spouse, can be frozen until the court issues instructions and all debts are settled.
- Distribution of assets – Without a will, assets will be distributed in accordance with the statutory rules, which may not align with the testator's wishes. Heirs can request the application of their home country's law for asset distribution unless contradicted by a registered will.



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- Guardianship/Custody of Children – Regarding minor children, custody is typically granted to the mother, but guardianship is often awarded to the father or his closest male relative if the father is deceased. Custody expires at the ages of 13 for daughters and 11 for sons, at which point, the father can claim custody thereafter if the courts do not grant an extension to the mother. In the event that one of the parent's passes without a registered will, the UAE authorities would intervene to appoint interim guardians until the court approves a suitable guardian.
- No Heir – If a foreigner has no heir, their assets in the UAE are held by the government.

While registering a will is not mandatory, it is prudent for expatriates owning movable or immovable property in the UAE or with minors residing in the UAE to do so. Registering a will helps avoid legal complications for heirs upon the testator's death. It is highly recommended that a lawyer guide the process and ensure the will is enforceable under the law.

Here are a few registration options to consider:

Dubai International Financial Centre

Strohal Legal Consultants recommends that non-Muslim expats register their wills under the Dubai International Financial Centre (DIFC), an onshore financial free zone in the UAE with its own court and a common law system based predominantly on that in the United Kingdom. Since 2019, the DIFC Wills Service Centre has facilitated the registration of English-language wills, allowing the opportunity to dispose of assets in the UAE and globally. Five types of wills can be created under the DIFC: Full Will, Property Will, Guardianship Will, Financial Assets Will, and Business Owner Will. A professional wills draftsman can help determine the most suitable will type based on individual needs.

Conveniently, appointments with the DIFC Courts for wills registration can be scheduled and attended online. The registration fee ranges from AED 5,000 to AED 15,000, plus 5% VAT. Requirements for registration include two witnesses, an unsigned copy of the drafted will, Emirates IDs/Passports of all parties present, and proof of payment. The appointment typically lasts about half an hour.

To register a will at the DIFC Registry, the testator must:

1. Not be or have never been a Muslim
2. Be over 21 years of age
3. Own assets in the UAE and/or have minor children residing in the UAE.

Dubai Courts

Non-Muslims can notarize bilingual wills at Dubai's Local Courts before a Notary Public. Once a Dubai Courts Notary Will is executed, the Personal Status Law will not apply to the non-Muslim estate. To do so, the testator must attend the will registration appointment in person. The cost for notarizing a will with the Dubai Courts is AED 2,167 for Single Wills and AED 4,334 for Mirror Wills.

Abu Dhabi Judicial Department

The Abu Dhabi Judicial Department (ADJD) introduced Non-Muslim Wills Registration in 2018. During the pandemic, ADJD enabled registration via videoconference, with wills templates available for download through the ADJD portal. To register an ADJD will, the testator must be a UAE resident or present in the UAE on a visitor visa. Any document issued outside the UAE requires authorization from authorities such as the Ministry of Foreign Affairs and International Cooperation. Registering a will with ADJD is more cost-efficient than DIFC fees, with Single Wills costing AED 950 and Mirror Wills costing AED 1,199.

Conclusion

In summary, passing without a will in the UAE can lead to significant financial and procedural complications, highlighting the necessity for expatriates to execute a will to ensure smooth asset transition and alleviate the burden on their families. Registering a will in the UAE as a non-Muslim foreigner can be relatively straightforward. However, to ensure your wishes are accurately honored, it is advisable to seek guidance from a legal expert. A legal professional can recommend the best approach to meet your needs and help draft a will that complies with all necessary requirements. For more information about registering a will, please contact us at office@slglaw.cc.

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