

Dubai Business Setup Cost: The Complete Breakdown (No Hidden Fees)

Summary: Dubai offers two primary company setup routes: mainland and free zone. The total investment varies according to the selected jurisdiction, licence category, business activity, premises, immigration requirements and additional approvals. A realistic budget should therefore include both initial incorporation expenses and recurring operating costs.

Overview: The cost of company setup in Dubai is not a single fixed amount applicable to every business. A small professional services company with limited visa requirements can have a substantially different budget from a trading, industrial, retail or regulated business requiring premises and additional approvals. Dubai's official business setup process distinguishes mainland and free zone structures, with the relevant authority determining applicable licensing and regulatory requirements.

Quick Answer

Quick Answer: The cost of company setup in Dubai can commonly start from around AED 12,000 to AED 30,000+ for a basic setup, while businesses requiring offices, multiple visas, regulated approvals or specialised premises can require a substantially higher budget.

What Determines the Dubai Business Setup Cost?

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COST OF BUSINESS SETUP IN DUBAI

Everything you need to know about the cost of business setup in Dubai, including licenses, visas, office, and other essentials.

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BUSINESS SETUP COST BREAKDOWN

- ✓ Trade License
- ✓ Visa Costs
- ✓ Office Space
- ✓ Government Fees
- ✓ Other Expenses

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There is no universal package price for establishing a company in Dubai. The final amount depends on several factors, beginning with where the company will be registered.

Dubai businesses can generally be established on the mainland or in a free zone. Mainland companies are licensed through the Dubai Department of Economy and Tourism, while free zone companies are governed by the relevant free zone authority. Dubai has more than 20 free zones, and each free zone can have its own licensing structure, company types and setup requirements.

The main factors affecting the overall budget include:

1. Business Activity

Your selected activity determines the type of licence and whether additional regulatory approvals are required.

For example, professional consulting, general trading, e-commerce, construction, manufacturing, food-related activities, healthcare and financial services can have different regulatory requirements.

Dubai's official setup guidance identifies commercial, professional and industrial licences among the principal mainland licence categories. Certain activities also require approval from other government departments or regulatory bodies.

2. Jurisdiction

Choosing between mainland and free zone directly affects the licensing package, office requirements and operating structure.

A mainland setup can be suitable for businesses that need to operate broadly across Dubai and the UAE, while a free zone may be appropriate for companies seeking a specialised business environment or a particular package offered by a free zone authority.

3. Office Requirement

Office costs can become one of the largest components of the setup budget.

Some businesses may qualify for flexi-desk or shared-office arrangements, while others may need a physical office, retail location, warehouse, clinic, workshop or industrial facility.

The required premises depend on the business activity and licensing authority.

4. Number of Visas

A company requiring only one investor visa will have a different budget from a company sponsoring several employees.

Visa-related expenses can include entry permits, medical examination, Emirates ID, status adjustment and other immigration-related charges.

5. Additional Approvals

Certain activities require approvals beyond the standard company registration process.

Dubai's official guidance specifically notes that some business sectors and company types require additional approvals from other government departments or agencies.

Dubai Business Setup Cost Breakdown

The following figures are useful as baseline planning estimates for 2026, rather than fixed government tariffs. Actual charges depend on the selected authority, activity, legal structure, premises and immigration requirements.

Basic Company Formation and Licensing

A basic company formation package may include several registration and licensing components.

Typical planning ranges include:

- Trade licence and company registration: approximately AED 8,000 to AED 20,000+, depending on jurisdiction, licence type, activity and package.
- Trade name and initial government procedures: approximately AED 1,000 to AED 3,000+, depending on the application and associated services.
- Memorandum of Association and legal documentation: approximately AED 1,000 to AED 3,000+, depending on the company structure and documentation requirements.
- Free zone incorporation packages: approximately AED 10,000 to AED 25,000+, depending on the free zone, licence category, visa allocation and included services.

Dubai's official setup process includes initial approval, trade name registration and issuance of the business licence, although the exact fees depend on the applicable requirements and service.

Office and Business Premises

Office requirements vary considerably between businesses.

A basic shared workspace or flexi-desk arrangement may cost considerably less than a dedicated office. A physical commercial premises can add AED 15,000 to AED 50,000+ per year, while premium locations, retail premises, warehouses and specialised facilities can cost substantially more.

The final amount depends on location, size, lease terms and the type of premises required for the licensed activity.

Investor or Partner Visa

If the owner or shareholder requires UAE residency, immigration-related expenses need to be added to the business budget.

A practical planning allowance for an investor or partner visa can be around AED 3,000 to AED 7,000+ per person, depending on the application route, status and associated government services.

Employee Visas

Businesses hiring employees should budget separately for each employee's immigration and employment-related requirements.

A practical planning range can be around AED 4,000 to AED 8,000+ per employee, depending on the employment category, visa process, insurance requirements, government charges and other applicable costs.

Establishment and Immigration-Related Charges

Companies sponsoring employees may also require immigration and labour-related registrations.

A business should therefore consider establishment card, immigration file, labour-related registrations and other administrative charges when calculating the full setup budget.

Additional Government Approvals

Regulated businesses may need approvals from relevant authorities before they can conduct their activities.

These costs vary significantly and can range from AED 1,000 to AED 10,000+, with specialised activities potentially requiring considerably more.

Examples can include healthcare, education, food, construction, transport, financial services and other regulated sectors.

Document Attestation and Legal Translation

Foreign shareholders may need documents such as incorporation certificates, powers of attorney, board resolutions or other corporate documents to be attested and legally translated.

A reasonable preliminary allowance is AED 500 to AED 5,000+, depending on the number, origin and type of documents.

Dubai's official business guidance confirms that foreign documents may need UAE Embassy and Ministry of Foreign Affairs attestation, together with Arabic legal translation and UAE Ministry of Justice-related requirements where applicable.

Bank Account and Related Business Services

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- Company Formation
- Trade License Assistance
- Visa & PRO Services
- Bank Account Support

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Opening a corporate bank account may not itself represent the largest formation expense, but businesses should allow for related documentation, accounting setup and professional support.

Bank requirements can vary according to the business model, shareholders, activity and financial profile.

The UAE Government also notes that banks can require documentation such as passports, residence documents and Emirates ID depending on the applicant and account circumstances.

VAT, Corporate Tax and Accounting Compliance

Tax registration is not simply another company incorporation fee, but it should be included in your overall business budget.

The UAE applies 5% VAT to taxable supplies under the applicable VAT rules, while corporate tax applies to taxable business profits under UAE corporate tax legislation.

Businesses should therefore consider accounting, bookkeeping, tax registration, tax return preparation and ongoing compliance when calculating their first-year operating costs.

Important Disclaimer

The cost prices stated in this article are baseline estimates for planning purposes only. Actual costs may change because of market fluctuations, supplier changes, government fee

updates, selected jurisdiction, business activity, office requirements, visa quotas, document requirements and variable logistics fees. These figures should not be treated as fixed quotations or official government tariffs. Contact Takween Advisory for the latest and most accurate prices based on your specific business setup requirements.

Mainland vs Free Zone Business Setup Cost

The most important financial decision is often the choice between mainland and free zone incorporation.

Mainland Company Setup

A mainland company is licensed through Dubai's Department of Economy and Tourism. The official process includes choosing the business activity, selecting the legal form, checking ownership eligibility, obtaining required approvals, reserving the trade name and completing licence issuance.

The cost can increase when the company needs:

- A dedicated office
- Multiple employee visas
- External approvals
- Specialised premises
- Additional documentation
- Regulated business activities

For businesses planning to operate directly across Dubai's mainland market, the structure and premises requirements should be assessed before choosing a low-cost package based only on the advertised licence price.

Free Zone Company Setup

Free zones can provide different incorporation packages based on business activity and company structure.

The UAE Government confirms that free zones have their own procedures and regulatory frameworks, while Dubai has more than 20 free zones serving different industries.

Free zone packages can sometimes combine licensing, registration, office solutions and visa allocations. However, entrepreneurs should check exactly what is included before comparing packages.

A package advertised at a low price may not include every requirement needed for the business to become fully operational.

What Can Increase the Cost of Company Setup in Dubai?

The advertised licence fee is only one part of the total budget.

Several factors can increase the cost of company setup in Dubai:

Multiple Shareholders

Companies with multiple shareholders may require additional corporate documentation, legal drafting and administrative processing.

Multiple Visas

Each additional employee or dependent can create further immigration and government-related expenses.

Physical Office Requirements

Businesses requiring dedicated commercial premises will have higher setup and recurring costs than companies operating with eligible shared-office arrangements.

Specialised Business Activities

Regulated activities may require additional approvals, inspections, professional qualifications or specific premises.

Foreign Corporate Shareholders

If another company is a shareholder, additional corporate documents may need authentication, translation and legalisation before they can be used in the UAE.

Premium Business Locations

Businesses seeking offices in prominent commercial areas may have significantly higher rental expenses than companies using more economical locations.

Hidden Costs to Check Before Choosing a Business Setup Package

A low advertised setup price does not necessarily represent the total amount you will spend.

Before selecting a package, ask whether the quotation includes:

1. Licence issuance
2. Trade name registration
3. Initial approval
4. Registration or incorporation charges
5. Office or flexi-desk arrangement
6. Establishment or immigration card

7. Visa allocation
8. Investor visa
9. Emirates ID and medical-related costs
10. External government approvals
11. Document attestation and translation
12. Corporate bank account assistance
13. Accounting and tax compliance
14. Renewal fees

This checklist can help entrepreneurs compare packages based on their actual requirements rather than comparing headline prices alone.

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How to Reduce Your Business Setup Cost in Dubai

Cost optimisation does not necessarily mean choosing the cheapest licence.

A more practical approach is to identify what your business genuinely needs.

Choose the Correct Business Activity

Selecting the correct activity from the beginning can reduce the risk of amendments, additional approvals and unexpected regulatory requirements.

Select the Appropriate Jurisdiction

Compare mainland and free zone options according to your target customers, operating model, office requirements and expansion plans.

Avoid Unnecessary Visas

If your business does not initially require multiple employees, avoid paying for unnecessary visa allocations.

Start With a Suitable Office Solution

Where permitted, a flexi-desk or shared office can reduce initial overheads. Businesses requiring physical premises should evaluate the actual regulatory requirements before committing to a larger office.

Budget for Renewal From the Beginning

Business owners should consider annual renewal expenses when calculating the long-term cost of establishing a company.

The UAE provides digital channels for business services, including the Basher service and the National Economic Register, while Dubai has the Invest in Dubai platform for business-related licensing services.

Typical First-Year Budget Scenarios

The following examples are intended to help entrepreneurs understand how different requirements can change the overall budget.

Basic Professional Services Business

A small consulting or professional services company with one owner, limited visa requirements and a suitable shared-office solution may have a first-year planning budget of approximately AED 15,000 to AED 30,000+.

Small Trading Business

A trading company may require a higher budget because of the commercial licence, office requirements, visas and potentially additional operational requirements. A preliminary budget of approximately AED 25,000 to AED 50,000+ may be appropriate depending on the structure and premises.

Business With Multiple Employees

A company employing several people should budget for each employee's visa, Emirates ID, medical and employment-related requirements. The first-year cost can therefore move well above the basic incorporation amount.

Specialised or Regulated Business

Healthcare, food, industrial, education, construction and other regulated activities may require specialised premises and additional approvals. These businesses should obtain a tailored cost estimate before incorporation rather than relying on a standard company formation package.

Why a Detailed Cost Estimate Matters

A business setup budget should distinguish between one-time formation costs and recurring expenses.

One-time expenses can include company registration, initial approvals, incorporation documentation and certain setup services.

Recurring expenses may include:

- Licence renewal
- Office rent
- Visa renewals
- Employee-related costs
- Accounting
- Tax compliance
- Insurance
- Government registrations
- Professional services

Understanding this difference makes it easier to calculate the actual first-year and subsequent-year financial requirements.

How Takween Advisory Can Help With Dubai Business Setup

Takween Advisory can help entrepreneurs evaluate the main cost components before they proceed with company formation.

The support can include assessing the proposed business activity, identifying an appropriate jurisdiction, reviewing licensing requirements, estimating visa and office requirements, preparing documentation and explaining government and operational costs.

Instead of focusing only on the cheapest advertised package, entrepreneurs should evaluate the complete setup requirement and understand what is included in the quotation.

A tailored assessment is particularly useful when the business involves multiple shareholders, foreign corporate documents, regulated activities, employees or physical premises.

Final Thoughts

The [cost of company setup in Dubai](#) depends on the type of business you want to establish, where you register it, the licence you need, your office arrangement and the number of visas or approvals required.

A basic setup can be relatively straightforward, but the overall budget can increase significantly when a business requires dedicated premises, several employees, regulated approvals or specialised services.

The best way to avoid unexpected expenses is to prepare a complete cost checklist before incorporation and confirm which services and government charges are included in the quotation.

Takween Advisory can help entrepreneurs understand the expected costs and requirements for their specific business model so they can plan their Dubai company formation with greater financial clarity.

Frequently Asked Questions

How much does it cost to start a business in Dubai?

A basic business setup can commonly require around AED 12,000 to AED 30,000+, depending on the jurisdiction, licence and package. Businesses requiring offices, multiple visas or additional approvals can require a significantly higher budget.

What is the cheapest way to set up a company in Dubai?

There is no single cheapest option for every entrepreneur because the appropriate structure depends on the business activity, jurisdiction, visa requirements and office needs. A low-cost package may also exclude important services or government charges.

Is office rent included in the Dubai company formation cost?

Not always. Some free zone packages may include a flexi-desk or shared-office arrangement, while other packages exclude premises entirely. A dedicated office normally creates an additional expense.

Does the cost of company setup in Dubai include a residence visa?

Some formation packages include one or more visa allocations, while others charge separately. Entrepreneurs should confirm exactly what is included before paying for a company formation package.

Are government fees included in business setup packages?

It depends on the provider and package. Always request an itemised quotation showing government fees, licensing charges, immigration costs, office costs and professional service fees separately.

How much does a Dubai trade licence cost?

The amount varies according to the licensing authority, business activity, legal structure and other requirements. A trade licence should therefore not be assessed independently from the rest of the company formation budget.

Can foreigners own 100% of a company in Dubai?

Foreign ownership rules depend on the business structure, activity and jurisdiction. Dubai's official business setup guidance provides for checking foreign ownership eligibility during the mainland setup process, while free zones have their own rules.

Does Dubai have corporate tax?

Yes. The UAE applies corporate tax to taxable business profits under the applicable corporate tax rules. Businesses should assess their tax registration, accounting and filing obligations as part of their ongoing compliance budget.

What costs should I check before starting a Dubai company?

At minimum, check the licence, registration, trade name, office, visas, immigration establishment requirements, government approvals, document attestation, translation, accounting, tax compliance and annual renewal costs.

Can Takween Advisory provide an updated Dubai business setup cost estimate?

Yes. Because government charges, authority packages, office costs and supplier fees can change, entrepreneurs should contact Takween Advisory for a current quotation based on their specific activity, jurisdiction, office requirements and visa needs.