

Holiday Homes Frequently Asked Questions (FAQ)

Tourism Licensing and & Quality Assurance Department
Ras Al Khaimah Tourism Development Authority

Holiday Homes - FAQ

Ras Al Khaimah Tourism Development Authority (RAK TDA) has introduced the holiday home regulation to establish and ensure that the Ras Al Khaimah holiday homes are of a good standard and quality.

1. What defines a holiday home?

A Holiday Home is classified as a furnished accommodation which is rented as a whole unit on a daily, weekly, monthly or annual basis without the issuance of a tenancy agreement. Each Holiday Home must be registered with RAKTDA.

2. Where in Ras Al Khaimah can I find a Holiday Home?

Any home in Ras Al Khaimah can be a holiday home providing that it meets the criteria of RAK TDA and holds a valid permit.

3. Who can register a Holiday home?

A holiday home can be registered by both Professional Operators and private individuals.

Registering as a Professional Holiday Homes Operator:

A Professional Operator cannot start operating until both the license and permit from RAK TDA has been obtained.

1. A Professional Operator will need a license, which states "holiday homes" as an activity. (Contact RAKTDA for information on how to obtain this.)
2. Once you have the correct license you must apply for a permit from RAK TDA. This process can be done online by following the below link: <https://www.holidayhomesrak.com>

Registering your company with RAK TDA:

Step One: Go to <https://www.holidayhomesrak.com> click on Register a new Operator, and fill in the required details

Step Two: Fill in the manager's details

Step Three: Upload a copy of your trade license in one of the required formats

You will receive an email from RAK TDA showing that your account has been activated.

Receiving your Permit

Once your account has been activated you can log in to apply for your Permit to operate the Holiday Homes:

Step One: Log in to your account

Step Two: Click on add unit – There is no minimum or maximum that you need to add

Step Three: Fill in the unit details form

Step Four: Upload the required documents in one of the required formats.

These are:

1. Unit Title Deed
2. Owner's Passport copy/ license and authorized person passport copy for cooperate owners
3. Authorization letter
4. Recent FEWA bill
5. NOC from the Developer to operate the unit as a holiday home

Step Five: Submit the application and wait for RAK TDA Approval (this should be in no more than 48hrs)

Step Six: Once your application has been approved you will receive your confirmation email to log into your account and pay the required fees using a credit or debit card through our payment gateway

Step seven: Once payment has been authorized you will receive a copy of your Permit by email

Step eight: You can now register your unit(s) with Air

RAK TDA will send you an email if there is a problem registering the unit or if your application has been rejected stating the reasons why.

Registering as an Individual Holiday Homes Operator:

If you are an individual wishing to register your unit there is no need to have a license.

- Step One: Go to <https://www.holidayhomesrak.com> click on Register an individual operator, and fill in the required details
Step Two: Enter your contact information
Step Three: Upload a copy of your Emirates ID or Passport in one of the required formats

You will receive an email from RAK TDA showing that your account has been activated.

Receiving your Permit:

Once your account has been activated you can log in to apply for your Permit to operate the Holiday Homes:

- Step One: Log in to your account
Step Two: Click on add unit – There is no minimum or maximum that you need to add
Step Three: Fill in the unit details form
Step Four: Upload the required documents in one of the required formats.

These are:

1. Unit Title Deed
2. Recent FEWA bill under the owner name
3. Owner Passport copy or Emirates ID
4. NOC from the Developer to operate the unit as a holiday home
5. FEWA Bill

For tenants who have the approval of their landlord to operate the home as a Holiday Home the following documents are required in addition:

1. Lease Agreement with subleasing clause
2. No Objection Certificate from Landlord
3. Unit Title Deed
4. Recent FEWA bill under the owner name
5. Tenant Passport copy or Emirates ID
6. NOC from the Developer to operate the unit as a holiday home
7. FEWA Bill

Step Five: Submit the application and wait for RAK TDA Approval (this should be in no more than 48hrs)

Step six: Once your application has been approved you will receive your confirmation email to log into your account and pay the required fees using a credit or debit card through our payment gateway.

Step seven: Once payment has been authorized you will receive a copy of your Permit by email.

Step eight: You can now register your unit(s) with Airbnb

RAK TDA will send you an email if there is a problem registering the unit or if your application has been rejected stating the reasons why.

4. How long does the online Initial Approval process take?

Registering to be come an Operator/Individual will only take a few minutes online. You will receive confirmation that your account has successfully been created. Applying for the Permit will again only take a few minutes online and approval for the permit shall take less than 48hrs

5. How much will it cost to apply?

Account creation	AED 100
One bedroom permit	AED 300
Two bedrooms permit	AED 600
Three bedrooms permit	AED 900
Four bedrooms permit or more	AED 1,200

6. How much should we collect as Tourism Dirham?

TD (Tourism Dirham) is 15 AED per unit per night

7. Do I need Contract from the owner?

No, a tenancy contract is not required, when you register any unit in the system, you need to provide us with:

- Unit Title Deed.
- Owner's Passport Copy.
- Authorization (letter template will be provided upon getting a license)
- FEWA bill for the mentioned unit.
- NOC from the developer

8. I only have one unit, what do I need to do to register this as a Holiday Home?

Home owners with more than 5 units, who wish to rent out their property as a holiday home will be required to use the services of a licensed operator, with their property becoming part of the operator's portfolio.

9. I am already leasing my property as a holiday home, is that an issue?

By the law that all properties leased as a Holiday Home MUST be rented through a license/ permit holiday home rental All existing units that are being rented for the purpose of use as a holiday home must be registered, failing to do so will result in a fine. However, after the law, all property owners who are gaining revenue from the rental of their properties as holiday homes will be subject to fines.

10. How much are the fines?

All terms and conditions are detailed on the RAKTDA website.

Fine Description	First contravention	Second contravention	Third contravention
Practicing a tourism activity without a license or permit from the authority	5,000	10,000	The establishment may be closed down and payment of all charges payable for the period it has operated without a license shall be made. If violations continue, it may not be given tourism license.
Failure to pay the "Tourism Dirham" fee within the prescribed time limit	10% of the unpaid fee, fine must not be less than AED 1000		
Failure to collect the "Tourism Dirham" fee from guests	10% of the unpaid fee, fine must not be less than AED 1000		
Failure to submit, within the prescribed time limit, the final accounts and balance sheet audited by an auditor licensed to operate in the Emirate	AED 5,000		
Failure to include the "Tourism Dirham" fee collection data in the accounting book and records	AED 5,000		
Failure to maintain accounting books and records in which the "Tourism Dirham" fee is recorded	AED 5,000		
Failure to record the "Tourism Dirham" fee in all accounting documents, records, and book, and the financial systems used by the hotel establishment	AED 5,000		
Manipulating accounting data or providing incorrect, incomplete, or false information, records, or statements	AED 15,000		
Performing any act with the intention to evade the payment of the outstanding Tourism Dirham fee	AED 5,000		
Performing any act with the intention to evade the payment of the outstanding Tourism Dirham fee	AED 5,000		

Failure to inform a guest of the "Tourism Dirham" fee as specified by the authority, or failure to display the same in the invoices issued to the guest	AED 1,000
Failure to prepare a monthly account statement of all rooms' occupancy and the collected "Tourism Dirham" fee, and provide the authority with such statement upon such fee falling due	AED 3,000
Delay in submitting the monthly account statement of all rooms occupancy and the collected "Tourism Dirham" fee	AED 1,000
Failure to comply with the prescribed "Tourism Dirham" fee according to the number of rooms	AED 5,000 With payment of any fee differences, if any
Collecting any amounts as "Tourism Dirham" in excess of the amounts herein determined or collect any amounts in breach of the provision herein stated.	AED 5,000 With transfer to the authority the fees wrongfully collected

11. How do I find a Property Management Company?

At the meanwhile, you can ask Tourism Licensing and & Quality Assurance Department for assistance.

12. Will RAKTDA visit the unit?

Yes. The Tourism Licensing and & Quality Assurance Department, they will go through a list of the criteria and Classify the unit.

***Note:**

Please be informed that you will need to upload a scanned company of your License. In order to be legitimate and able to operate, operators must have a portfolio minimum of 5 units

Financials

13. When is the payment due for the Tourism Dirham fee?

The holiday home establishment should pay the total amount due for the current month not later than the 15th of the following month to avoid fine for late payment.

14. How does the holiday home establishment know the total Tourism Dirham amount to be paid for each month?

The operator/ Individuals can generate the month end report, which will provide a full list of all transactions processed during a particular month. They can review and amend any changes to the monthly data between the 1st and the 10th day of the following month. After the 10th day the system will not allow any modifications to such data and will generate a payment order to the establishment with the Tourism Dirham amount due.

15. How can I pay the Tourism Dirham?

The following payment methods are supported by RAKTDA:

A. cash or cheque to be directly deposited into a RAKTDA bank account. All deposits should be as per the following details:

Account Title	RAK Tourism Development Authority
Account No	0002404754001
IBAN No	AE58 0400 0000 0240 4754 001
SWIFT Code	NRAKAEAK
Branch	Al NAKHEEL
Bank Name	The National Bank of Ras Al Khaimah (RAKBANK)

B. Wire transfer to RAKTDA bank account as per the above-mentioned details. The holiday home operator/individual should update the Tourism Dirham system (payment confirmation screen).

***Note:**

Always provide the holiday home unit permit number when making Tourism Dirham payments.

Regulation

16. What is the Tourism Dirham amount I must pay?

AED 15 Per unit / per night

17. How is the Tourism Dirham calculated?

The Tourism Dirham shall be charged for each occupied unit per night, according to the amount shown in the fee table

The formula for calculating the Tourism Dirham can be summarized as follows:

Tourism Dirham = number of nights' x number of units' x Tourism Dirham.

As the Tourism Dirham is calculated for physical occupancy, it will not be collected for no-shows, pre-bookings and planned bookings.

18. What is the definition of a bedroom?

A bedroom is defined as a unit that includes a bed or more. The maids' room is considered as a bedroom.

19. I booked a unit with one bedroom and a living room. What will I be charged for?

This will be charged as one bedroom.

20. Do I have to display the Tourism Dirham fee to the guest?

Yes. When a receipt, bill, invoice or other document is issued to the guest, the amount of the Tourism Dirham fee should be clearly shown on such document, as a separate item or charge. This label of such fee should be "Tourism Dirham".

Failure to inform the guest of the Tourism Dirham as specified by RAKTDA, or failure to account for the Tourism Dirham in the invoices issued to the guest will result in a fine (please refer to the violation list).

21. If I have a guest staying in one-bedroom unit at a rate of AED 1,200/- inclusive of the RAK Municipality fee and Service Charge, what is the total bill to the guest?

In this case, the total bill will amount to AED 1,215/- (AED 1,200/ unit rate, + AED 15 Tourism Dirham fee)

No Service Charge and RAK Municipality fee.

22. Is the Tourism Dirham fee applicable for complimentary stays?

Yes, the Tourism Dirham is applicable to all guests' stays, even if their accommodation is free of charge. The same includes, but is not limited to corporate incentives, familiarization trips, loyalty program redemptions, raffles and vouchers.

23. Is the Tourism Dirham fee applicable for promotional stays?

Yes, the Tourism Dirham is applicable to all guests' stays, even if their accommodation is free of charge as part of a promotional offer.

24. My holiday home establishment is providing an offer "stay three nights and pay for two" – how would the Tourism Dirham be calculated?

The Tourism Dirham fee will be applicable to all three nights.

25. Is the Tourism Dirham fee applicable for long stays?

For long stay bookings, the Tourism Dirham will be charged, however only for the first 30 consecutive nights.

In case of unit rented by company/multiple number of guest and the primary guest left while other guest are going to continue staying, unit to be checked out and new check in for rest of guest staying.

26. Is the Tourism Dirham fee applicable for short stays?

Yes, the Tourism Dirham is applicable for short stays, for example if the guest only stays for two or three hours and checks-out, the Tourism Dirham will be charged for that day.

27. For monthly and annual long stay leases, do we need to wait for check-out day to report the check-out and have the Tourism Dirham calculated for the said period?

Holiday home establishments should pay their Tourism Dirham dues on a monthly basis. Long stay contracts need cleared on a monthly basis as well.

28. A company has made contract with a Holiday Home by booking a unit for a year but wasn't mentioned specific guest. i.e., different names can use this unit by rotation, means the unit will remain opened (not checked-out) along the year, and the one who has checked-in, in the beginning will keep swapping with others until the contract finished. How Tourism Dirham will be chargeable, is going to be dealt with as paying only one month or every single guest must check-out & pay?

The calculation is purely based on check in and check out (based on Guest actual stay) – regardless of contract with any companies. All Guest who are occupying the unit physically will pay a maximum of 30 days Tourism Dirham fee for a single check in and check out transaction. For the period the unit is unoccupied the Tourism Dirham payment is not required. If the occupants of a long term apartment change, Tourism Dirham must be charged for the new occupant even if 30 days fee has already been charged.

29. Charge the T.D. for the late check-out, mostly guest is requesting and we giving and charging of the half rate till 6pm. But still T.D. is applicable?

No Tourism Dirham will be paid if the holiday home is charging a late check out fees. The extra day is used when the actual night is charged in full.