



MALDIVES
INLAND REVENUE
AUTHORITY



Q4 QUARTERLY REPORT

2 0 1 8

MALDIVES INLAND
REVENUE AUTHORITY



Maldives Inland
Revenue Authority



MIRAmaldives



Mira Maldives



miramaldives

T: 1415 E: 1415@mira.gov.mv W: mira.gov.mv

ABBREVIATIONS

16Q1	2016, First Quarter
16Q2	2016, Second Quarter
16Q3	2016, Third Quarter
16Q4	2016, Fourth Quarter
17Q1	2017, First Quarter
17Q2	2017, Second Quarter
17Q3	2017, Third Quarter
17Q4	2017, Fourth Quarter
18Q1	2018, First Quarter
18Q2	2018, Second Quarter
18Q3	2018, Third Quarter
18Q4	2018, Forth Quarter
ACCA	Association of Chartered Certified Accountants
ASC	Airport Service Charge
ADF	Airport Development Fee
ATF	Airport Taxes and Fees
BPT	Business Profit Tax
CPD	Continuing Professional Development
DTA	Double Tax Avoidance
GGST	Goods and Services Tax (Non-Tourism Sector)
GST	Goods and Services Tax (refers to both TGST and GGST)
GRT	Green Tax
MIRA	Maldives Inland Revenue Authority
MVR	Maldivian Rufiyaa
TGST	Goods and Services Tax (Tourism Sector)
USD	United States Dollar
WHT	Withholding Tax



C O N T E N T S

A. REVENUE
COLLECTION

01

B. ACTIVITIES
DURING THE QUARTER

12

C. QUARTER IN
PICTURES

17

D. DETAILED
REVENUE FIGURES

18

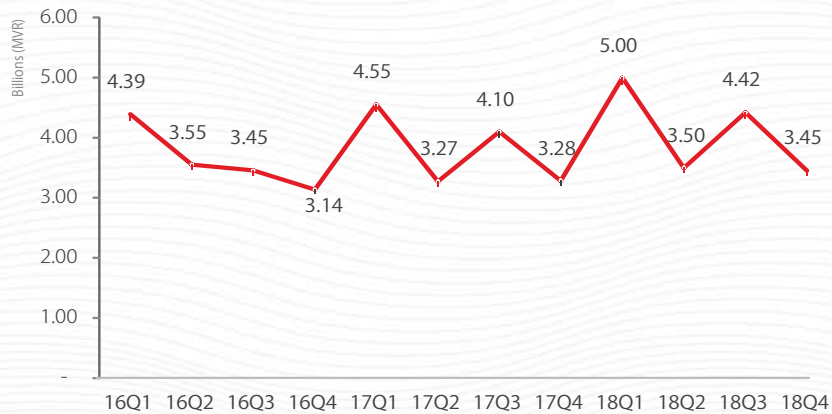


A. REVENUE COLLECTION

1. TOTAL REVENUE COLLECTION

1.1

TOTAL REVENUE COLLECTION



The quarterly revenue collection sums up to MVR 3.45 billion in 18Q4. Quarterly revenue surpassed the revenue collected in the corresponding quarter of 2017 and projection by 4.5% and 3.8%, respectively.

Increment in GST (from both tourism and general sector), Green Tax, Withholding Tax, Construction Period Extension Fee, and Land Acquisition and Conversion Fee, along with Airport Development Fee led to this favorable outcome in 18Q4.

Quarterly revenue exceeded the forecasted revenue due to the growth observed for TGST, Land Acquisition and Conversion Fee, and Construction Period Extension Fee.

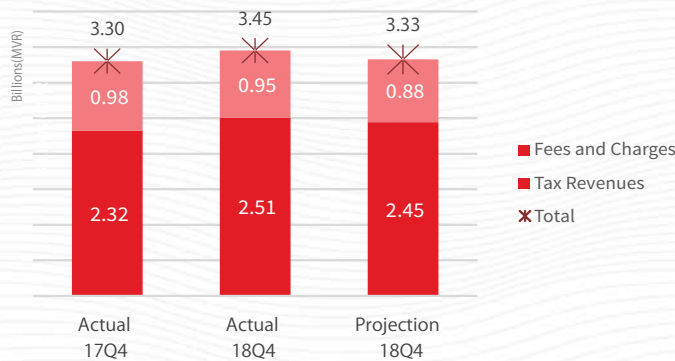
MVR 3.45 billion
Total collection, inclusive of USD collection

+4.5%
compared to 17Q4

+ 3.8%
compared to projection for the quarter

1.2

REVENUE COMPOSITION OF 18Q4



TAX REVENUES

MVR 2.51 billion

+ 7.9%
compared to 17Q4

+ 2.4%
compared to projection for the quarter

Out of the tax revenues, TGST, GGST, Green Tax, Land Sales Tax and Sale of Revenue Stamp outdid the revenue collected in the corresponding quarter of 2017, whereas a slight decrement was observed for Withholding Tax, Airport Service Charge, and BPT.

In comparison to 17Q4, the highest increment was observed for GST revenue from the general sector with 15.6%, followed by TGST with an increment of 7.9%. Additionally, as in 18Q4 tourist arrivals increased by 1.7% compared to 17Q4, TGST and Green Tax revenue outdid the revenue collected in 17Q4 and projection.

On the other hand, in 18Q4, BPT and Remittance Tax revenue are lower compared to 17Q4. In 17Q4, dues relating to BPT were collected in significant amounts and some taxpayers paid their BPT second interim for 2017 ahead of the deadline.

NON-TAX REVENUES

MVR 0.95billion

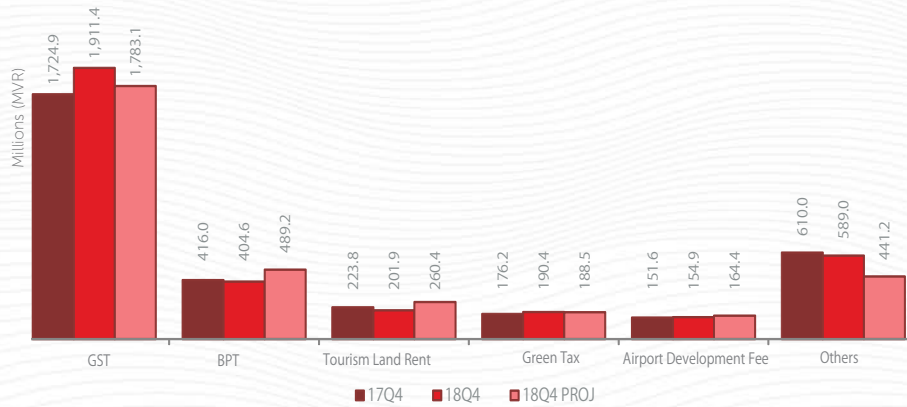
- 3.4%
compared to 17Q4

+ 7.4%
compared to projection for the quarter

A decrement of MVR 33.02 million was observed for non-tax revenues when compared to 17Q4, whereas the quarterly collection exceeded the forecasted revenue by MVR 65.49 million. The decrement compared to 17Q4 was due to the receipt of Lease Period Extension Fee in 17Q4, while no taxpayers opted to pay to extend their Lease Period Extension Fee in 18Q4.

The increment against projection was mainly due to the higher collection of Land Acquisition and Conversion Fee, Corporate Social Responsibility Fee and Residential permit.

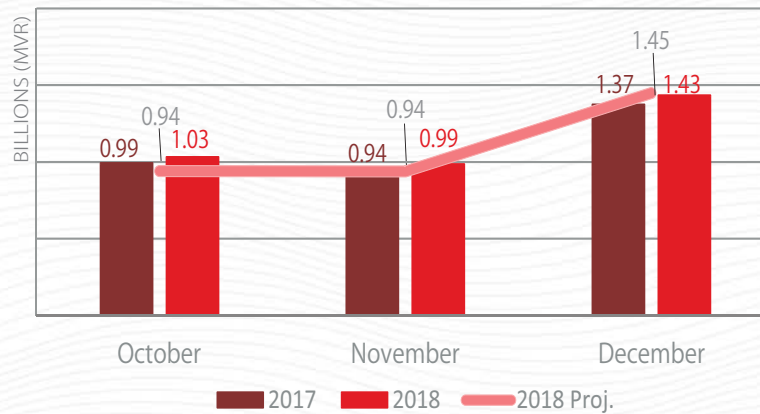
1.3 TOP FIVE REVENUE CONTRIBUTORS OF 18Q4



Revenue	Compared to 17Q4	Compared to Projection	Share of 18Q4
GST	+10.8%	+7.2%	55.4%
TOURISM LAND RENT	-2.7%	-17.3%	11.7%
BPT	-9.8%	-22.5%	5.8%
GREEN TAX	+8.0%	+1.0%	5.5%
AIRPORT DEVELOPMENT FEE	+2.2%	-5.8%	4.5%

Top 5 revenue contributors for the quarter mutually accounted for 82.9% of the total revenue.

1.4 COMPARISON AGAINST 17Q4 AND PROJECTION: MONTHLY

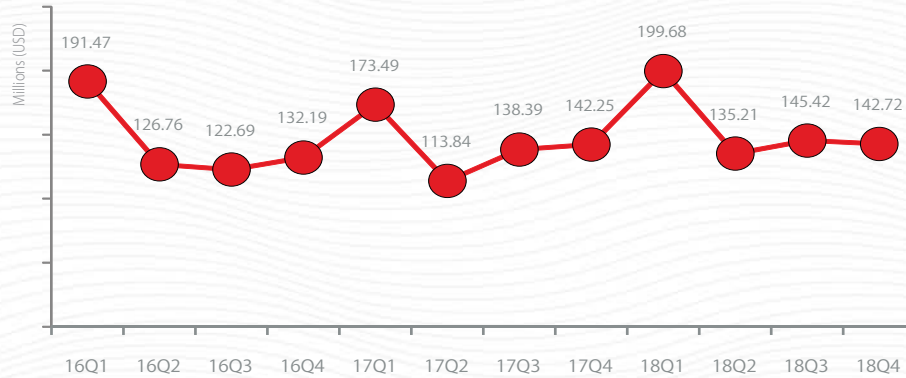


Months	Compared to 2017	Compared to Projection
October	+4.0%	+9.7%
November	+5.3%	+5.2%
December	+4.5%	-1.0%

2. USD REVENUE COLLECTION

2.1

USD COLLECTION



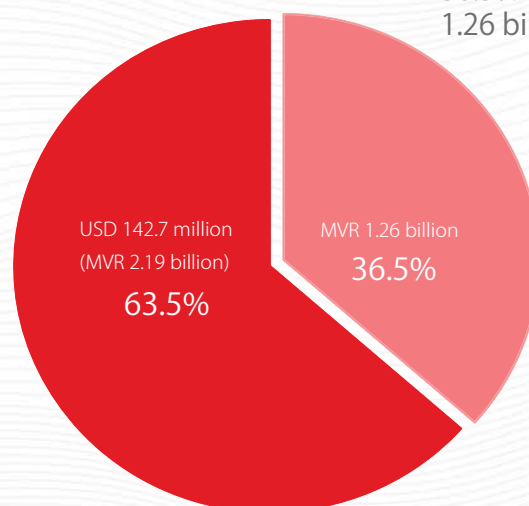
USD 142.72 million

+ 0.3%
compared to 17Q4

The increment in 18Q4 was due to the higher collection of TGST, Land Acquisition and Conversion Fee and Construction Period Extension compared to 17Q4.

2.2

CURRENCY COMPOSITION

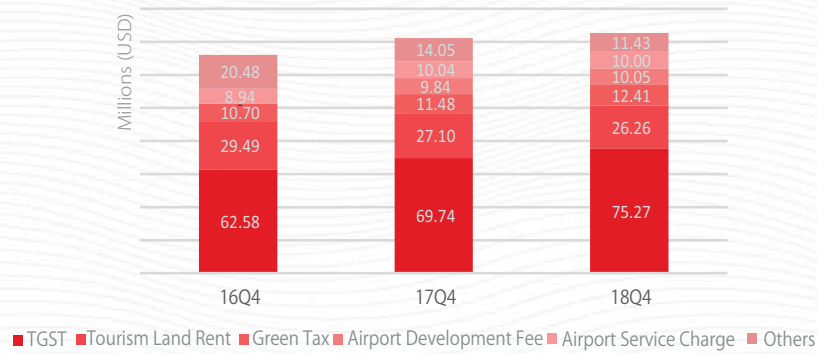


Revenue received in MVR accounts for 36.5% of the revenue, which is MVR 1.26 billion.

63.5% of the revenue was received in USD (USD 142.7 million), which is equivalent to MVR 2.19 billion.

2.3

USD REVENUE GROWTH

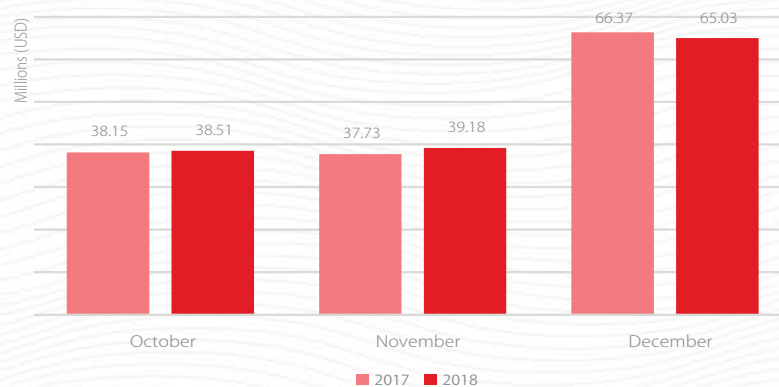


Revenue	Compared to 17Q4	Share of 18Q4
TGST	+7.9%	52.7%
TOURISM LAND RENT	-3.1%	18.4%
GREEN TAX	+8.1%	8.7%
AIRPORT DEVELOPMENT FEE	+2.2%	7.0%
AIRPORT SERVICE CHARGE	-0.4%	7.0%

The top five USD contributors mutually account for 92.1% of the total USD revenue.

2.4

COMPARISON AGAINST 17Q4: MONTHLY



Months	Compared to 2017
October	+1.0%
November	+3.9%
December	-2.0%

TOP REVENUE CONTRIBUTORS



3.1

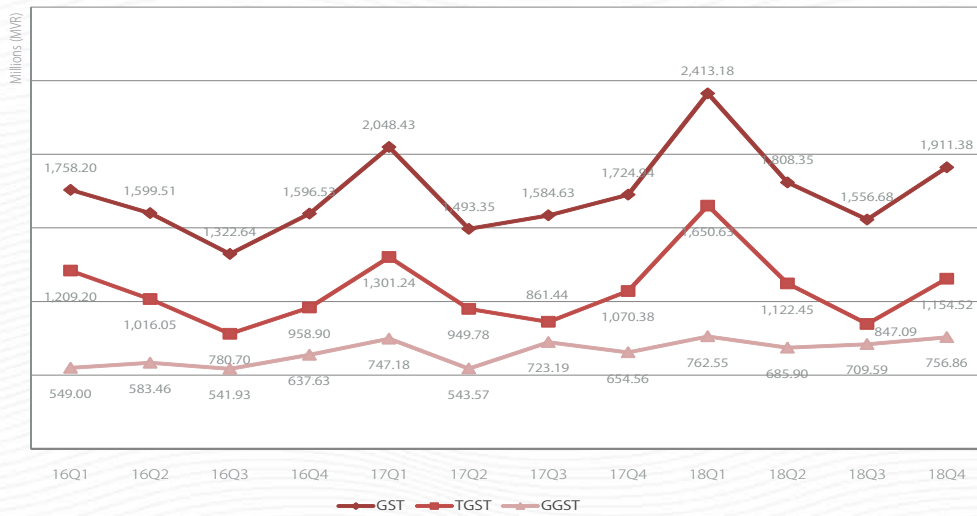
TOTAL GST COLLECTION

MVR 1.91 billion

+ 10.8%
compared to 17Q4

+ 7.2%
compared to projection for the quarter

60.4% of the GST collection relates to tourism sector, while the remaining 39.6% relates to the GST from general sector in 18Q4.



3.2

TGST COLLECTION

MVR 1.15 billion

+ 7.9%
compared to 17Q4

+ 13.1%
compared to projection for the quarter

3.3

GGST COLLECTION

MVR 756.86 million

+ 15.6%
compared to 17Q4

- 0.7%
compared to projection for the quarter

In contrast to 17Q4, tourist arrivals in this quarter increased by 1.7%. Additionally, timely receipt from most of the taxpayers had led to this favorable outcome in 18Q4.

GGST revenue depicts an upward trend over the quarters. Even though, the quarterly collection increased compared to 17Q4, a slight decrement of 0.7% was observed against projection, due to non-payment of GST on deadline.

3.4

TOTAL BPT COLLECTION

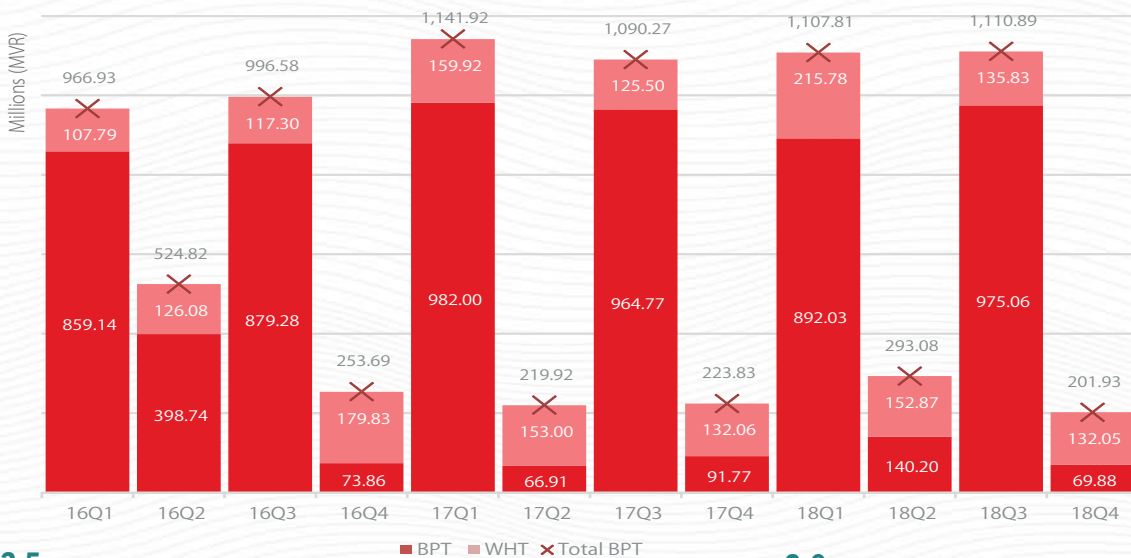
MVR 201.93 million

- 9.8%
compared to 17Q4

- 22.5%
compared to projection for the quarter

Total BPT revenue consists of revenue received from the profit component of BPT and the collection of WHT.

In 18Q4, 48.7% of the BPT revenue relates to the profit component of while the remaining 51.3% relates to Withholding Tax revenue.



3.5

BPT PROFIT COMPONENT COLLECTION

MVR 69.88 million

- 23.9%
compared to 17Q4

- 44.9%
compared to projection for the quarter

3.6

WHT COLLECTION

MVR 132.05 million

- 0.01%
compared to 17Q4

- 1.2%
compared to projection for the quarter

The fluctuations in the total BPT revenue over the quarters is dictated by the BPT deadlines (Interim and final payment deadlines).

No deadlines fell within the last quarter of 2018. In 17Q4, dues were collected in significant amounts and some taxpayers paid their BPT second interim payment for 2017 ahead of the deadline, which fell on 31 January 2018. No such significant early payments were noted in 18Q4. As such the collection of 17Q4 is higher than 18Q4.

Withholding tax receipts in 18Q4 is slightly lower than the collection of 17Q4. As there are taxpayers who filed their returns on-time but did not pay their due amount on the deadline, the quarterly revenue collection is 1.2% lower than the forecasted revenue.

3.7

TOURISM LAND RENT COLLECTION



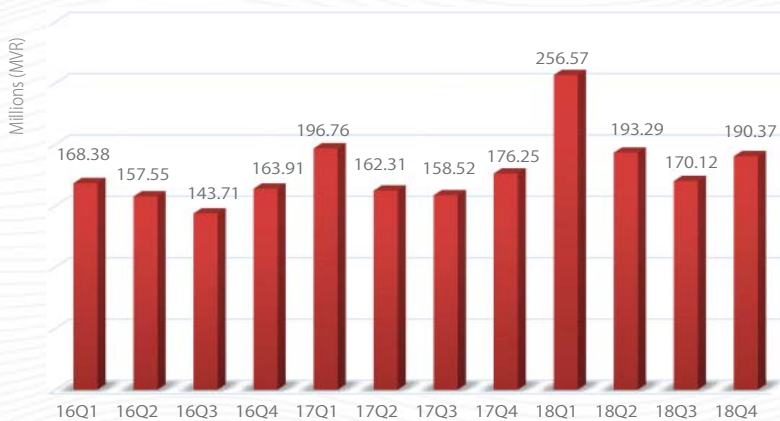
MVR 404.64 million
 - 2.7%
 compared to 17Q4
 - 17.3%
 compared to projection for the quarter

The deadline of Tourism Land Rent for the first quarter of 2019 fell to 18Q4. In contrast to 17Q4, even though there are more taxpayers in the tax net, non-payment of Tourism Land Rent by the deadline led to the decrement against 17Q4.

Furthermore, pursuant to the latest amendments brought to the Tourism Act, taxpayers with developing tourist establishments can defer the Tourism Land Rent payment by opting to extend construction period; after paying Construction Period Extension Fee along with the administration fees. Also, there are few non-payers for the quarter. This led to the decrement in receipts compared to the projection.

3.8

GREEN TAX

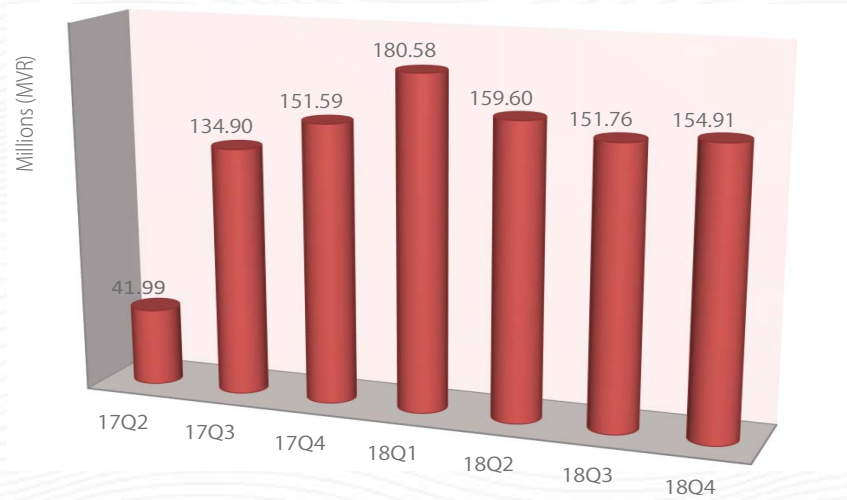


MVR 190.37 million
 + 8.0%
 compared to 17Q4
 + 1.0%
 compared to projection for the quarter

Revenue from Green Tax totaled to MVR 190.37 million. The increment compared to 17Q4 and forecasted revenue was due to the increment in tourist arrivals in 18Q4, compared to the corresponding period of 2017.

3.9

AIRPORT DEVELOPMENT FEE



MVR 154.91 million

+ 2.2%
compared to 17Q4

- 5.8%
compared to projection for the quarter

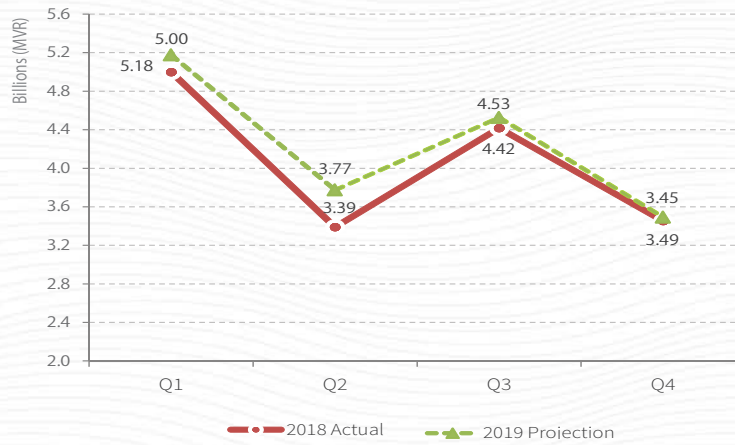
Quarterly revenue collection from Airport Development Fee, which commenced on 1 May 2017 with the enactment of Airport Taxes and Fees Act, is 154.91 million. This is an increment of 2.2% compared to the collection of 17Q4.

However, as some airlines have not paid their dues on the deadline, this resulted in the decrement of collected revenue compared to the projection.

4. OUTLOOK

4.1

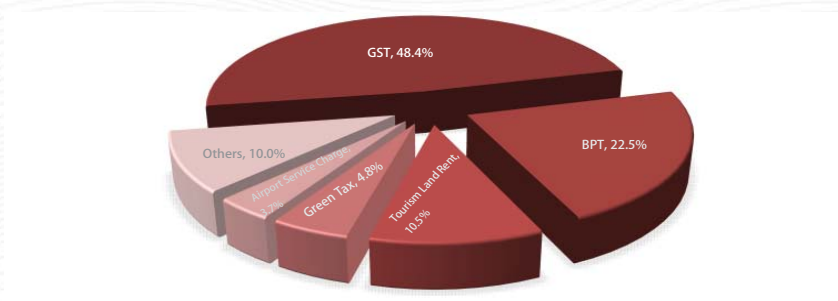
REVENUE OUTLOOK FOR 19Q1



MVR 5.18 billion is projected to be received in the first quarter of 2019, which is an increment of 3.6% compared to 18Q1.

4.2

19Q1 REVENUE BREAKDOWN



GST is expected to be the major revenue contributor in 19Q1 followed by BPT, as the deadline for the second interim payment of 2018 falls in 19Q1. Tourism Land Rent is expected to be the third highest revenue contributor for the upcoming quarter, as the deadline for Tourism Land Rent for the second quarter of 2019 falls within the first quarter. With the increment in taxpayers in the tax net, and as tourist arrivals are projected to increase, revenue from Green Tax is expected to be in the top five revenue contributors for 19Q1, along with Airport Service Charge.

B. ACTIVITIES DURING THE QUARTER

- G47 Twenty-fourth amendment to the Goods and Services Tax Regulation
- G48 Fifth amendment to the Tax Ruling TR-2015/G23
- B67 Approved banks and financial institutions
- B68 First amendment to the Tax Ruling TR-2018/B64

TAX RULINGS ISSUED



- Fifth amendment to the Goods and Services Tax Act

AMENDMENT TO TAX LAWS



TAXPAYER AWARENESS PROGRAMS

2 MIRAconnect training sessions
(20 Participants)

19 training sessions to new registrants
(78 participants)

2 sessions Tax Agents/auditor CPD program (7 participants)

2 information sessions to govt offices, schools, SOEs
(65 participants)

3 MIRA shows (1415 show)

33 media interviews

COMPLIANCE

2,608 compliance visits

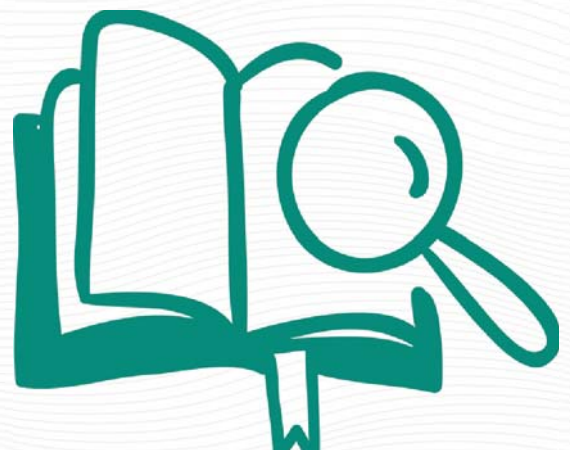
341 non-compliance notices issued

AUDITS AND INVESTIGATIONS

Tax type	No of audits	Additional Tax Assessed (MVR)
GGST	150	24,489,932.00
TGST	82	63,283,525.84
BPT	61	4,081,417.00
WHT	110	46,104,615.46
Green Tax	54	1,225,966.02
Total	457	139,185,456.32

4 Investigation audits completed.
additional tax assessed:
MVR 2,868,398

457
AUDITS
MVR 139.19 million
ADDITIONAL TAX ASSESSED



REGISTRATIONS

Category	Registrants at the beginning of the quarter	New registrants	De-registrations	Net total
Business Registrants	35,113	817	10	35,920
TGST	1,706	50	1	1,756
GGST	12,005	395	6	12,394
Green Tax	1,262	73	13	1,322
Remittance Tax	13	13	-	26
Bank Profit Tax	8	-	-	8
Airport Service Charge	40	3	-	43

ENFORCED COLLECTION



TOTAL ENFORCED COLLECTION MVR 442,426,126.39

Amount recovered under:

Dunning MVR 257,261,235.90

Reminder calls/emails MVR 127,601,688.31

Bank Account Freezing Policy MVR 19,144,293.56

Dues Clearance MVR 35,744,081.50

Action Policy MVR 2,095,340.42

Final notices issued to 2,292 non-filers and 1,195 non-payers

Installment plans granted to 143 taxpayers in 18Q4

OBJECTIONS

12

objections received

3 GGST
3 TGST
5 BPT
1 WHT



31

objections completed

9 GGST
4 TGST
11 BPT
7 WHT

LEGAL ACTIONS



 **0** cases filed by MIRA with Civil Court

 **32** judgements passed in favour of MIRA

 **14** case filed against MIRA

 **2** judgements passed against MIRA

HR MANAGEMENT



10

staff recruited during the quarter

11

staff terminated/ released during the quarter

279

staff working at MIRA at the end of the quarter

TRAININGS AND CONFERENCES

2

overseas conferences/seminars

4 participants

12

overseas trainings

32 participants



9

staff development programs

431 participants

12

staff studying for ACCA on scholarship

C. QUARTER IN PICTURES

Oct 30 - 1 Nov

Knowledge Exchange and Training Programme between the OECD Korea Policy Centre and MIRA



Nov 9 - 10

CG Cup 2018



Nov 12

Certificate 1 in Taxation in Maldives- Batch 6



Nov 19

Celebrating International Men's Day



Dec 8

MIRA staff took part in National Cleaning Event



Dec 11

Information session to Maldives Police Service



Dec 15

Madhadhu: Fiyavathi donation event



Dec 15

Madhadhu: Fiyavathi donation event



D. DETAILED REVENUE FIGURES

Table 1 Total Revenue Contribution, 18Q4 and Comparison Against 17Q4 (MVR)

Description	18Q4	17Q4	Growth	% Share
TAX REVENUES	2,505,235,442	2,322,556,067	7.9%	72.6%
Airport Service Charge	153,383,246	154,189,320	-0.5%	4.4%
Bank Profit Tax	939,235	-		0.0%
BPT	69,880,657	91,768,597	-23.9%	2.0%
Green Tax	190,369,486	176,247,575	8.0%	5.5%
GGST	756,863,202	654,563,209	15.6%	21.9%
TGST	1,154,515,130	1,070,379,581	7.9%	33.4%
Land Sales Tax	11,706,998	8,985,817	30.3%	0.3%
Remittance Tax	22,413,784	24,152,749	-7.2%	0.6%
Revenue Stamp	13,113,015	10,203,120	28.5%	0.4%
WHT	132,050,687	132,063,027	0.0%	3.8%
NON-TAX REVENUES	946,946,570	979,968,378	-3.4%	27.4%
Airport Development Fee Charge	154,910,146	151,586,908	2.2%	4.5%
Business Permits ¹	7,553,978	11,405,677	-33.8%	0.2%
Construction Period Extension Fee	35,446,500	17,490,000	102.7%	1.0%
Corporate Social Responsibility Fee	-	-		0.0%
Fines	74,263,079	57,770,598	28.5%	2.2%
Land Acquisition and Conversion Fee	51,056,730	17,403,343	193.4%	1.5%
Lease Period Extension Fee	-	112,632,000	-100.0%	0.0%
Non-tourism Property Income ²	39,378,609	35,375,943	11.3%	1.1%
Ownership Transfer Tax	-	1,611,800	-100.0%	0.0%
Proceeds from Sale of Assets ³	9,907,722	9,619,977	3.0%	0.3%
Resident Permit	91,881,100	76,085,000	20.8%	2.7%
Royalties ⁴	18,697,027	22,306,243	-16.2%	0.5%
Tourism Administration Fee	6,134,000	-		0.2%
Tourism Land Rent	404,638,126	415,962,810	-2.7%	11.7%
Vehicle Fee	22,636,866	20,823,069	8.7%	0.7%
Vessels Fee	5,445,791	7,411,186	-26.5%	0.2%
Zakat Al-Mal	23,857,491	19,040,270	25.3%	0.7%
Others ⁵	1,139,404	3,443,555	-66.9%	0.0%
Total	3,452,182,011	3,302,524,445	4.5%	100%

¹ **Business Permits:** Company Annual Fee, Restaurant, Café, Canteen Fee, Flat Maintenance Fee, Partnership Fees, Import Trade Fee, Co-operative Society Fees, Sole Trader Registration Fee, Trade Registry Fee, Foreign Investment Administration Annual Fee, Company Registration Fee, Foreign Business Fee, Dive School Registration Fee, Guest House Registration Fee, Other Registrations & License, Motor Vehicle and Vessel, Bank Mortgage Registration Fee, Sale of Tender Documents, Sale of Pass

² **Non-tourism Property Income:** Uninhabited Islands Rent, Government Buildings Rent, Commercial Land Rent, Rent from land for Industry, Longterm Agricultural leased islands rent, Rent from Floating Jetty, Uninhabited Islands Administration Fee

³ **Proceeds from Sale of Assets:** Sale of items at auction, Sale of Government Buildings, Sale of Government Lands

⁴ **Royalties:** Duty Free Royalty, Foreign Investment Royalty, Fishing Royalty, Fuel re-export Royalty, Re-Export Royalty, Yellowfin Tuna Export Royalty, Skipjack Industry Royalty

⁵ **Others:** Other Registration and License fees, Reimbursement from previous year's budget, Sadaqa/Donation

Table 2 Total USD Revenue Contribution, 18Q4 (USD)

Description	18Q4	% Share
TGST	75,271,224	51.8%
Tourism Land Rent	26,255,523	18.1%
Green Tax	12,409,343	8.5%
Airport Development Fee	10,054,559	6.9%
Airport Service Charge	9,999,281	6.9%
Others	588,954,576	7.9%
Total	145,417,969	100.0%

*Others: Airport Service Charge, Business Permits, BPT, Fines, Construction Period Extension Fee, CSR Fee, Land Acquisition and Conversion Fee, Royalties, Ownership Transfer Tax, Tourism Administration Fee, Other fees and charges, Vessel Fee

Table 3 Comparison Against Projection (MVR)

Description	Actual 18Q4	Projection 18Q4	% Variance
TAX REVENUES	2,505,235,442	2,445,432,534	2.4%
Airport Service Charge	153,383,246	164,381,177	-6.7%
Bank Profit Tax	939,235	-	
BPT	69,880,657	126,801,516	-44.9%
Green Tax	190,369,486	188,512,575	1.0%
GGST	756,863,202	762,361,022	-0.7%
TGST	1,154,515,130	1,020,784,937	13.1%
Land Sales Tax	11,706,998	7,038,700	66.3%
Remittance Tax	22,413,784	31,954,886	-29.9%
Revenue Stamp	13,113,015	9,989,922	31.3%
WHT	132,050,687	133,607,800	-1.2%
NON-TAX REVENUES	946,946,570	881,453,273	7.4%
Airport Development Fee	154,910,146	164,381,177	-5.8%
Business Permits ¹	7,553,978	9,885,499	-23.6%
Construction Period Extension Fee	35,446,500	6,939,000	410.8%
Corporate Social Responsibility Fee	-	-	
Fines	74,263,079	42,267,394	75.7%
Land Acquisition and Conversion Fee	51,056,730	5,220,938	877.9%
Lease Period Extension Fee	-	-	
Non-tourism Property Income ²	39,378,609	36,781,494	7.1%
Ownership Transfer Tax	-	231,300	-100.0%
Proceeds from Sale of Assets ³	9,907,722	4,603,236	115.2%
Resident Permit	91,881,100	73,376,743	25.2%
Royalties ⁴	18,697,027	21,643,475	-13.6%
Tourism Administration Fee	6,134,000	4,170,301	47.1%
Tourism Land Rent	404,638,126	489,222,245	-17.3%
Vehicle Fee	22,636,866	19,443,312	16.4%
Vessels Fee	5,445,791	3,287,160	65.7%
Zakat Al-mal	23,857,491	-	
Others ⁵	1,139,404	-	
Total	3,452,182,011	3,326,885,807	3.8%

* Refer to Table 1 footnotes for details

Table 4 Multi-year Summary (MVR in millions)

Description	Actual 15Q4	Actual 16Q4	Actual 17Q4	Actual 18Q4
TAX REVENUES	1,750.4	2,182.8	2,322.6	2,505.2
Airport Service Charge	140.4	136.7	154.2	153.4
Bank Profit Tax	-	0.0	-	0.9
BPT	40.4	73.9	91.8	69.9
Green Tax	45.5	163.9	176.2	190.4
GGST	513.3	637.6	654.6	756.9
TGST	891.9	958.9	1,070.4	1,154.5
Land Sales Tax	4.1	7.4	9.0	11.7
Remittance Tax	-	14.6	24.2	22.4
Revenue Stamp	8.5	10.0	10.2	13.1
Tourism Tax	0.1	-	0.0	-
WHT	106.3	179.8	132.1	132.1
NON-TAX REVENUES	775.3	975.7	828.4	946.9
Airport Development Fee			151.6	154.9
Business Permits ¹	8.5	8.3	11.4	7.6
Construction Period Extension Fee	-	-	17.5	35.4
Corporate Social Responsibility Fee	-	-	-	-
Fines	39.6	58.1	57.8	74.3
Land Acquisition and Conversion Fee	24.5	99.8	17.4	51.1
Lease Period Extension Fee	262.1	176.5	112.6	-
Non-tourism Property Income ²	28.2	37.7	35.4	39.4
Ownership Transfer Tax	-	-	1.6	-
Proceeds from Sale of Assets ³	2.0	6.5	9.6	9.9
Resident Permit	68.0	70.8	76.1	91.9
Royalties ⁴	19.4	19.3	22.3	18.7
Tourism Administration Fee	-	-	-	6.1
Tourism Land Rent	302.8	451.9	416.0	404.6
Vehicle Fee	18.2	19.4	20.8	22.6
Vessels Fee	1.9	6.3	7.4	5.4
Zakat Al-mal	-	20.8	19.0	23.9
Others ⁵	0.1	0.3	3.4	1.1
Total	2,525.6	3,158.5	3,302.5	3,452.2

Table 5 Reported Sales from Tourism Categories (USD)

Description	18Q4	17Q4	Growth
Resorts	559,092,463	668,148,558	82.7%
Tour Operator	56,522,603	60,832,696	2.3%
Domestic air transport provider	47,738,422	53,384,985	13.7%
Other Facilities	14,778,194	20,144,181	-2.3%
Hotel	13,283,916	13,394,872	1.7%
Guesthouse	10,070,677	12,819,346	16.2%
Spa	8,618,387	9,343,728	-8.3%
Tourist Vessels	7,646,010	9,066,083	-10.6%
Diving School	7,043,508	8,418,299	8.2%
Shops	5,401,008	8,386,512	-9.0%
Water Sports	5,334,489	5,350,978	5.4%
Picnic Island	1,668,513	2,307,990	3.2%
Foreign Tourist Vessels	438,971	144,648	0.3%
	914,431,641	871,742,876	4.9%



MALDIVES
INLAND REVENUE
AUTHORITY

QUARTERLY
REPORT
Q 4 / 2 0 1 8



Maldives Inland
Revenue Authority



MIRAmaldives



Mira Maldives



miramaldives

T: 1415 E: 1415@mira.gov.mv W: mira.gov.mv