Unofficial translation of the

EIGHTH AMENDMENT TO THE GOODS AND SERVICES TAX ACT 10/2026

In accordance with Article 92 of the Constitution, the "Bill on the eighth amendment to the Goods and Services Tax Act (Law Number 10/2011)" passed in the 28th sitting of the 20th Parliament held on Wednesday the 26th of August 2026, has become law and has been published in the Government Gazette upon its ratification by the President on Monday the 31st of August 2026 (18 Rabeeul Awwal 1448).

EIGHTH AMENDMENT TO THE GOODS AND SERVICES TAX ACT

The Goods and Services Tax Act (Law Number 10/2011) shall be amended as follows.

1. Amend Section 1(a) of the aforementioned Act as follows:

1. (a) This Act provides for the imposition of "Goods and Services Tax" on the value of goods and services.

2. Amend Section 2 of the aforementioned Act as follows:

GST

2. For the purposes of this Act, GST refers to the Goods and Services Tax imposed under this Act on goods and services supplied in the Maldives. The term "GST", as hereinafter used in this Act, shall mean the Goods and Services Tax.

3. Amend Section 3 of the aforementioned Act as follows:

Goods

3. (a) For the purpose of this Act, "goods" means tangible movable and immovable goods.

(b) The goods referred to in subsection (a) shall not include the following:

(1) money;

(2) a product that is transmitted by means of a wire, cable, radio, optical, or other electromagnetic system, or by means of a similar technical system.

4. Amend Section 4 of the aforementioned Act as follows:

Services

4. (a) For the purpose of this Act, "services" means anything that is not goods.

(b) Notwithstanding subsection (a), services shall not include money.

5. Insert two sections after Section 5 of the aforementioned Act as follows:

Goods supplied in the Maldives

5-1. (a) Goods shall be deemed to be supplied in the Maldives in the following circumstances:

(1) For a supply of goods that involves transportation, the transportation of the goods commences in the Maldives; or

(2) Under circumstances not addressed in subsection (a)(1), the goods are made available in the Maldives by the supplier.

Services supplied in the Maldives

5-2. (a) A service shall be deemed to be supplied in the Maldives if it is supplied from or through a place of business of the supplier in the Maldives.

(b) Notwithstanding subsection (a), if the recipient of the service is not a registered person, the service shall be deemed to be supplied in the Maldives in the following circumstances:

(1) the service is physically performed in the Maldives by a person who is in the Maldives at the time the service is supplied; or

(2) the service relates to immovable property situated in the Maldives; or

(3) the service is a supply of an inbound tourism product, or agency or booking services pertaining to the supply of an inbound tourism product.

6. Repeal Section 10 of the aforementioned Act.

7. Amend Section 12 of the aforementioned Act as follows:

Obligation to charge GST

12. GST shall be charged on the value of goods and services supplied by a registered person, at the rates prescribed in Sections 15 and 16 of this Act, and in the manner and to the extent provided under this Act.

8. Amend the beginning of Section 13(b) of the aforementioned Act as follows:

13. (b) Notwithstanding subsection (a), the following activities and goods and services shall not constitute part of a taxable activity.

9. Insert a subsection after Section 13(b) of the aforementioned Act as follows:

13. (c) For the purposes of subsection (a), a business conducted continuously or permanently for the supply of goods and services shall include the following:

(1) The supply of a good or service by a person who is registered or required to be registered under the Business Registration Act (Law Number 18/2014);

(2) The supply of a good or service by a company registered under the Companies Act (Law Number 7/2023);

(3) The supply of a good or service by a partnership registered under the Partnership Act (Law Number 13/2011);

(4) The supply of a good or service by a cooperative society registered under the Cooperative Societies Act (Law Number 3/2007);

(5) The supply of a good or service through a permanent establishment as defined in Section 79 (gg) of the Income Tax Act (Law Number 25/2019);

(6) The supply of a good or service by a partnership as defined in Section 79(yy)(2) of the Income Tax Act (Law Number 25/2019);

(7) The supply of a good or service by a place or vessel operating under an operating permit issued by the Ministry of Tourism, or a place or vessel that is required to hold an operating permit issued by the Ministry of Tourism for its operation, or a vessel cruising and harbouring in Maldivian waters under a charter license issued by the Ministry of Tourism, or a vessel that is required to hold a charter license issued by the Ministry of Tourism for cruising and harbouring in Maldivian waters;

(8) The supply of an inbound tourism product in the Maldives by a person who does not have a fixed place of business in the Maldives through which the person conducts a taxable activity;

(9) The supply of a good or service in the Maldives for a period of 90 (ninety) days or more during a 12 (twelve) month period by a person who has a fixed place of business in the Maldives;

(10) The supply of a good or service in the Maldives by a person who has a fixed place of business in the Maldives, where the supply is estimated to last for a period of 90 (ninety) days or more during a 12 (twelve) month period.

10. Insert a subsection after Section 15(a)(5) of the aforementioned Act as follows:

15. (a) (6) An inbound tourism product, and agency services and booking services relating to an inbound tourism product, supplied by a person who does not have a fixed place of business in the Maldives.

11. Insert a subsection after Section 15(b) of the aforementioned Act as follows:

15. (b-1) Goods and services specified in subsection (a)(6) shall be subject to GST at the rate specified in subsection (b)(6), from 1 October 2026 onwards.

12. Insert five subsections after Section 15(e) of the aforementioned Act as follows:

15. (f) For the purposes of subsection (c), "value of charter" shall mean the total value paid, whether in money or otherwise, by the charterer of a tourist vessel as consideration for the charter of such tourist vessel.

(g) For the purposes of subsection (c), "charter" shall mean the leasing of a tourist vessel:

(1) for a particular voyage or voyages not exceeding 15 (fifteen) days in duration; or

(2) for the lessee's own consumption.

(h) Where the lease of a tourist vessel does not satisfy the conditions in subsection (g), the holder of the operating license of that vessel shall account for GST on goods and services supplied by that vessel, irrespective of the terms of the agreement between the lessor and the lessee.

(i) For the purposes of subsection (g)(1), the number of days under all leases entered into within any 60-day period, with the lessee or persons related to the lessee shall be aggregated.

(j) For the purposes of this Section, it shall not be necessary, in determining whether a good or service is a tourism sector good or service, that the good or service be intended for guests of an establishment operated under a permit issued by the Ministry of

Tourism, or be of a type ordinarily supplied by such an establishment to its guests.

13. Insert three subsections after Section 17(c) of the aforementioned Act as follows:

17. (d) A registered person shall issue a tax invoice or receipt within 3 (three) days of the following dates, in respect of all goods supplied:

(1) Where the goods are removed from the place of supply, the date on which such goods are removed;

(2) Where the goods are not removed from the place of supply, the date on which such goods are made available to the recipient.

(e) A registered person shall issue a tax invoice or receipt within 3 (three) days from the date of completion of services, in respect of all services supplied.

(f) Even if a tax invoice or receipt is not issued within the period specified in subsection (d) or (e), for the purposes of determining the time of supply under Section 17 of the Act, it shall be deemed that a tax invoice or receipt is issued on the date of expiration of that period.

14. Insert a subsection after Section 19(d) of the aforementioned Act as follows:

19. (e) The value of supply of an inbound tourism product supplied by a person who does not have a fixed place of business in the Maldives through which the person conducts a taxable activity shall be calculated in the following manner:

(1) Where the consideration for the inbound tourism product supplied is in money, the value of that inbound tourism product shall be such amount as, with the addition of the tax charged, is equal to the consideration

received for that supply reduced by the amount of consideration payable to a registered person in relation to that inbound tourism product.

(2) Where the consideration for the inbound tourism product supplied is not in money, the value of that inbound tourism product shall be such amount as, with the addition of the tax charged, is equal to the market value of that consideration received for that supply reduced by the amount of consideration payable to a registered person in relation to that inbound tourism product.

15. Insert two subsections after Section 20(p) of the aforementioned Act as follows:

20. (q) Waste management services provided by a person licensed under the Waste Management Act (Law No. 24/2022);

(r) Goods and services supplied to a State institution or State-owned enterprise for the purposes of a project carried out under a loan agreement or grant agreement entered into by the Government of the Maldives, or by a State-owned enterprise through the Government of the Maldives, with a foreign government, foreign financial institution or international organization, to the extent that such agreement grants an exemption from Goods and Services Tax.

16. Amend Section 21(b) of the aforementioned Act as follows:

21. (b) A registered person supplying a good or service specified in Section 20 of this Act shall not claim from MIRA the GST paid to another registered person in respect of that supply.

17. Repeal Section 34 of the aforementioned Act.

18. Repeal Section 35 of the aforementioned Act.

19. Repeal Section 36 (b) of the aforementioned Act.

20. Insert a subsection after Section 37 (e) of the aforementioned Act as follows:

37. (f) Notwithstanding anything to the contrary in this section, where a person supplying an inbound tourism product does not have a fixed place of business in the Maldives through which the person conducts a taxable activity, no input tax shall be set off against the output tax of that person.

21. Amend Section 48 (a) of the aforementioned Act as follows:

48. (a) A registered person shall maintain the documents prescribed in the Regulation made pursuant to this Act for a period of 5 (five) years beginning on the last day of the taxable period to which those documents relate.

22. Insert six subsections after Section 51 (i) of the aforementioned Act as follows:

51. (j) Subsections (a) to (i) shall cease to have effect upon the commencement of the Eighth Amendment to the Goods and Services Tax Act (Law No. 10/2011).

(k) A person to whom this Act applies and who satisfies any of the following conditions shall apply for registration with MIRA within 30 (thirty) days from the date of commencement of the Eighth Amendment to the Goods and Services Tax Act (Law No. 10/2011).

(1) Persons who carry on a taxable activity through a fixed place of business in the Maldives, whose total value of goods and services supplied in any 12 (twelve) month or lesser period, exceeds MVR 1,000,000 (One Million Rufiyaa);

(2) Persons who carry on a taxable activity through a fixed place of business in the Maldives, whose total value of goods and services supplied in any 12 (twelve) month period, is estimated to exceed MVR 1,000,000 (One Million Rufiyaa);

(3) Persons supplying goods and services specified in Section 15 of this Act;

(4) Persons, other than State institutions, who import goods into the Maldives for purposes other than personal use;

(l) If, at the end of any month, a person who commences a taxable activity after the date of commencement of the Eighth amendment to the Goods and Services Tax Act (Law No. 10/2011) satisfies subsection (k)(1) or subsection (k)(2), such person shall apply for registration with MIRA before the end of the subsequent month.

(m) If, at the end of any month, a person who was carrying on a taxable activity when the Eighth amendment to the Goods and Services Tax Act (Law No. 10/2011) came into effect satisfies subsection (k)(1) or subsection (k)(2), such person shall apply for registration with MIRA before the end of the subsequent month.

(n) A person who satisfies subsection (k)(3) after the date of commencement of the Eighth amendment to the Goods and Services Tax Act (Law No. 10/2011) shall apply for registration with MIRA within 30 (thirty) days from the date of commencement of the taxable activity.

(o) A person who satisfies subsection (k)(4) after the date of commencement of the Eighth amendment to the Goods and Services Tax Act (Law No. 10/2011) shall apply for registration with MIRA prior to importing goods into the Maldives.

23. Amend Section 54 of the aforementioned Act as follows:

Application to register

54. (a) An application for registration under this Act shall be made to MIRA in accordance with the Regulation made pursuant to this Act.

(b) Persons registered under this Act as at the commencement of the Eighth amendment to the Goods and Services Tax Act (Law No. 10/2011) need not apply for registration again.

24. Insert three subsections after Section 55(a) of the aforementioned Act as follows:

55. (a-1) Subsection (a) shall cease to have effect upon the commencement of the Eighth amendment to the Goods and Services Tax Act (Law No. 10/2011).

(a-2) Where all of the following conditions are satisfied, a person registered with MIRA under Section 51(a) to (g) of this Act or under Section 51(k)(1) to (k)(4) of this Act may submit an application for the cancellation of their registration.

(1) At the end of any month, the total value of goods and services supplied by the person during the preceding 12 (twelve) months is less than MVR 500,000/- (Five Hundred Thousand Rufiyaa); and

(2) The total value of goods and services to be supplied by the person in the following 12 (twelve) months is estimated to be less than MVR 500,000/- (Five Hundred Thousand Rufiyaa); and

(3) The person does not satisfy any of the registration conditions specified in Section 51 of this Act at the time of applying for the cancellation of registration.

(a-3) Notwithstanding anything to the contrary in this Section, where all of the following conditions are satisfied, a person registered with MIRA under Section 51 of this Act may apply for the cancellation of registration.

(1) The person has ceased carrying on the taxable activity and does not intend to resume such activity in the following 12 (twelve) months; and

(2) The person does not satisfy any of the registration conditions specified in Section 51 of this Act at the time of applying for the cancellation of registration.

25. Amend Section 55(b) of the aforementioned Act as follows:

55. (b) Persons who apply for the cancellation of registration under this Section shall cease the collection of tax in accordance with this Act, from a date prescribed by MIRA in the Regulation made pursuant to this Act.

26. Insert a subsection after Section 55(b) of the aforementioned Act as follows:

55. (b-1) The conditions applicable to the cancellation of a registration with MIRA granted under Section 53 of this Act shall be prescribed in the Regulation made pursuant to this Act, and MIRA shall notify the registered person of the cancellation not less than 7 (seven) days before it takes effect.

27. Amend Section 56(a) of the aforementioned Act as follows:

56. (a) In registering a person carrying on a taxable activity in the Maldives with MIRA pursuant to Section 51 of this Act, the person shall be registered as an individual or as one of the following legal entities:

(1) Company;

(2) Partnership;

(3) Cooperative society;

(4) Association.

28. Insert a section after Section 59 of the aforementioned Act as follows:

Information on suppliers of inbound tourism products

59-1. MIRA shall have the power to require a registered person to furnish such information, to the extent it is in the possession of that person, as is necessary for the purpose of ensuring that suppliers of inbound tourism products who are required to register under this Act are registered.

29. Amend Section 68 of the aforementioned Act as follows:

"State institution" means a state institution as defined under Section 79 (ff) of the Income Tax Act (Law number 25/2019).

"Inbound tourism product" means accommodation, meals, transport, or any other tourist activity in the Maldives.

30. Any amendments requisite to the Regulations made pursuant to the aforementioned Act consequent to the amendments to the aforementioned Act by this Act shall be formulated and published in the Government Gazette before the expiry of 30 (thirty) days from the date of commencement of this Act.

31. This Act shall commence from the date of its publication in the Government Gazette following its passing and ratification.