



MALDIVES
INLAND REVENUE
AUTHORITY

How to fill in the Statement of Interim Payment (MIRA 303)

This is a step-by-step guide to help you fill in Statement of Interim Payment (MIRA 303, version 16.1). Most of your questions will be answered here. If you need more help, call 1415 or send an email to 1415@mira.gov.mv

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Read the following instructions before you read the rest of the guide.

1. MIRA 303 is the statement that must be submitted together with each of your BPT interim payments. If the interim payment relates to a transitional accounting period, you must submit MIRA 308 for that period instead of MIRA 303.
2. Your first interim payment for the tax year in question must be paid by 31 July of that tax year, and your second interim payment must be paid by 31 January of the following tax year. For example, your first interim payment for the tax year 2016 is due on 31 July 2016 and the second interim payment is due on 31 January 2017.
3. If you are required to file a BPT Return for a given tax year, you must submit the Statement of Interim Payment (even if you are not required to *pay* any interim payment).
4. Pursuant to Section 23(h) of the Business Profit Tax Act, tax which is not paid by the due date will be subject to interest at the rate of 5% per annum from one month after that date until the tax is paid, in addition to the civil penalties specified in Section 33(a). Tax which is not paid by the due date will also be subject to a penalty of 0.05% of the outstanding amount per day, up to a maximum of twice the outstanding amount of tax, or MVR 250,000, whichever is higher.
5. You are not required to pay the interim payments if the grossed up amount of tax payable for the preceding tax year was less than MVR 2,000, or if you were not within the charge to tax in the preceding tax year and your estimated amount of tax payable for the current tax year is less than MVR 2,000.
6. Round off all monetary figures on the statement to the nearest whole number. For example, 5,124.61 must be written as 5,125, whereas 5,124.11 must be written as 5,124.
7. We will issue a voucher when you file your statement. Keep it for future reference. Do keep a copy of the statement you file too.
8. Do NOT email your statement. We will not be able to accept statements sent via email.

How to fill in the Statement of Interim Payment

Before you start populating the figures, you must fill in the following information in the box at the top of your statement.

- **BPT TIN (Taxpayer Identification Number):** Your TIN is a unique identification number issued to you when you registered with MIRA under the Tax Administration Act. In this box, enter the TIN as shown on the Notification of Registration issued to you. Your statement will only be accepted with the correct TIN.
- **Taxpayer Name:** In this box, enter the name of the taxpayer as shown on the Notification of Registration issued to you. If the taxpayer name does not match with the TIN, the statement will be rejected.
- **Accounting Period:** The accounting period of all taxpayers is 1 January to 31 December of any given year, unless it is a transitional accounting period. If this is a transitional accounting period, refer to the instructions on completing MIRA 308.

Item I: This is your:

Specify whether this is your first or the second interim payment for the accounting period in question.

Item II: What is your presentation currency?

Presentation currency is the currency in which you present your financial statements. If your functional currency (i.e. the currency of your primary economic environment) is:

- Rufiyaa, then your financial statements must be presented in Rufiyaa.
- US Dollars, then your financial statements must be presented in US Dollars.
- a currency other than Rufiyaa or US Dollars, then your financial statements may be presented in either Rufiyaa or US Dollars.

Section A

Complete this section if you were liable to pay any Business Profit Tax in the preceding tax year, or if you filed or were liable to file a BPT Return for the preceding tax year.

Item 1: Tax payable for the preceding tax year

Enter here the amount in the box labeled “Tax payable for the year” of your preceding tax year’s BPT Return (Box I of MIRA 304, version 16.1).

Item 2: Grossed up amount of tax payable for the preceding tax year

If your preceding tax year was shorter than 12 months, you need to gross up the amount of tax payable for the preceding tax year when calculating your current tax year’s interim payment. Use the formula below to calculate the grossed up amount.

$$\frac{\text{Box 1}}{\text{Number of days in the accounting period in the preceding tax year}} \times 365$$

If this is an accounting period immediately following a transitional accounting period, use the formula below instead to calculate the grossed up amount.

$$\text{Tax payable for the transitional accounting period} \times \frac{\text{Number of days in the accounting period immediately following the transitional accounting period}}{\text{Number of days in the transitional accounting period}}$$

Item 3: Interim payment due

Calculate your interim payment liability by multiplying Box 2 by 0.50.

Item 4: Business profit tax paid in excess to date

Enter the excess amount of BPT paid (if any) to date.

Item 5: Interim payment payable

This is the amount you must pay as your interim payment. Calculate the interim payment payable by subtracting Box 4 from Box 3. You are required pay this amount only if it is positive and the amount in Box 3 is more than MVR 1,000.

Section B

Complete this section only if this is your first tax year. Figures in boxes 6 to 12 must be based on reasonable estimates.

Income

Item 6: Trading and other income

Enter the total amount of revenue that you expect to earn from your business activities during the accounting period, excluding rental income from immovable property.

Item 7: Rental income from immovable property

Enter the total amount of rental income that you expect to earn from immovable property. Rent from immovable property refers to the aggregate of the following amounts:

- Rental payments received in relation to the immovable property.
- Security deposits, advance rental payments and any other payments received in relation to the immovable property, to the extent the lessor of the property has the right to consume part or full payment of it during the period.
- Payments received in relation to the rented property not resulting from the responsibilities of the lessee specified in the lease agreement.
- Payments received in respect of anything affixed to the immovable property.
- Payments received under an insurance policy obtained to compensate for the non-payment of rent.
- Payments received for breach of a lease agreement by the lessee.

Item 8: Total income

This is the sum of Boxes 6 and 7.

Deductions

Item 9: Business expenses for the period

In this box, enter the total amount of expenses which are related to your business activities. Do not include any deductions related to rental income from immovable property if you write any amount in Box 10.

Item 10: Deduction from rental income from immovable property

If you wish to claim deductions under Section 9 of the BPT Act, enter an amount equal to 20% of the amount in Box 7. If you do not expect to earn any rental income from immovable property or if you do not wish to claim a deduction under Section 9, leave this box blank.

Item 11: Total expenditure

This is the sum of Boxes 9 and 10.

Item 12: Profit / (loss)

Calculate your estimated profit or loss by subtracting Box 11 from Box 8.

Item 13: Loss of holding company or 99% owned subsidiaries

This is the amount of loss (or part of the loss) incurred during the accounting period by a subsidiary of your company, or another company within your group of companies, which may be offset against your taxable profit.

You may deduct the loss in accordance with Section 37 of the BPT Regulation, only if you are:

- a holding company that directly owns at least 99% of the ordinary share capital of the company that incurred the loss; or
- a company in which at least 99% of the ordinary share capital is directly owned by the holding company referred to above; or
- a company in which at least 99% of the ordinary share capital is directly owned by the company that incurred the loss.

Losses can be offset only if both companies are Maldives incorporated companies belonging to the same group of companies and both companies have the same accounting period.

In the case of a holding company sharing the loss incurred by a subsidiary company and vice versa, the holding company must have directly held at least 99% of the ordinary share capital of the subsidiary company continuously from the beginning of the accounting period in which the loss was incurred until the end of the accounting period in which the loss was offset.

In the case of a subsidiary company that offsets the loss incurred by another subsidiary company in the same group of companies, the holding company must have directly held at least 99% of the ordinary share capital of both of the subsidiary companies continuously from the beginning of the accounting period in which the loss was incurred until the end of the accounting period in which the loss was offset.

If you enter an amount in this box you must attach explanations and supporting documents.

Item 14: Tax-free threshold

Use the formula below to calculate your tax-free threshold.

$$\frac{\text{Number of days in the accounting period}}{365} \times \frac{\text{MVR 500,000}}{A+1}$$

If you are completing the statement in US Dollars, replace USD 32,425 with MVR 500,000.

For companies in a group, the tax-free threshold must be divided among the companies in the group. If you are such a company, A is the number of subsidiaries in the group which are subject to BPT. In all other cases, A is 0 (zero).

Item 15: Profit subject to tax

This is the profit that is subject to BPT. Tax will be charged only on the excess amount after the deduction of the tax-free threshold. Therefore, you must deduct Box 13 and 14 from Box 12.

Item 16: Tax liability for the year

If you meet all the conditions listed below, tick 5% and multiply Box 15 by 0.05.

- You are a company registered under the Companies Act of the Maldives (Law Number 10/96) and is not a resident outside the Maldives.
- You expect to derive income in that period only from business carried on wholly outside the Maldives.
- You do not carry on any other business or have any other source of income.

If you do not meet any of the above conditions, tick 15% and multiply Box 15 by 0.15.

Item 17: Interim payment

The amount you obtain by multiplying Box 16 by 0.50 is the interim payment that you are required to pay to MIRA. You are required pay this amount if this is your first tax year and the amount in Box 3 is more than MVR 1,000.

Declaration

Once the statement is completed, you must sign the declaration, declaring that the information given on the statement is true and correct and that you are authorized to sign the statement.

If you are a company, the declaration must be signed by the managing director or an authorized signatory of the company registered with MIRA. If you are a partnership, it must be signed by the managing partner or an authorized signatory of the partnership registered with MIRA. If you are an individual, it must be signed by the legal owner of the business or an authorized signatory registered with MIRA. Companies, partnerships, cooperative societies and other legal entities must stamp their official seal in the relevant box.

If there are any issues with the statement, we will contact the person who has signed the declaration.

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FOR QUERIES

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