



MALDIVES
INLAND REVENUE
AUTHORITY

MIRA POST

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15 July 2016

**GST Return filing and payment deadline for
2nd quarter of 2016 and June 2016**

**2016 BPT 1st Statement of Interim
Payment deadline**



31 July 2016



Important Deadlines

July
28 Submission of GST return and payment for June 2016 and 2nd quarter of 2016

July
28 Submission of Green Tax return and payment for June 2016

July
31 Payment of Bank Profit Tax for 2016

July
31 Submission of 2016 BPT first Interim Payment Statement

August
10 Trade fee payment for August 2016, and Duty free royalty statement and sales report submission for July 2016

August
15 Withholding Tax deadline July 2016 and Duty free shops royalty payment for July 2016

* If the deadline falls on a public holiday, then the last submission deadline would be the next working day

Deadline for 2016 BPT First Interim Payment is 31 July 2016

Shazma Thaufeeq, Senior Officer, Facilitation and Taxpayer Relations

The deadline for first interim payment for 2016, that is required under the Business Profit Tax Act, is 31 July 2016. The amount of interim payment would be a half of the BPT liability of 2015. The interim payment must accompany the Statement of Interim Payment.

All the taxpayers who are liable to file a BPT return for 2016 must submit Statements of Interim Payments for the year 2016 irrespective of whether or not the taxpayer has to make any interim payment for the year 2016. Hence, those who are yet to submit their First Statement of Interim Payment 2016 are urged to submit the statement and make the payment, if any, by the deadline.

Assistance in completing Statement of Interim Payment is available through MIRA's hotline 1415 or support email 1415@mira.gov.mv.

Logo to be used by GST registered online businesses



Faatheen Abdul Latheef, Senior Officer, Facilitation and Taxpayer Relations

Pursuant to the Goods and Services Tax Act, taxpayers registered at MIRA who conduct their business online must display a logo designated by MIRA in their online portal. The main purpose of introducing such a logo is to indicate the customers that such taxpayers are registered for GST.

The logo which has to be used by GST registered online businesses will include their TIN and name. Once the request for the logo is received by submitting the required information of the taxpayer through our website, the logo generated will be emailed to the taxpayer's registered email address at MIRA.

Filing of Withholding Tax Return and making payments now available through MIRAconnect Plus

Yoosuf Shiraz, Deputy Manager, Maldives Tax Academy

MIRA's recently introduced online portal 'MIRAconnect Plus', aimed at improving online services available to taxpayers, is a portal specifically designed to make it more user friendly and as a one stop destination through which all the online services of MIRA are provided in future. Filing of withholding

tax returns and making withholding tax payments are now available through MIRAconnect Plus. Taxpayers wishing to file withholding tax returns online will be provided with the user name and password for login when requested. For any help in using MIRAconnect Plus or for a customized training session taxpayers can call MIRA's hotline 1415. A user guide, which is also available from our website (<http://bit.ly/1te5hat>) will be sent to the taxpayers who register for this service



Almost 120,000 Malaysians barred from travelling abroad due to unpaid income tax

Source: www.nst.com.my

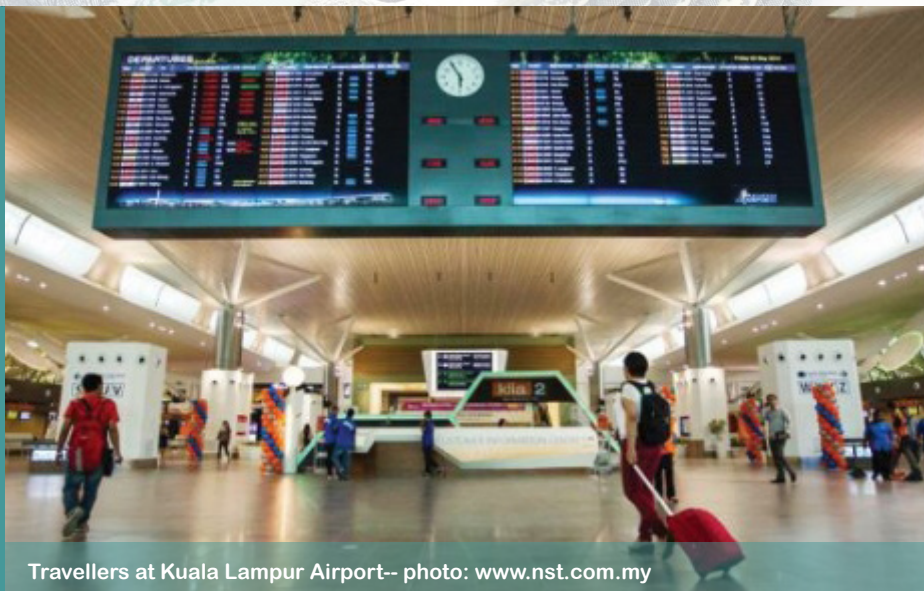
A total of 116,836 Malaysians have been barred from leaving the country following their failure to pay their income tax totaling RM2.55 billion as of May 31.

Another 9,665 Malaysians have also been stopped from leaving the country for not paying their Real Property Gains Tax (RPGT) which amounted to RM150 million in the same period, the Inland Revenue Board said in a statement today.

It said that travel restrictions can be imposed on those who have arrears in both income tax and RPGT and had ignored numerous reminders issued

with regards to payment. “The public are advised to check their travel status with the Immigration Department before planning a holiday abroad,

especially during the upcoming festive season. “Please check your status and clear any arrears to avoid unnecessary loss of time and money,” it added.



Travellers at Kuala Lumpur Airport-- photo: www.nst.com.my

Currency and the exchange rate for GST purposes

Ikram Ibrahim, Deputy Manager, Medium Individual Audit

Taxpayers registered in the General GST sector are required to prepare the GST return (MIRA 205) and make the payment in Rufiyaa. Taxpayers registered in the Tourism GST sector must prepare GST return (MIRA 206) and make the payment in USD. Therefore, all the figures included in the Output Tax Statement and the Input Tax Statement submitted along with the GST return must be in the currency in which the GST return is prepared.

If a person registered under General GST sector issues or receives a tax invoice in a currency other than Rufiyaa, to

translate the transaction to Rufiyaa, a rate within $\pm 2\%$ of the rate published by the Maldives Monetary Authority (MMA) must be used, pertaining to the time of supply of the transaction. If the MMA has not published a rate for a given date, the last published rate prior to that date must be taken as the reference rate for that date.

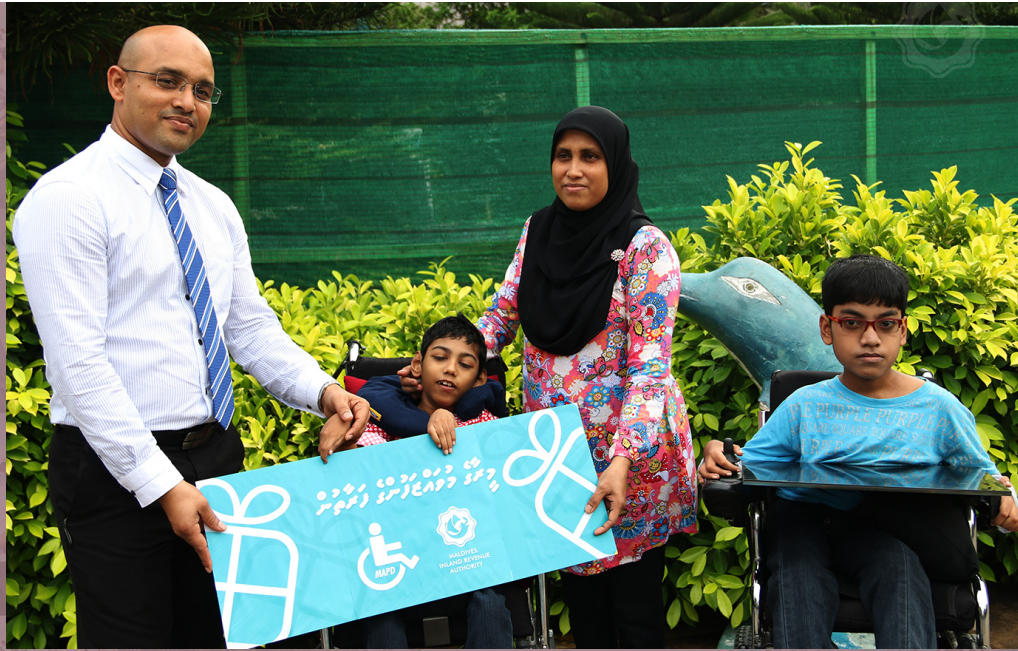
Similarly, persons registered under Tourism GST sector should follow the same rules as mentioned above in translating the output tax invoices issued and the input tax invoices received in a currency other than USD.

The source of foreign exchange rates adopted by a registered person must be used consistently.



June 2016

Deputy Commissioner General of Taxation, Hassan Zareer (left), on behalf of the staff of MIRA, handing over a customized CP chair to a child with special needs. MIRA staff contributes to such causes regularly.



Members of MIRA team, who took part in “Ramadan Cricket Carnival” organized by the Cricket Control Board of Maldives. MIRA team played in the carnival in previous years as well.

MIRA staff preparing food for “Iftar from MIRA”, a special breakfast given by the staff of MIRA to all the mosques in Male’



Dedicated service counters for Tax Clearance

Ali Naseer Ibrahim, Deputy Director, Tax Clearance

MIRA has introduced dedicated service counters at the Taxpayer Service Centre for collecting tax clearance requests and issuing tax clearance reports. Taxpayers who wish to submit tax clearance requests or collect tax clearance reports are required to take a token number of 8000 series, and will be served from Counters 16 and 17.

A tax clearance report from MIRA affirms that the taxpayer has no pending overdue obligations or

payments to MIRA. Tax clearance reports are sought by taxpayers for various purposes such as obtaining loans or credit facilities from banks and financial institutions, changing consignee, de-registration of business permits and liquidation of companies. In addition, tax clearance confirmation is also necessary for taxpayers bidding for government projects, obtaining operating licenses from the government, and before getting into agreements with the Government.

Taxpayers are required to submit MIRA 902 form in order to request for a tax clearance report. MIRA's standard for issuing tax clearance reports is within 2 working days. For



urgent cases, MIRA will facilitate to issue the tax clearance on the same day. This standard processing time will be followed for all requests regardless of whether or not the request is submitted through a specific person or tax agent.

31 July 2016

➤ GST Return filing and payment deadline for 2nd quarter of 2016 and June 2016 ◀

➤ 2016 BPT 1st Statement of Interim Payment deadline ◀

Bounced cheques will result in actions taken against the issuer

Hassan Waheed, Deputy Manager,
Dues Clearance

As per chapter 8 of the Enforcement Policy and in accordance with the Statutory Instruments Act, actions are taken against taxpayers if the cheque issued by the taxpayer is dishonored.

Where a cheque issued to MIRA is dishonored for any reason, the

taxpayer would be informed to settle the outstanding amount within 3 days either by cash or bank guaranteed cheque. If the outstanding amount is not settled within 3 days, the taxpayer would be blacklisted and no further payments by cheque would be accepted from the taxpayer for a specific period of time. MIRA would also issue a notice to settle the amount within 7 days.

Taxpayers who fail to settle the

outstanding amount within the 7 day notice period would be issued with a final notice, demanding to make the payment within 20 days. If the payment is not settled within the final notice period, further enforcement actions would be taken to recover the outstanding amount. In addition, the case would be forwarded to Maldives Police Service so that the case may be sent to the Prosecutor General's Office for prosecution under Statutory Instruments Act.

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NEXT INTAKE: 14 AUGUST 2016



For more information

☎ 1415



Judgments



Judgments passed by the Civil Court in June 2016

| Defendant | Summary of Judgment | Amount* |
|--|---|---------------|
| Maanenfushi Pvt Ltd | Case withdrawn upon Plaintiff's request | - |
| Gazeera Pvt Ltd | Case withdrawn upon Plaintiff's request | - |
| Villa Shipping and Trading Company Pvt Ltd | Case withdrawn upon Plaintiff's request | - |
| Petra Maldives Pvt Ltd | To pay the amount within 1 month | - |
| Lakaaz Maldives Pvt Ltd | To pay the amount claimed by the MIRA in equal parts on a monthly basis within 3 months | MVR 367,311 |
| Fuad Zahir Mariyammaage, Ga. Kolamaafushi | To pay the amount claimed by the MIRA in equal parts on a monthly basis within 5 months | MVR 2,001,655 |
| Villa Hotels and Resorts Pvt Ltd | Case withdrawn upon Plaintiff's request | - |
| Villa Holidays Pvt Ltd | Case withdrawn upon Plaintiff's request | - |
| Buieldia Pvt Ltd | Case withdrawn upon MIRA's request as the claimed amount was settled | - |
| Abdulla Irufan Shehenaa, R.Alifushi | To pay the amount claimed by the MIRA within 2 months | MVR 101,693 |
| F.A.Z Construction Pvt Ltd | To pay the amount claimed by the MIRA within 3 months | MVR 192,658 |
| Marine Ocean Star Pvt Ltd | To pay the amount claimed by the MIRA in equal parts on a monthly basis within 2 months | MVR 125,812 |
| Plus 3 Maldives Pvt Ltd | To pay the amount claimed by the MIRA within 3 months | MVR 383,854 |
| High and Low Maldives Pvt Ltd | To pay the amount claimed by the MIRA within 1 month | MVR 45,422 |

*Amounts accounted for until end date of judgement



Version 16.1 of the GST Return to be submitted by all GST registered parties

Fathimath Rasha, Deputy Director, Facilitation and Taxpayer Relations

MIRA has stated that all the taxpayers registered for GST must now use version 16.1 of the GST Return effective 20 June 2016. According to the circular issued by MIRA, the main change brought to the MIRA 205 and MIRA 206 was making it compulsory to complete all the information specified on the box at the top of the return. If any of the information specified in the box is missing or incomplete, the return will not be accepted. The information specified in the box is recorded as the most recent and up-to-date information of the taxpayers, and therefore it is imperative that true and accurate information is provided in the box.

Taxpayers filing GST return for June 2016 or second quarter of 2016, must ensure that they are using version 16.1 of the GST Return.

Apart from submitting the latest version, there are a number of points which taxpayers need to pay attention to when filing GST returns. Some of the most common issues identified during return submission stage include, returns being submitted without the input tax statement or necessary supporting documents, incorrect taxable period mentioned in the return, activity name written instead of the taxpayer name and returns being signed by persons who are not registered as authorized signatories in MIRA.

Additionally, taxpayers must ensure that all registered activities are declared in the return, and if annual income is greater than MVR 30 million must ensure that both the input tax statement and output tax statement had been submitted to MIRA via the online portal "MIRAconnectPlus" prior to filing the tax return. By eliminating such errors and paying special attention to these areas especially when sending the return and documents via email, taxpayers can avoid the hassle of having to send corrected returns and having to pay fines for return not being accepted by MIRA.

Input tax deduction requires a valid tax invoice

Aminath Sherin Habeeb, Senior Officer, Assessment

Input tax is the GST paid by a GST registered person to another registered person pertaining to a transaction between two parties. Input tax can only be claimed for GST paid to suppliers for goods and services purchased solely for business purposes. Hence, input tax must

not be claimed for private expenses.

One of the most important things to do, before claiming input tax, is to get a valid tax invoice for the transaction from the supplier. Without a valid tax invoice from the supplier, input tax must not be claimed. To claim input tax, input tax statement must be submitted to MIRA with the GST return.

A valid tax invoice that can be used

to claim input tax must meet certain requirements. Hence, it is imperative that the recipient of the goods or services verify if the tax invoice received meets all the requirements.

If a GST registered person requests for a tax invoice from another GST registered person in relation to a business transaction between both the parties, tax invoice must be issued within 28 days.