



MALDIVES
INLAND REVENUE
AUTHORITY

Maldives Inland Revenue Authority

COMPLIANCE RISK MANAGEMENT POLICY



Maldives Inland
Revenue Authority



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Compliance Risk Management Policy

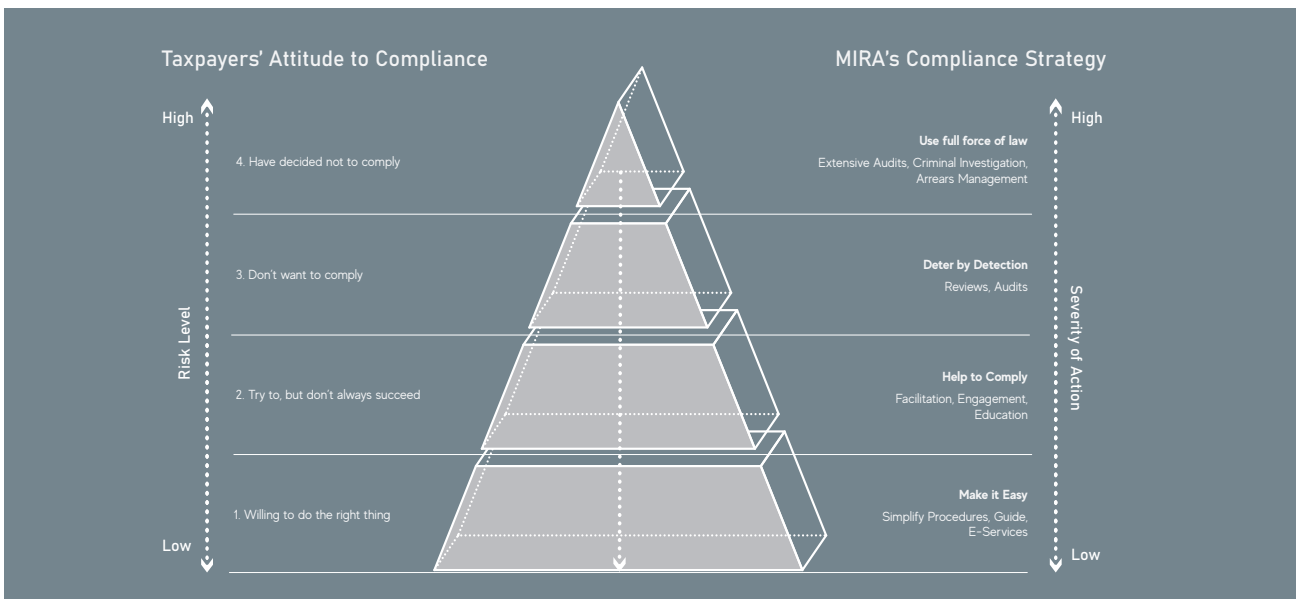
As the tax administrator, we work closely with policymakers, international partners and other stakeholders to empower taxpayers and to enhance trust in the tax system within the community through effective and efficient administration of tax laws.

Maldives practices a self-assessment tax system where taxpayers are obliged to fulfil the following tax obligations;

- Register with MIRA when required
- File relevant returns and documents on time
- Report complete and accurate information
- Pay taxes in full and on time

Our objective is to promote voluntary compliance by making it easy for taxpayers to fulfil their tax obligations and to deter non-compliance through regulated actions. To achieve this objective, we apply a risk-based approach, which is operationalised through a Compliance Risk Management Framework. Under this framework compliance risks are identified, assessed, differentiated and treated based on taxpayers’ segment and their attitude to compliance. We will cross-match taxpayer data with third party data collected through domestic and international sources to centrally assess risks before initiating the treatments.

We have adopted the below compliance model which recognises the differences in taxpayers’ attitude to compliance and provides the corresponding strategy that best relates to each risk level.



Our compliance strategies are designed with a focus to encourage voluntary compliance and to push more taxpayers towards the lower tier of the compliance pyramid. For taxpayers who are willing and try to do the right thing, our approach will be to simplify procedures, taxpayer facilitation and engagement to make it easier to comply with tax laws. We aim to digitalize our services and provide innovative solutions for taxpayers to fulfill their tax obligations. We will also continue assisting taxpayers to enhance their compliance by providing customized services through our regional compliance centers across the country.

Our compliance program also encompasses range of actions, graduated in severity, to deal with non-compliant taxpayers. This includes; on-site visits, review of tax information, audits, criminal investigations and other enforced-compliance activities. We will ensure timely detection of non-compliers and appropriate actions are taken against them to deter non-compliance.

The content, mix and application of our compliance strategies will evolve and change as new risk areas are detected and taxpayer behavioural changes are observed over time.