



MALDIVES
INLAND REVENUE
AUTHORITY

GUIDE TO AIRPORT TAXES AND FEES

MIRA R834



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Updated on 07 November 2024

Taxpayers can rely on this guide as to the MIRA’s interpretation of the relevant tax laws and regulations. If you do not understand anything in this guide or have queries related to your particular circumstances, call 1415 or send an email to 1415@mira.gov.mv.

List of Abbreviations

ADF	Airport Development Fee
ASC	Airport Service Charge
ATF	Airport Taxes and Fees
DPT	Departure Tax
GSA	General Sales Agent
MCAA	Maldives Civil Aviation Authority
MIRA	Maldives Inland Revenue Authority
IATA	International Air Transport Association
PSA	Passenger Sales Agent
TTBS	Ticket Tax Box Service
USD	United States Dollar

I. Introduction

The Airport Taxes and Fees (ATF) Act, which was enacted on 7 December 2016, brought significant changes to the then existing mechanism for collecting the “Airport Service Charge” or “ASC”, which had hitherto been collected under the (Tenth and Eleventh Amendment to the) Airport Service Charge Act.

The ATF Act repealed and replaced the Airport Service Charge Act, which did not identify the person who was responsible for collecting ASC from passengers and lacked a clear mechanism for remitting it to the relevant government agency. Further, it did not lay down any enforcement measures in cases where ASC is not collected or not remitted to the government.

The ATF Act also introduced an “Airport Development Fee” or “ADF” which will be collected from passengers traveling abroad from Velana International Airport on or after 1 May 2017.

With First Amendment to ATF Act, Departure Tax (DPT) will be introduced from 1 January 2022. This Amendment also repealed Airport Service Charge levied under this Act at the end of 31 December 2021.

ADF and DPT rates are revised effective from 1 December 2024 onwards with the Second Amendment to the ATF Act.

This guide explains the mechanism for collecting ADF and DPT – collectively referred to as “Airport Taxes and Fees” or “ATF” – under the ATF Act, from passengers flying out of the Maldives. It is primarily aimed at those who act as ATF collection agents (i.e. airlines and airport operators), and passengers traveling to and from the Maldives.

2. What is Airport Development Fee (ADF)?

Airport Development Fee (IATA TTBS code: “H9”) is a fee levied on passengers departing from the Maldives via Velana International Airport on or after 1 May 2017. Passengers departing from the Maldives via another international airport are not required to pay ADF.

ADF is collected at the following rates:

From 1 May 2017 till 31 December 2021:

Passengers	USD
Maldivian passengers	12
Foreign passengers	25

From 1 January 2022 till 30 November 2024:

Travel class	Maldivian passengers (USD)	Foreign passengers (USD)
Economy class	12	30
Business class	60	60
First class	90	90
Private jet	120	120

ADF should be collected from passengers who purchase their tickets or change their travel dates on or after 1 December 2024, for travel on or after 1 December 2024, at the below rates.

Travel class	Maldivian passengers (USD)	Foreign passengers (USD)
Economy class	12	50
Business class	120	120
First class	240	240
Private jet	480	480

Unlike DPT, only persons with diplomatic immunity (as explained in Section 3 of this guide) and transit passengers on “direct transit” flights are exempt from ADF. This means that transit passengers other than those on direct transit flights and children below the age of 2 years would also be subject to ADF.

Direct transit flights are those flights which transit at an airport in the Maldives and depart with the same flight number.

Travel classes

Passenger's class of travel should be determined conforming to the travel class declared in the submission made by the airline to the IATA for fare approval.

The travel class of a passenger travelling on a charter flight should be determined by the airport operator based on the documentation provided by the charterer to the airport operator to that effect.

However, the travel class of a passenger travelling on a private jet shall be "private jet". An aircraft departing from Maldives via an airport in the Maldives under the relevant permit issued by the Maldives Civil Aviation Authority (MCAA) for operation of a private jet, shall be deemed to be a private jet, irrespective of the type of aircraft used and the cabins available on that aircraft.

3. What is Departure Tax (DPT)?

Departure Tax (IATA TTBS code: “BQ”) is a tax levied on passengers departing from the Maldives from an airport in the Maldives on or after 1 January 2022.

ADF is collected at the following rates:

From 1 January 2021 till 30 November 2024:

Travel class	Maldivian passengers (USD)	Foreign passengers (USD)
Economy class	12	30
Business class	60	60
First class	90	90
Private jet	120	120

DPT should be collected from passengers who purchase their tickets or change their travel dates on or after 1 December 2024, for travel on or after 1 December 2024, at the below rates.

Travel class	Maldivian passengers (USD)	Foreign passengers (USD)
Economy class	12	50
Business class	120	120
First class	240	240
Private jet	480	480

Not all passengers are subject to DPT – persons with diplomatic immunity, transit passengers, and children below the age of 2 years are exempt from DPT. The scope of these three categories are explained below.

Travel classes

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The travel class of a passenger travelling on a charter flight should be determined by the airport operator based on the documentation provided by the charterer to the airport operator to that effect.

However, the travel class of a passenger travelling on a private jet shall be “private jet”. An aircraft departing from Maldives via an airport in the Maldives under the relevant permit issued by the MCAA for operation of a private jet, shall be deemed to be a private jet, irrespective of the type of aircraft used and the cabins available on that aircraft.

Persons with diplomatic immunity

For the purpose of collecting DPT, there are two categories of passengers who are considered as persons with diplomatic immunity.

- Foreign nationals resident in the Maldives as members of a foreign diplomatic mission, who are entitled to the privileges and immunities specified in the Vienna Convention on Diplomatic Relations (1961).
- All passengers on flights which are granted “diplomatic clearance” by the Ministry of Foreign Affairs. Diplomatic clearance is normally granted to flights which carry heads of state/government or high-ranking officials of other states.

Transit passengers

For the purpose of collecting DPT, transit passengers are defined as those passengers who stay in the Maldives for less than 24 hours for a purpose such as changing flights, while traveling from one country to another country. Passengers who are often referred to as “transfer passengers” in the airline industry are also covered under this definition.

Children below the age of 2 years

Whether or not DPT must be collected from a child below the age of 2 years depends on whether or not the child has reached his/her second birthday as of the date of commencement of travel (i.e. the point of origin of travel).

- DPT must be collected from a child whose ticket originates from a point *inside the Maldives* only if the child was 2 years or older on the date of departure from the Maldives.
- DPT must be collected from a child whose ticket originates from a point *outside the Maldives* only if the child was 2 years or older on the date of departure from the point of origin.

4. Registering for ADF and DPT

Registration

The responsibility for collecting ADF and DPT from passengers and remitting it to MIRA (being the institution which is responsible for administering ADF and DPT) lies with airlines and airport operators, as follows:

- It is the responsibility of *airlines that operate scheduled flights to the Maldives* to collect ADF and DPT from passengers departing from an airport in the Maldives *via that airline*.
- It is the responsibility of *airport operators* to collect ADF and DPT (where applicable) from passengers departing from the Maldives *from that airport on flights operated by persons other than airlines that operate scheduled flights to the Maldives*. This would include, for example, charter flights and private jets. “Airport operator” is the entity issued with a permit by the MCAA to operate an international aerodrome.

Therefore, airlines that operate scheduled flights to the Maldives and airport operators are required to register with MIRA for ADF and DPT.

Airlines and airport operators are not required to submit a separate registration application to MIRA in order to register for ADF and DPT. Instead, airlines and airport operators will be automatically registered for ADF and DPT from the date on which MCAA issues the relevant permit to that airline or airport operator. It is a single registration for both ADF and DPT.

Airlines and airport operators will be registered for ADF and DPT in the name of the entity to which the relevant permit is issued, and each airline and airport will be registered separately. We will communicate registration details to the entity upon registration – this would include the entity’s Taxpayer Identification Number (TIN), registration date, tax return filing frequency and deadlines, and so on.

Airlines and airport operators must start collecting ADF and DPT (where applicable) from the date of issue of the permit by MCAA, even if they have not received their registration details. As per IATA regulations, all taxes and fees applicable to a journey must be included in the final ticket price.

Appointment of agents

Airlines operating scheduled flights to the Maldives have the option of appointing an agent to represent the airline in fulfilling their obligations under the Airport Taxes and Fees Act. If an airline wishes to do so, it may appoint its general sales agent (GSA) or passenger sales agent (PSA) registered with MCAA. Such request must be submitted to MIRA in writing, together with written confirmation of acceptance of appointment from the agent.

The responsibility for fulfilling the airline's obligations under the laws and regulations remains with the airline even if an agent is appointed.

Deregistration

If the permit issued by MCAA to an airline or airport operator expires, or is cancelled or transferred, the entity must submit a request to MIRA to deregister the entity from ADF and DPT. The request must be made in writing within 15 days of the cancellation, transfer or expiration.

Airlines and airport operators must continue filing Airport Taxes and Fees Returns until we confirm in writing that they have been deregistered from ADF and DPT.

5. Other considerations

The regulations also describe the treatment of ADF and DPT under the following special circumstances.

Travel class upgrades

Where a passenger is upgraded to a higher class of travel, whether or not the passenger's ticket is re-issued in respect of such upgrade, ADF and DPT should be charged to such passenger at the rates applicable to that higher class.

If a passenger upgraded the travel class at the time of check-in and the upgrade is not a result of a consideration made, ADF and DPT should not be charged at the rates applicable to that higher class. However, if the passenger is redeeming of points gained by the passenger in a loyalty scheme to upgrade the flight class, then ADF and DPT should be charged to such passenger at the rates applicable to that higher class.

Travel class downgrades

Where the travel class of a passenger is downgraded from a higher class in respect of which the passenger has paid ADF and DPT at the rates applicable to that higher class, to a lower class, either on the request of the passenger or otherwise, the passenger should only be liable to ADF and DPT at the rates applicable to that lower class.

If the amount of tax charged from the passenger is more than the required amount, the registered person should refund that amount to the passenger to the extent it exceeds the required amount, by the deadline for submission of the respective Airport Taxes and Fees Return to MIRA.

Force majeure

Passengers on flights which depart from an airport in the Maldives after landing in a force majeure situation (for example, due to a technical issue with the aircraft or due to extreme weather) are not required to pay ADF and DPT.

Maldivians with dual nationality

The rate of ADF and DPT applicable to a Maldivian national with dual nationality will be based on the passport which is presented by the person at the time of check-in.

ADF and DPT charged in violation of the law

ADF and DPT collected in excess under the following scenarios must be refunded to the passenger by the deadline for submission of the respective Airport Taxes and Fees Return to MIRA.

- Person not allowed to charge ADF or DPT charges it
- ADF or DPT is collected from a person who is not required to pay it
- ADF or DPT charged is more than the amount chargeable

If the amount is not refunded to the passenger by the deadline for submission of the respective Airport Taxes and Fees Return, it must be included in your return and paid to MIRA. Where the airline or the airport operator paid the excess collected to MIRA but refunded the excess collection to the passenger in a later period, they can claim a refund from MIRA in the taxable period in which the refund was made to the passenger.

6. Airport Taxes and Fees Return and payment

Each airline and airport operator must file a monthly return by the 28th day of the following month, using MIRA 530 (Airport Taxes and Fees Return). The return covers ADF and DPT payable by the airline or airport operator. The return must be supported by an Information Sheet.

You must file a return even if no passengers who are subject to ADF or DPT departed from the Maldives during that month.

Find out more

Instructions on completing MIRA 530 and the Information Sheet is available at <https://cutt.ly/Y9DCkSE>.

Your Airport Taxes and Fees Return and Information Sheet must be filed via our online portal “MIRAconnect” (your log-in credentials for the portal will be emailed to you upon registration for ADF and DPT). All ADF and DPT related payments must also be paid through this portal, or via direct transfer to the Public Bank Account at the Maldives Monetary Authority.

If you are paying via direct transfer, you must complete the MIRA 912 (Foreign Remittance Request) form emailed to you upon submission of your Airport Taxes and Fees Return and email it to payments@mira.gov.mv before you make the transfer. This is a requirement of the central bank under anti-money laundering regulations.

ADF and DPT must be paid to MIRA in USD.

If you are faced with a situation where you are unable to file or pay through the portal or via direct transfer, you may request us to allow you to file and pay “offline”. We will allow you to do so if your circumstances are genuine and exceptional.

Non-filing penalty

If you do not file your Airport Taxes and Fees Return or file it late, you will be required to pay a penalty of 50 Rufiyaa per day and 0.5% of your total ADF and DPT liability for that period.

Non-payment penalty

If you do not pay your ADF and DPT liability or pay it late, you will be required to pay a penalty of 0.05% of the outstanding amount per day.

Amending your Airport Taxes and Fees Return

An airline or airport operator may file an amended Airport Taxes and Fees Return within 12 months from the due date for filing that return. An amended Airport Taxes and Fees Return must be accompanied by a MIRA 913 (Tax Return Amendment Request) form and the documents specified in that form.

7. Record keeping

In addition to the general record keeping requirements, airlines and airport operators must maintain the following records:

- Invoices sent to various parties to collect ADF and DPT receivable from such parties, receipts for payments received, and other written correspondence between such parties relating to collection of payments.
- Flight manifest of flights operated by that airline, or of flights departing from that airport.
- Records of excess collected from passengers with passenger details and refunds made to passengers.
- Other records that would enable MIRA to ascertain that the amount of ADF and DPT declared are correct.

It is not necessary that you maintain your records in hard copy; you may maintain them electronically as long as our electronic record keeping requirements are met.

Find out more

A general guide to record keeping (MIRA M816) is available at <https://tinyurl.com/5n6e4sb3>.

8. Relevant laws, regulations and tax rulings

The following laws, regulations and tax rulings provide the legal basis for the guidelines provided in this guide:

- Airport Taxes and Fees Act (Law Number 29/2016): <https://bit.ly/3XShvUd>
- Airport Taxes and Fees Regulation (Regulation Number 2017/R-11): <https://bit.ly/3WtjYnb>



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