

**The GST deadline for
March 2019 and the
first quarter of 2019**

28 April 2019

Remuneration paid to Company Directors and Partners is an employment income

Ahmed Shaheen

Principle tax officer, Maldives Tax Academy

Remuneration received by a company director or a partner of a partnership or a trustee of a trust is to be regarded as income from employment under a contract of service as per the new tax ruling TR-2019/B69 issued by MIRA. With this change, individuals

receiving such income do not have to treat such income as business income.

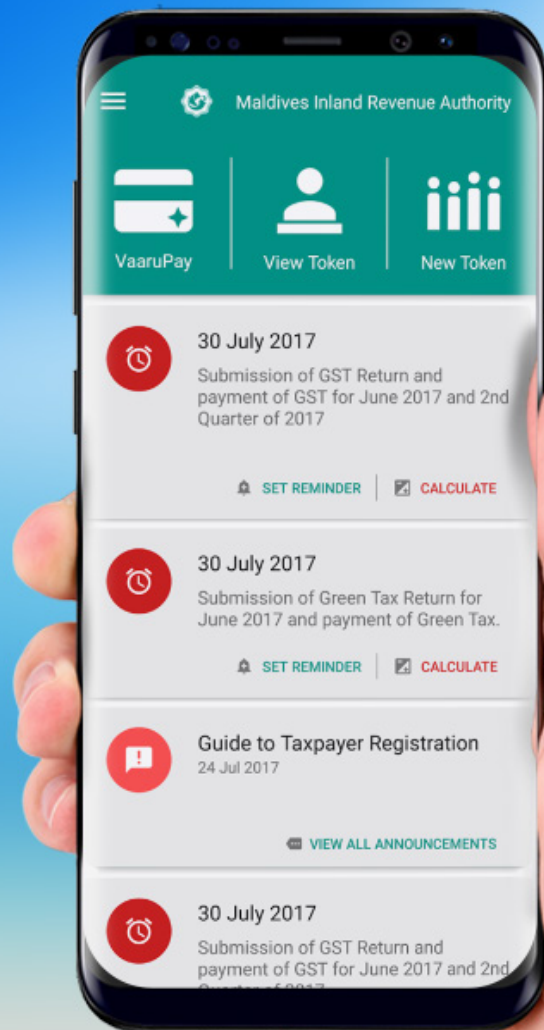
However, persons making such remuneration payments may only deduct an amount not exceeding 10 percent of the specified profit, in computing the taxable profit.

The tax guide detailing the application of this tax ruling is available on MIRA's official website.

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The GST deadline for March 2019 and the first quarter of 2019 is 28 April 2019

Mariyam Waheed

Assistant Tax Officer, Maldives Tax Academy

The deadline for GST registrants to file GST return and make payments for the month of March 2019 and the second quarter of 2019 is 28 April 2019. Quarterly filers as well as Monthly filers must thereby, file their GST returns by the aforementioned deadline.

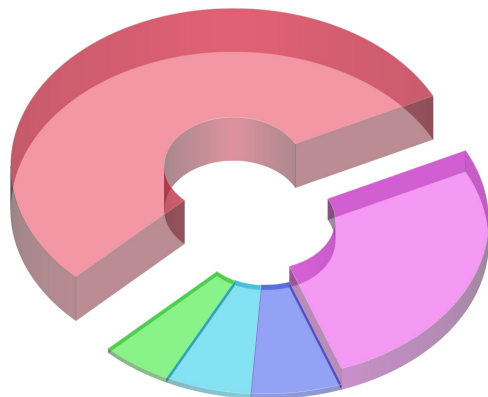
Taxpayers whose annual turnover exceeds MVR 5 million and those required to submit input tax information sheet in respect of capital expenditure must submit their GST returns through MIRA's online portal "MIRAconnect". Furthermore, taxpayers with

an annual turnover of MVR 50 million and above are required to make their GST payments through "MIRAconnect". Taxpayers who are not made mandatory to file return online also can submit GST returns and make payments via MIRAconnect.

Even if the business has been temporarily closed or the taxpayer has applied for deregistration, the GST returns must be filed until the GST deregistration is confirmed by MIRA, in writing.

If the GST Return is not filed by the deadline, a late filing penalty of MVR 50 per day and 0.5% of the GST liability would be imposed as fines. Additionally, if GST is not paid by the deadline, a late payment penalty at the rate of 0.05% of the outstanding amount per day would apply.

MIRA collects MVR 1.51 billion as revenue in March 2019



Hassan Humaiz

Assistant Tax Officer, Planning

MIRA collected MVR 1.51 billion in March 2019. This amount is 2.1% less compared to the amount received during this period last year. And also, this amount is 15.1% less than the amount forecasted for March 2019.

Compared to the corresponding period of 2018, the main reason for the decrease in revenue is due to the decline in GST revenue due to non-payment from taxpayers, despite the increase in tourist arrivals by 16%, compared to last year. The reason for the decrease in revenue collected compared to the

forecast is the decrease in the collection of GST and Tourism Land rent due to non-payment from taxpayers.

The greatest share of the revenue collected for March 2019 was from GST with MVR 732.11 million or 48.4% of the total revenue. The second largest contributor was Tourism Land Rent (MVR 355.86 million or 23.5%). Other significant contributors include BPT (MVR 87.04 million or 5.8%), Green Tax (MVR 83.17 million or 5.5%), Airport Development Fee (MVR 67.33 million or 4.5%) and other taxes and fees (MVR 187.03 or 12.4%).

Out of the revenue collected in March 2019, USD 72.1 million constitutes the dollar collection.



MIRA's Corporate social responsibility

MIRA staff donates MVR 60,000 to Care Society





Training programmes conducted for MIRA staff

IFRS training programme



3rd tax auditors conference





MIRA celebrated 'Dhivehi bahuge dhuvas'



Fee imposed by government on trade permit holders



Mariyam Adam
Deputy Manager, Taxpayer Facilitation

Under the Law on Import, Export, Café, Canteen (Law No. 60/78), dealers of imported goods and café or canteen operators need to pay a trade fee to the government. This trade fee is determined by the number of inhabitants of the islands where the business premises is located. Hence, premises located in islands with inhabitants above 10,000 has to pay MVR 200 and MVR 50 from those with less than 10,000 inhabitants. Such fee payments are collected by MIRA and persons holding such permits must make

the trade fee payment to MIRA before the 10th of every month. A fine of MVR 15 is imposed for late payment of the trade fee and the permit will be cancelled if the payment is not made together with the fine by the end of the month.

Upon cancellation of the permit, MIRA will not be accepting fee payments unless permit is renewed from Ministry of Economic Development (MED). The most recent fee receipt is among the mandatory documents that have to be submitted to MED to renew the permit.

Trade fee can be paid online through MIRAconnect, MIRA mobile application and MIRA's website.

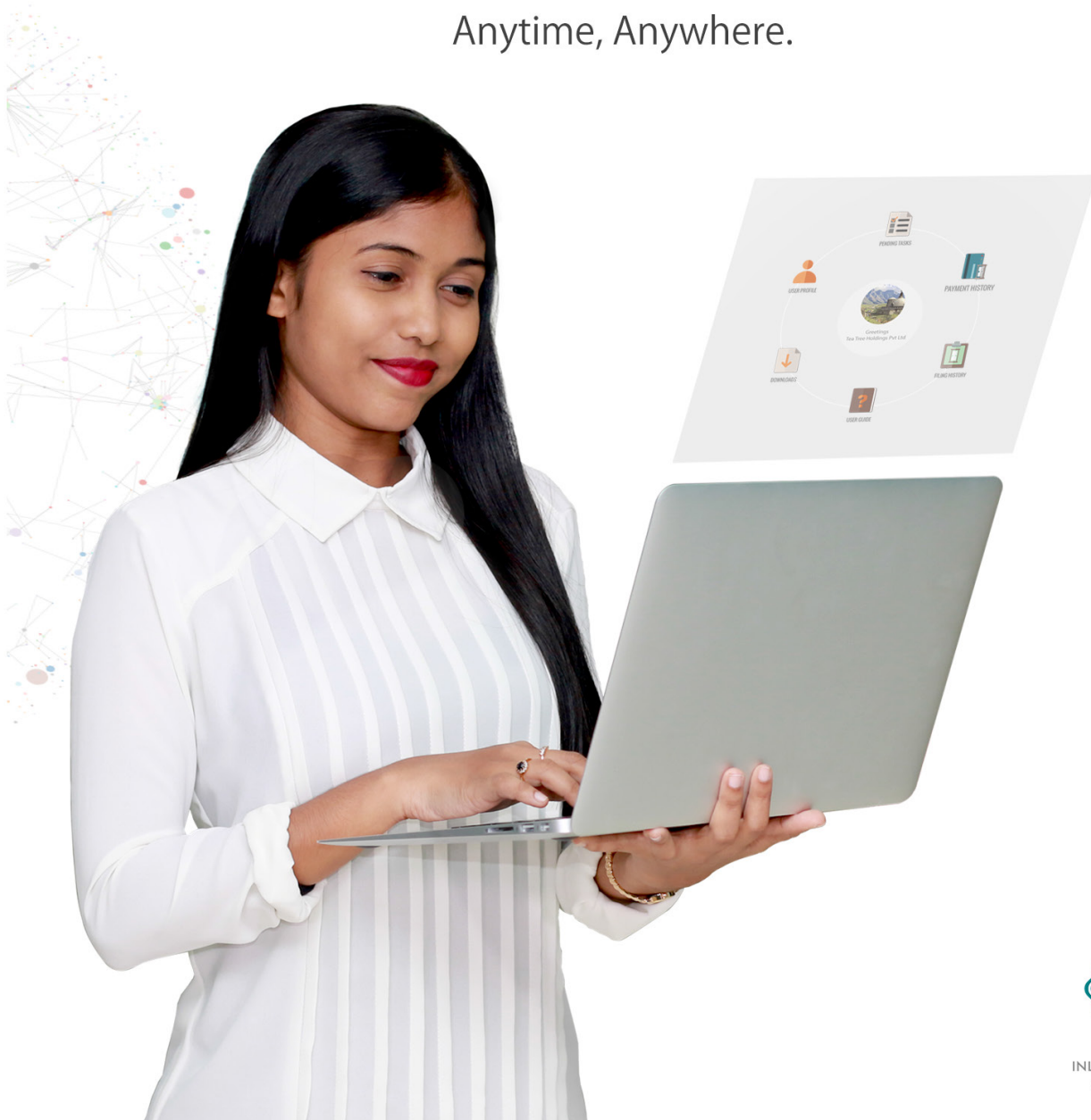
MIRAconnect

ANYTIME, ANYWHERE

Experience the revamped "MIRAconnect" portal, a strategic initiative by MIRA aimed at enhancing the functionality and user-friendliness of our online services!

Wherever you are, file your tax returns and pay your taxes with a few clicks.

Anytime, Anywhere.



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AUTHORITY

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