

بِسْمِ اللّٰهِ الرَّحْمٰنِ الرَّحِیْمِ



MALDIVES INLAND REVENUE AUTHORITY

Malé, Republic of Maldives

TAX RULING

Business Profit Tax: Payment of the first interim payment for the tax year 2012 on installment basis

Reference No.: TR-2012/B18

Date of issue: Sunday, 16 September 2012

This ruling is issued pursuant to the authority granted under Section 84 of the Tax Administration Act (Law Number 3/2010) as amended by Law Number 14/2011. Unless otherwise stated, all legislative references are to the Business Profit Tax Act (Law Number 5/2011). This ruling is legally binding.

Introduction

1. This ruling explains the relief granted to Persons who wish to pay the first interim payment for the tax year 2012 on installment basis.

Ruling

2. Persons who file the Business Profit Tax Return and make the final payment for the tax year 2011 by 30 September 2012 may apply to the MIRA seeking approval to pay the first interim payment for the tax year 2012 on installment basis. Such application shall be made in writing, on or before 30 September 2012.
3. Persons who apply and qualify for the relief granted under this ruling shall be allowed to make the first interim payment for the tax year 2012 in three equal installments, payable on or before the following dates, and such Persons shall be required to sign an agreement with the MIRA to such effect:
 - (a) First installment by 10 October 2012;
 - (b) Second installment by 12 November 2012;
 - (c) Third installment by 10 December 2012.

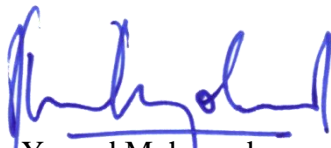


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4. Notwithstanding the relief granted under this ruling, interest imposed under Section 23(h) of the Act shall be paid together with the payment of the third installment. Section 23 of the Act states:
“...
(h) Tax which is not paid on or before the date it is due under this Section shall carry interest at the rate of 5% (five percent) per annum from one month after that date until the tax is paid.”
5. Where a Person violates an agreement entered into under paragraph 3 of this ruling, such agreement shall terminate automatically, and the first interim payment for the tax year 2012 payable by such Person shall become due immediately. Such person shall further be subject to other applicable fines specified in the Act.
6. Notwithstanding the deadline of 30 August 2012 for filing the Business Profit Tax Return and making the final payment for the tax year 2011 and the first interim payment for the tax year 2012 (see Tax Ruling Number TR-2012/B16 dated 25 July 2012), no penalty shall be imposed on any Person who performs such obligation by 30 September 2012. However, where such obligation is performed after 30 September 2012, the applicable fines specified in the Act shall be imposed from 31 August 2012 onwards.

Date of Effect

7. This ruling shall have effect from its date of issue.



Yazeed Mohamed
Commissioner General of Taxation

This is the unofficial translation of the original ruling issued in Dhivehi. In the event of conflict between this translation and the Dhivehi version of this ruling, the latter shall prevail. Therefore, it is advised that both the Dhivehi version of this ruling and this translation be read concurrently.