

بِسْمِ اللّٰهِ الرَّحْمٰنِ الرَّحِیْمِ



MALDIVES INLAND REVENUE AUTHORITY

Malé, Republic of Maldives

TAX RULING

Registration of individuals under the Tax Administration Act

Reference No.: TR-2013/A1

Date of issue: Sunday, 29 September 2013

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. This ruling is legally binding.

Introduction

1. This ruling explains the requirement for individuals to register with the MIRA under the Tax Administration Act.
2. Section 3(a) of the Tax Administration Regulation (Regulation Number 2013/R-45) states:

“For the purpose of completing the Taxpayer Register required to be maintained by the MIRA under Section 23 of the [Tax Administration] Act, persons conducting business in the Maldives shall submit a “Taxpayer Registration” (MIRA 101) form within 60 (sixty) days from the commencement of that business, together with the information and documents specified therein, to the MIRA.”
3. Section 77(c) of the Tax Administration Regulation states:

““Business’ shall have the same meaning as in Section 43(a) of the Business Profit Tax Act (Law Number 5/2011).”
4. Section 43(a) of the Business Profit Tax Act (Law Number 5/2011) states:

““Business’ includes

 - (a) any profession or vocation and every trade, commerce or manufacture or every adventure in the nature of trade, agriculture, horticulture, forestry and timber growing, aqua-culture, fishing, fish farming, poultry or cattle raising or any other activity carried on with a view to making profits,
 - (b) the granting of the right to occupy immovable property for valuable consideration;

but does not include any employment;”



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Ruling

5. Individuals who are engaged in business and satisfy all of the following conditions shall not be required to register with the MIRA under the Tax Administration Act and the Tax Administration Regulation:
 - (a) None of the business activities carried on by the individual require a permit or license issued by a Government Authority or State Institution; and
 - (b) The individual does not give any consideration to any person for work performed by that person for that individual; and
 - (c) The average monthly gross revenue earned by the individual from all business activities carried on by that individual during any 12-month period does not exceed MVR 20,000 (Twenty Thousand Rufiyaa).

6. Notwithstanding paragraph 5 of this ruling, individuals who satisfy the conditions in that paragraph:
 - (a) may register with the MIRA voluntarily.
 - (b) must keep records in accordance with the Tax Administration Act and the Tax Administration Regulation.

Date of Effect

7. This ruling shall take 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.