

بِسْمِ اللَّهِ الرَّحْمَنِ الرَّحِيمِ



**MALDIVES INLAND REVENUE AUTHORITY**

Malé, Republic of Maldives

# TAX RULING

## Business Profit Tax: Sixth amendment to the Business Profit Tax Regulation

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**Reference No.:** TR-2014/B36

**Date of issue:** Monday, 1 September 2014

*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 references to the Regulation are to the Business Profit Tax Regulation (Regulation Number 2011/R-35), as amended. This ruling is legally binding.*

### Introduction

1. This ruling amends sections 20(c) and 65 of the Regulation.

### Ruling

2. Amend section 20(c) of the Regulation as follows:

(c) Tax payable by a Person whose presentation currency is United States Dollar, may be paid in Rufiyaa or United States Dollar. Where such Person elects to pay tax in Rufiyaa, the amount of tax shall be converted to Rufiyaa by using the exchange rate of USD 1 (One United States Dollar) = MVR 15.42 (Fifteen Rufiyaa and Forty Two Laari).

3. Amend section 65 of the Regulation as follows:

#### **Conversion of foreign currency transactions into Rufiyaa**

(a) Where a payment of an amount specified in Section 6(a) of the Act is made in a currency other than Rufiyaa, in making the payment of withholding tax to the MIRA, such amount shall be converted to Rufiyaa using an exchange rate within  $\pm 2\%$  (plus or minus two per cent) of the rate published by the Maldives Monetary Authority on the date that the tax was liable to be withheld. The source of the foreign exchange rates adopted by a taxpayer must be used consistently.

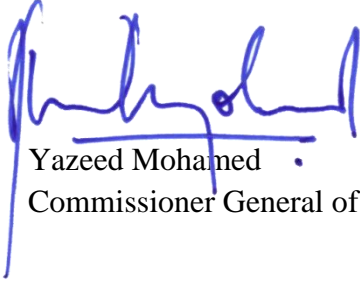
(b) Notwithstanding subsection (a), where such a payment is made through a commercial bank operating in Maldives, such amount shall be converted to Rufiyaa using the exchange rate quoted by that bank for that transaction.



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### **Date of Effect**

4. 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.*