

بِسْمِ اللّٰهِ الرَّحْمٰنِ الرَّحِیْمِ



MALDIVES INLAND REVENUE AUTHORITY

Malé, Republic of Maldives

TAX RULING

Business Profit Tax: First amendment to the Tax Ruling TR-2013/B25

Reference No.: TR-2017/B62

Date of issue: Wednesday, 29 November 2017

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 to the Ruling are to the Tax Ruling TR-2013/B25 (Scope of section 6 (a)(4) of the Business Profit Tax Act). This ruling is legally binding.

Introduction

1. This ruling inserts a new paragraph as paragraph 5 of the Ruling.

Ruling


2. Insert the following paragraph after paragraph 4 of the Ruling, and renumber subsequent paragraphs:
 5. (a) Notwithstanding paragraph 4(b) of this ruling, booking commission paid or payable to non-resident operators of online travel agencies (OTAs) by tourist establishments shall be subject to withholding tax where such payment is paid or becomes payable to the OTA by the tourist establishment.
 - (b) Notwithstanding subparagraph 5(a), where MIRA believes that one of the objectives of the payment arrangement between the tourist establishment and the OTA is to avoid or reduce the tax liability, MIRA shall have the authority to require the tourist establishment to pay to MIRA the tax avoided or reduced.

Date of Effect

3. This ruling shall have effect from 1 December 2017.



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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.