Introduction

Income will be taxed under the Income Tax Act (Law No. 25/2019) from 1 January 2020. Remuneration, however, will be taxed from 1 April 2020.

Persons affected by this Act

- Any person who is a resident of the Maldives, who derives income from the Maldives or elsewhere;
- Any person who derives income from the Maldives, whether or not that person is a resident of the Maldives.

Income

(a) Some taxable Income

- Remuneration;
- Income derived from any business;
- Dividends / Interest;
- Technical service fee / Commission / Royalty;
- Capital Gains (Example: Selling shares in a company / Disposal of a vessel, building or land)
- Income of any other kind (even if the income was received for no consideration. (example: gifts) or as proceeds of any criminal or other illegal activity)

(b) Some exempt income

- Dividends or profits received by a resident in the Maldives from a company or partnership, respectively, which is resident in the Maldives;
Interest received as below:

- Interest or profit derived in respect of a security issued by a company listed on the Maldives Stock Exchange;
- Passive interest up to an annual maximum of MVR 5,000/- (Example: Interest received by an individual for money kept in a Savings Bank Account)

Following income received by an individual:

- Money received as basic pension and retirement pension under the Maldives Pension Act
- Education grants and scholarships
- Income derived from the disposal of a person’s sole or principal private residence;
- Gifts received in the following manner:
  - Gifts received up to an annual maximum of MVR 40,000/-
  - Any amount of gift received in the following manner:
    - gift from a relative; or
    - gift received as a wedding gift; or
    - a grant from the government or a charitable organization approved by the Commissioner General.
- Money received as hibah, bequest or inheritance
- Payments of dowry, nafaka or halanath
- Grants from the Government (Example: money received under the “social health insurance scheme”)

(c) Persons whose total income is exempt from tax

- Charitable organizations approved by the Commissioner General
- Government offices
Taxation of persons resident in the Maldives

Persons resident in the Maldives will be subject to tax on their total worldwide income. That is, income derived by a resident in the Maldives is subject to tax in the Maldives irrespective of where the income is sourced.

(a) Individual Income

The tax payable of individuals is the total amount calculated by dividing their taxable income into the tax brackets, and applying the rates therein, as determined by the law. It is the responsibility of the employer to deduct Employee Withholding Tax from the remuneration of their employees who are subject to the tax, and pay the amount to MIRA. Withholding Tax deducted as such is an amount that can be deducted by the individual from their final tax payment for the year if they choose to, or are required to, submit an Income Tax Return for the year.

1. Employee Withholding Tax

Remuneration subject to employee withholding tax is total remuneration received by an employee in a month, after the deduction of the amount contributed to the Maldives Retirement Pension Scheme by the employee. Remuneration also includes allowances and benefits received by the employee, whether received in cash or in-kind. Employees include company directors, partners of partnerships and any person holding a position of the State.

Employee Withholding Tax brackets and rates:

<table>
<thead>
<tr>
<th>Remuneration subject to Withholding Tax (Monthly)</th>
<th>Tax Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>MVR 60,000 or less</td>
<td>0%</td>
</tr>
<tr>
<td>More than MVR 60,000 but less than or equal to MVR 100,000</td>
<td>5.5%</td>
</tr>
<tr>
<td>More than MVR 100,000 but less than or equal to MVR 150,000</td>
<td>8%</td>
</tr>
<tr>
<td>More than MVR 150,000 but less than or equal to MVR 200,000</td>
<td>12%</td>
</tr>
<tr>
<td>More than MVR 200,000</td>
<td>15%</td>
</tr>
</tbody>
</table>
Example 1

Muaz is an employee at ABC Pvt Ltd. In 2020, Muaz receives MVR 125,000 per month as his remuneration (after the deduction of his contribution to Retirement Pension Scheme). Muaz lives with his family in a 3-bedroom apartment provided by the company. The company pays MVR 30,000 per month as rent to the owner of the building. The monthly remuneration received by Muaz in this case is (125,000+30,000) MVR 155,000.

<table>
<thead>
<tr>
<th>Remuneration subject to Withholding Tax (Monthly)</th>
<th>Tax Rate</th>
<th>Income distributed among the brackets</th>
<th>Withholding Tax amount to be deducted</th>
</tr>
</thead>
<tbody>
<tr>
<td>MVR 60,000 or less</td>
<td>0%</td>
<td>60,000</td>
<td>-</td>
</tr>
<tr>
<td>More than MVR 60,000 but less than or equal to MVR 100,000</td>
<td>5.5%</td>
<td>40,000</td>
<td>2,200</td>
</tr>
<tr>
<td>More than MVR 100,000 but less than or equal to MVR 150,000</td>
<td>8%</td>
<td>50,000</td>
<td>4,000</td>
</tr>
<tr>
<td>More than MVR 150,000 but less than or equal to MVR 200,000</td>
<td>12%</td>
<td>5,000</td>
<td>600</td>
</tr>
<tr>
<td>More than MVR 200,000</td>
<td>15%</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td></td>
<td><strong>155,000</strong></td>
<td><strong>6,800</strong></td>
</tr>
</tbody>
</table>

The amount of tax to be withheld from Muaz’s remuneration each month, starting from April 2020, is MVR 6,800 (refer to the computation shown above). ABC Pvt Ltd must deduct this amount from Muaz’s remuneration each month and pay to MIRA.
2. Income other than remuneration derived by individuals

Individuals have to pay tax on their business income and all other forms of income they receive. As such, where an individual receives business income, he/she can deduct expenses incurred in relation to that business in a manner prescribed in the Law.

Income tax brackets and rates for individuals.

<table>
<thead>
<tr>
<th>Tax brackets for annual taxable income (MVR)</th>
<th>Tax Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>MVR 720,000 or less</td>
<td>0%</td>
</tr>
<tr>
<td>More than MVR 720,000 but less than or equal to MVR 1,200,000</td>
<td>5.5%</td>
</tr>
<tr>
<td>More than MVR 1,200,000 but less than or equal to MVR 1,800,000</td>
<td>8%</td>
</tr>
<tr>
<td>More than MVR 1,800,000 but less than or equal to MVR 2,400,000</td>
<td>12%</td>
</tr>
<tr>
<td>More than MVR 2,400,000</td>
<td>15%</td>
</tr>
</tbody>
</table>

Example 2

In addition to the remuneration Muaz received in example 1, he received MVR 12 million from a shop he started operating from 1 January 2020 as his total income. The amount of business expenses deductible under the law came to MVR 9 million. Thus, the taxable income Muaz derived from the business is (12-9) MVR 3 million. Muaz should calculate his tax payable as depicted in the below table.

<table>
<thead>
<tr>
<th>Type of taxable income</th>
<th>Total Income (MVR)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Remuneration (155,000 x 9)</td>
<td>1,395,000</td>
</tr>
<tr>
<td>Business Income</td>
<td>3,000,000</td>
</tr>
<tr>
<td>Total</td>
<td>4,395,000</td>
</tr>
</tbody>
</table>
Muaz should calculate his tax payable from his total taxable income as depicted in the below table.

<table>
<thead>
<tr>
<th>Remuneration subject to Withholding Tax (Monthly)</th>
<th>Tax Rate</th>
<th>Income distributed among the brackets</th>
<th>Withholding Tax amount to be deducted</th>
</tr>
</thead>
<tbody>
<tr>
<td>MVR 60,000 or less</td>
<td>0%</td>
<td>720,000</td>
<td>-</td>
</tr>
<tr>
<td>More than MVR 60,000 but less than or equal to MVR 100,000</td>
<td>5.5%</td>
<td>480,000</td>
<td>26,400</td>
</tr>
<tr>
<td>More than MVR 100,000 but less than or equal to MVR 150,000</td>
<td>8%</td>
<td>600,000</td>
<td>48,000</td>
</tr>
<tr>
<td>More than MVR 150,000 but less than or equal to MVR 200,000</td>
<td>12%</td>
<td>600,000</td>
<td>72,000</td>
</tr>
<tr>
<td>More than MVR 200,000</td>
<td>15%</td>
<td>1,995,000</td>
<td>299,250</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td></td>
<td><strong>4,395,000</strong></td>
<td><strong>445,650</strong></td>
</tr>
<tr>
<td>Amount deducted as Withholding Tax from Muaz’s salary (6800 x 9)</td>
<td></td>
<td>(61,200)</td>
<td></td>
</tr>
<tr>
<td>First Interim Payment for 2020 (refer to example 4)</td>
<td></td>
<td>(125,000)</td>
<td></td>
</tr>
<tr>
<td>Second Interim Payment for 2020 (refer to example 4)</td>
<td></td>
<td>(125,000)</td>
<td></td>
</tr>
<tr>
<td><strong>Final payment</strong></td>
<td></td>
<td><strong>134,450</strong></td>
<td></td>
</tr>
</tbody>
</table>

3. Capital gains and gifts

**Example 3**

Muaz from example 1 sells his car for MVR 165,000 in the year 2020. He had bought the car for MVR 110,000. So his capital gains from this transaction is (165,000 - 110,000) MVR 55,000.

In addition, Muaz’s father gave him MVR 400,000 as a gift during the year.
So now, Muaz has to pay tax from the aggregate of the amounts he received as remuneration, business income and capital gains in the year 2020. The amount of gift Muaz received does not have to be included in his taxable income as it was gift from a relative (his father).

<table>
<thead>
<tr>
<th>Type of taxable income</th>
<th>Total Income (MVR)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Remuneration (155,000 x 9)</td>
<td>1,395,000</td>
</tr>
<tr>
<td>Business Income</td>
<td>3,000,000</td>
</tr>
<tr>
<td>Capital Gains</td>
<td>55,000</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>4,450,000</strong></td>
</tr>
</tbody>
</table>

Muaz should calculate his tax payable from his total taxable income as depicted in the below table.

<table>
<thead>
<tr>
<th>Remuneration subject to Withholding Tax (Monthly)</th>
<th>Tax Rate</th>
<th>Income distributed among the brackets</th>
<th>Withholding Tax amount to be deducted</th>
</tr>
</thead>
<tbody>
<tr>
<td>MVR 60,000 or less</td>
<td>0%</td>
<td>720,000</td>
<td>-</td>
</tr>
<tr>
<td>More than MVR 60,000 but less than or equal to MVR 100,000</td>
<td>5.5%</td>
<td>480,000</td>
<td>26,400</td>
</tr>
<tr>
<td>More than MVR 100,000 but less than or equal to MVR 150,000</td>
<td>8%</td>
<td>600,000</td>
<td>48,000</td>
</tr>
<tr>
<td>More than MVR 150,000 but less than or equal to MVR 200,000</td>
<td>12%</td>
<td>600,000</td>
<td>72,000</td>
</tr>
<tr>
<td>More than MVR 200,000</td>
<td>15%</td>
<td>2,050,000</td>
<td>307,500</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>4,450,000</strong></td>
<td><strong>453,900</strong></td>
<td></td>
</tr>
</tbody>
</table>

Amount deducted as Withholding Tax from Muaz’s salary (6800 x 9) = (61,200)

First Interim Payment for 2020 (refer to example 4) = (125,000)

Second Interim Payment for 2020 (refer to example 4) = (125,000)

Final payment = 142,700
(b) Income of persons other than individuals

Companies, partnership and other such corporate entities have to pay tax at a rate of 15% of the taxable income of that entity which exceeds MVR 500,000 per year. Deemed partnerships are also subject to tax at this rate.

A “deemed partnership” is two or more persons that share the total income and expenses, or the profit or loss, of an activity, whether or not they use a separate name for that activity or have joint or common rights in the activity or property which generates that income.

Banks have to pay tax at a rate of 25% of their taxable income.

Taxation of persons not resident in the Maldives

Non-residents have to pay tax on the income they derive from the Maldives.

(a) Non-resident Withholding Tax

The following types of income derived from the Maldives by a non-resident are subject to tax at the rate of 10% of the gross amount of income derived by them.

Types of income subject to non-resident withholding tax:

- Rent from immovable property situated in the Maldives
- Royalty;
  - use of, or the right to use of a computer software copyright
  - use of, or the right to use of a copyright, patent, plant variety right, trademark, model, plan, secret formula or process, or a similar product
  - use of, or the right to use of the following:
    - cinematographic film
    - film, videotape or other electronic recordings used for television broadcasting;
    - tapes or other electronic recording used for radio broadcasting;
- film, video or other electronic recording used for internet broadcasting.

- providing of industrial, commercial, or scientific knowledge or information;

- use of, or the right to use of industrial, commercial, or scientific equipment or information;

- transmission via satellite, cable, optic fiber or a similar technology.

- Interest (except interest paid or payable to a bank or non-banking financial institution approved by MIRA);

- Dividend;

- Fees for technical services;

- Payments made in respect of performances in the Maldives by public entertainers;

- Payments made to a contractor;

- Insurance premium paid to an insurer;

- Re-insurance premium (re-insurance premium is subject to non-resident withholding tax at a rate of 3%).

All persons doing business in the Maldives through a permanent establishment are required to submit an income tax return, and, if such person’s income derived from the Maldives has suffered non-resident withholding tax, the person can deduct the expenses incurred in the production of that income that had suffered non-resident withholding tax.

The following persons can, however, choose to submit an income tax return even if they do not have a permanent establishment in the Maldives.

- Persons who derive income from the rent of immovable property;

- Public entertainers who derive income from performing in the Maldives;

- Persons who derive income from carrying out research and development in the Maldives.

For the above circumstance, if the person is an individual, the amount of tax payable is the aggregate amount derived when his income from the Maldives is divided into the tax brackets stipulated in the law and charged at the rates applicable to each of those brackets separately. If the person is a company, partnership or a similar entity,
he has to pay tax at the rate of 15% of his taxable income that exceeds MVR 500,000/-. If the person is a bank, the bank has to pay tax on its taxable income at the rate of 25%.

In the case of non-resident withholding tax, the person doing business in the Maldives making the payment subject to non-resident withholding tax should deduct 10% from the payment he makes to the non-resident and pay it to MIRA.

For the purpose of deducting withholding tax, a permanent establishment and its head office will be deemed as two separate entities.

**Non-resident withholding tax is a final tax**

If the income derived by a non-resident from the Maldives has suffered non-resident withholding tax and the income is not part of the income of the person’s permanent establishment in the Maldives, or if the choice of submitting an income tax return is not open to the non-resident under the law, the amount of non-resident withholding tax paid on that income will be the person’s final tax.

**Types of income not subject to non-resident withholding tax**

- Payments made by a Government office/State institution (however, if a non-resident derives income for a service provided under an agreement with the Government of the Maldives, such income will be subject to tax, wherever may be the place such service is rendered);
- Payments made to a non-resident by persons mandated to carry out social protection schemes and programs;
- Income exempted from income tax.

**(b) Business carried out by a non-resident in the Maldives through a permanent establishment**

Income derived by a non-resident from a business carried out through the non-resident’s permanent establishment in the Maldives will be taxed as below:

- The income derived by a non-resident through a permanent establishment in the Maldives includes:
  - income derived from sale goods in the Maldives, that are same or similar to the type of goods sold through the permanent establishment of the non-resident;
• Income from business activities in the Maldives that are of the same or similar kind as that carried out through the permanent establishment of the non-resident.
  - If a non-resident shipping or aircraft operator in international transportation derives the following type of income though the non-resident’s permanent establishment in the Maldives, the non-resident has to pay income tax at the rate of 2% on that gross income.
• Income derived from carrying passengers or livestock or mail or parcels or merchandise or goods on an aircraft or a ship which departs from a place located in the Maldives.

If a non-resident’s business is carried out through more than one permanent establishment and if the same tax rate is applicable to more than one of those permanent establishments, tax amount shall be calculated for such permanent establishments together.

(c) Other types of income derived by a non-resident

The following types of income derived by a non-resident is subject to income tax even if such income is not liable to non-resident withholding tax or even if the income is not derived from a business conducted by the non-resident’s permanent establishment.

• Remuneration from any employment in the Maldives
• Remuneration derived from any employment exercised under a contract of service with a Government office of the Maldives (wherever may be the place such employment is exercised);
• Director’s fee or partner’s income derived from a company or a partnership which is a resident in the Maldives;
• Remuneration derived from an employment under a contract of service made with a shipping or aircraft operator, charterer or lessee who is resident in the Maldives, wherever may be the place such employment is exercised;
  - Remuneration derived for any service provided under a contract of service with a Government office, wherever the service is provided;
  - Annuity, pension or any other retirement benefit that is paid by the Government of the Maldives or by a resident of the Maldives, in respect of any employment exercised or services provided in the Maldives;
  - Rent from any immovable property situated or registered in the Maldives;
Residency

(a) Resident Individual
- the person's permanent place of living is in the Maldives; or
- the person is present in the Maldives or intends to be present in the Maldives for an aggregate of 183 days or more in any 12 month period commencing or ending during a tax year; or
- the person is an employee or official of the Government of the Maldives and is posted overseas during a tax year.

(b) Resident Company
- Company is incorporated in the Maldives; or
- Company has its head office in the Maldives; or
- the control and management of the company is in the Maldives.

(c) Resident Partnership
- partnership is formed in the Maldives; or
- the control and management of the partnership is in the Maldives.

- Capital gains derived from the following ways;
  - profit derived from the disposal of movable, immovable, intellectual or intangible property/capital situated or located in the Maldives;
  - profit derived from the disposal of a share or any interest in a company or partnership or trust which is resident in the Maldives;
  - profit derived from the disposal of a share or any interest in a company or partnership where at the time of disposal of such share or interest, during the past 365 days, more than 50% of the value of company or partnership is directly or indirectly related to an immovable property situated in the Maldives;
- Interest, royalty or fees for technical services paid by a resident.
(d) Temporary residents

Temporary residents are neither residents nor non-residents. Temporary residents are liable to pay tax on income derived from the Maldives only.

Deductions

In the computation of the taxable income of a person who derives income from a business, an expense is deductible only if the expense was incurred by that person in that accounting period, and was incurred wholly and exclusively for the purpose of production of that person’s total income.

Even if the person does not derive income from a business, payments of zakat al-mal, pension payments to the Maldives Retirement Pension Scheme established under the Maldives Pension Act and donations made to a State institution or a charitable organization approved by the Commissioner General can be deducted in the computation of the person’s taxable income.

A person who derives rent from immovable property situated in the Maldives and prepares financial statements on cash basis can elect to claim a deduction equivalent to 20% of total rental income as expenditure incurred in deriving the rental income. Where a person makes such an election, he cannot deduct any other expenses in respect of that rental income in the computation of his taxable income.

Non-deductible expenses

In the computation of the taxable income of a person, non-deductible expenses include private and domestic expenditure and expenditure incurred to derive exempt income. Furthermore, the following expenditure are also included among non-deductible expenses:

- Provisions created for expected expenditure or loss;
- Fines or other amounts payable in respect of any failure to comply with any law or regulation;
- Any bribe given to another person;
- Premium payable under a life insurance policy (not including premium paid under a key person insurance policy taken by a person carrying out a business);
- Interest paid on any partner’s capital and the profit of the partnership distributed to the partners;
• Excessive compensation (amount which the Commissioner General determines is excessive in respect of the value of the transaction);
• The cost of commuting to and from the person’s residence and place of work;
• The cost of clothing worn to work;
• The cost of education of the person (except cost of trainings directly related to the person’s employment, performance of the person’s employment or person’s employment promotion opportunities).

Thin-Capitalization

In the computation of the taxable income, the thin capitalization rules will be applicable to interest paid or payable except to banks operating in Maldives, and insurance businesses, finance leasing and housing finance businesses licensed by the MMA.

Thin capitalization does not apply to:

- Banks operating in the Maldives under a license issued by MMA
- Insurance businesses, finance leasing and housing finance businesses licensed by MMA
- Persons categorized as micro, small or medium sized businesses
- State-Owned Enterprises (SOEs), of which the Government of the Maldives directly holds majority of the ordinary share capital

The maximum amount of interest deductible under the thin capitalization rules is 30% of a person’s interest capacity (tax-EBITDA) in any given accounting period. A person can carry forward the amount of interest disallowed to be deducted in subsequent periods with adherence to this rule.

Disallowed interest can be carried forward to be deducted in subsequent periods up to a maximum of 10 years from the last day of the accounting period in which such amount was initially disallowed.

The definition of interest includes interest on all forms of debt and expenses incurred in connection with the raising of finance.

“Tax-EBITDA” is the taxable income before loss relief increased by the amount of interest and capital allowances (including balancing allowance) otherwise deductible.
Arrangements or transactions between related parties

Arrangements or transactions between related parties must be computed in accordance with the arm’s length terms.

If any arrangement or transaction between related parties occurred contradictory to the arm’s length principle, in any given accounting period, the taxable income for that accounting period should be computed as it would have been if the arrangement or transaction was valued in accordance with the arm’s length terms and conditions.

Arm’s length terms means the terms on which a transaction or an arrangement would have been made, or might reasonably be expected to have been made, if it had been made between persons that are not associates and in comparable circumstances.

Transfer Pricing Documentation

Maintenance of Transfer Pricing Documentation for specific transactions between related parties is mandated under the Income Tax Act. If a transaction is entered into by persons categorized as micro, small or medium sized businesses under the Law, or in relation to an exempt income, maintenance of such documentation is not mandatory.

Registration

Persons deriving income are required to register under the Income Tax Act, in the following manner.

(a) Registration of persons deriving income

- All the persons required to register with the Ministry of Economic Development under the Business Registration Act.
- Individuals and deemed partnerships are required to register if any one of the following conditions are met:
  - hold a license issued by a government institution to conduct a business activity
  - obligated to deduct Employee Withholding Tax from the remuneration of any of the person’s employees
  - Person whose monthly average income from all the business activities carried out in a 12 month period exceeds MVR 40,000
• A person or a deemed partnership that carries on business in the Maldives and makes, or is liable to make, a payment subject to Non-Resident Withholding Tax.
• Individuals with a total income exceeding MVR 720,000 in any given accounting period.
• Persons other than individuals with a total income exceeding MVR 500,000 in any given accounting period.

All persons deriving income shall apply to register using MIRA 117 (Income Tax Registration) form.

A person registered with MIRA under the Tax Administration Act need not be re-registered for income tax. However, for the purpose of Employee Withholding Tax, all employers are required to register their employees.

(a) Registration of persons deriving remuneration

If an individual receives or is expected to receive an amount more than or equal to MVR 60,000 as remuneration subject to withholding tax in a year, or if the individual has received MVR 60,000 or more in any month within the year, such individual would be required to register with MIRA under the Income Tax Act.

If any one employee of the employer is required to register, all the employees who receive remuneration above MVR 30,000 per month from that employer are required to be registered as well. Employers are required to submit MIRA 118 (Registration of Employees) form to register their employees.

However, if a person derives remuneration from more than one employer, and the person receives a total income of MVR 40,000, such a person is obliged to register themselves.
Submission of Tax Return and Payment of Tax

Interim payments are not mandatory if the total amount of interim payments does not exceed MVR 20,000.

Interim payment to be made for the subsequent tax year to the first tax year, and for any year that follows, must be equal to one half of the total amount paid as tax in the previous year.

If the amount of tax to be paid in any tax year is estimated to be less than that of the previous tax year, the amount to be paid as Interim Payment can be estimated.

If it is the first tax year, each interim payment is the half of the estimated tax payable for that tax year.

In making interim payments, the amount of any withholding tax deducted or expected to be deducted from the taxable income for that tax year is deductible from the interim payments payable for that period.

<table>
<thead>
<tr>
<th>Description</th>
<th>Employee Withholding Tax Return</th>
<th>Non Resident Withholding Tax Return</th>
<th>Interim Statement and Final Tax Return</th>
</tr>
</thead>
<tbody>
<tr>
<td>Person responsible for the submission of Return</td>
<td>Employer</td>
<td>Person making the payment to the non-resident</td>
<td>Persons required to pay tax on income</td>
</tr>
<tr>
<td>Deadline for Submission of Return and Payment</td>
<td>Monthly, on the 15th of the subsequent month</td>
<td>15th of the month subsequent to the month on which the payment was made to the non-resident</td>
<td>First Interim Payment and Statement: 31st July of that tax year</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Second Interim Payment and Statement: 31st January of the subsequent tax year</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Final Return and Final Payment: 30th June of that subsequent tax year</td>
</tr>
<tr>
<td>Return to be submitted</td>
<td>MIRA 601</td>
<td>MIRA 602</td>
<td>Interim Return: MIRA 603</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Income Tax Return: MIRA 604</td>
</tr>
<tr>
<td>Payment Currency</td>
<td>Maldivian Rufiyaa</td>
<td>Maldivian Rufiyaa</td>
<td>Maldivian Rufiyaa or US Dollar</td>
</tr>
</tbody>
</table>
Example 4

- The first tax year of Muaz from Example 1 is 2020. The tax payable amount Muaz estimated for the year is MVR 250,000. Thus, Muaz has to pay MVR 125,000 (half of the total estimated amount) for each interim payment during that year.