



MALDIVES
INLAND REVENUE
AUTHORITY

How to fill in the BPT Return (MIRA 304)

This is a step-by-step guide to help you fill in the BPT Return (MIRA 304, version 19.1). Most of your questions will be answered here. If you need more help, call 1415 or send an email to 1415@mira.gov.mv

Published on 3 February 2019

Read the following instructions before you read the rest of the guide.

1. Individuals, companies, partnerships and other bodies registered with MIRA under the Tax Administration Act are required to file this return once a year. However, individuals and deemed partnerships whose gross income for the year is less than MVR 1,000,000 and taxable profit for that year is less than MVR 500,000 are exempt from filing this return, unless the exemption has been voided by reaching one of these thresholds in a previous year.
2. Round off all figures on your return to the nearest whole number.
3. Items 31 to 48 must be completed with a minus sign (-) in front.
4. We will issue a voucher when you file your return. Keep it for future reference. Do keep a copy of the return you file too.
5. Pursuant to [Tax Ruling TR-2018/A15](#) dated 12 April 2018, taxpayers whose annual turnover is equal to or more than MVR 10 million must file their tax returns via our online portal “MIRAconnect”. For more information on how to file your return online, you may refer to our MIRAconnect Guide (MIRA M822), which is available at <https://bit.ly/2ji4S1d>.
6. Do NOT email your return. We will not be able to accept tax returns sent via email.

How to fill in the BPT Return

Before you start populating the figures, you must fill in the following information in the box at the top of your return. Please note that it is compulsory for you to fill in all the information specified in the box. Your return will not be accepted if any field in the box is left blank. If a field is not applicable to you (for example, your address has no apartment number or level), put a dash in the respective box.

- **BPT TIN (Taxpayer Identification Number):** Your TIN is a unique identification number issued to you when you register with MIRA under the Tax Administration Act. In this box, enter the TIN as shown on the Notification of Business Registration issued to you. Your return will only be accepted with the correct TIN.
- **Taxpayer Name:** In this box, enter the name of the taxpayer as shown on the Notification of Business Registration. If the taxpayer name does not match the TIN, the return will be rejected.
- **Taxpayer's Contact Details:** Enter the telephone or mobile number and the email address of your business. Whenever we send emails to you, we will be using the most recent email address you provide here.
- **Taxpayer's Mailing Address:** Write the mailing address of your business here. Whenever we send hard copies of letters and other documents to you, we will be using the most recent mailing address you provide here.
- **Accounting Period:** This is the start date and end date of the accounting period covered by your return. Your accounting period is stated on the Notification of Business Registration. This period must be adopted in the financial statements which are submitted along with the return.
- **Auditor Registration Number:** Enter here the registration number of the auditor who audited your financial statements. Fill in this box if you are required to appoint an auditor. If not, leave it blank.
- **Industry Code:** Write here the industry code for the industry from which you earned the majority of your revenue. You must use the relevant industry code from the "Industry Code" list on page 11 of the return.

Example

Tax returns without the following details will not be accepted.

BPT TIN (Taxpayer Identification Number)										Taxpayer Name															
1	2	3	4	5	6	7	B	P	T	0	0	1	Nika Pvt Ltd												
<small>Your TIN as it appears on your Notification of Registration</small>										<small>Your name as it appears on your Notification of Registration</small>															
Taxpayer's Contact Details										Taxpayer's Mailing Address															
7925756					info@nika.com					Nika					2		-		Zamaanee Goalhi						
<small>Telephone / Mobile</small>					<small>Email Address</small>					<small>House Name / Building Name</small>					<small>Level</small>		<small>Apartment Number</small>		<small>Street</small>						
Galolhu			Male'			23300			Maldives			Galolhu					Male'		23300			Maldives			
<small>Island / District</small>			<small>Atoll / City</small>			<small>Postcode</small>			<small>Country</small>			<small>Island / District</small>					<small>Atoll / City</small>		<small>Postcode</small>			<small>Country</small>			
Accounting Period										Auditor Registration Number					Industry Code										
0	1	0	1	2	0	1	8	3	1	1	2	2	0	1	8	B 210					P7				
<small>From</small>										<small>Registration number of the auditor who audited your financial statements</small>					<small>The industry code for the industry from which you earned the majority of your revenue. Refer to page 11 for the list of industry codes.</small>										
<small>These are the dates specified in your financial statements</small>																									

You can now proceed to complete the remainder of your return. You must complete pages 2 to 10 before completing the rest of page 1.

Document Checklist

Tick the documents that you have attached with the return. MIRA has the right to reject your return if you submit it without your financial statements and supporting documents for Items C, H, 29, 45, 47 and 51. Companies have to submit Directors report along with other documents.

Item I: What is the basis of preparing your accounts?

This is the basis of preparing your accounts, which you have elected under section 8(c) or (d) of the BPT Regulation.

- (a) **Accrual basis:** Tick here if your total turnover for the year is more than MVR 10 million, or it is less than MVR 10 million but you have chosen to prepare your accounts on accrual basis or you are no longer exempt from using accrual basis to prepare your accounts under paragraph 11 of the [Tax Ruling TR:2018/B63](#).

Under accrual accounting, income and expenses are recognized when they become due regardless of the date of receipt or payment. If accrual basis is adopted, accounts must be prepared in accordance with:

- International Financial Reporting Standards (IFRS); or
- IFRS for SMEs; or
- AAOIFI accounting standards.

- (b) **Cash basis:** Tick here if you are exempt from using accrual basis of accounting and you have chosen to prepare your accounts on cash basis. Under cash basis of accounting, income is recognized when cash is received and expenditure is recognized when cash is paid.

Item II: What is your presentation currency?

Presentation currency refers to the currency in which you prepare your financial statements. If your functional currency (i.e. the currency of the primary economic environment in which you operate) is:

- Rufiyaa, then your presentation currency must be **Rufiyaa**.
- United States Dollar, then your presentation currency must be **United States Dollar**.
- a currency other than Rufiyaa or United States Dollar, then your presentation currency can be **either Rufiyaa or United States Dollar**.

If your presentation currency differs from your functional currency, you must translate your financial statements by applying the principles in International Accounting Standard 21 (The Effects of Changes in Foreign Exchange Rates), using an exchange rate within $\pm 2\%$ of the rate published by the Maldives Monetary Authority, on the transaction date.

Item III: Type of audit opinion

State here the audit opinion expressed in your Auditors' Report. If you tick in (a) to (d) you must provide an auditor registration number in the box on page I.

- (a) **Unqualified:** Tick here if the audit opinion is an unqualified opinion.
- (b) **Qualified:** Tick here if the audit opinion is a qualified opinion.
- (c) **Disclaimer:** Tick here if the audit opinion is a disclaimer opinion.
- (d) **Adverse:** Tick here if the audit opinion is an adverse opinion.
- (e) **Not required to audit:** Tick here if you are not required to audit the financial statements.

Item IV: Record keeping

State here the type of record keeping system used in recording your business transactions.

- (a) **Computerized:** Tick here if you are having a fully computerized record keeping system.
- (b) **Semi-computerized:** Tick here if you are using computers only to some extent to maintain your records.
- (c) **Manual:** Tick here if your business records are prepared manually.

Item V: Number of employees at the end of the accounting period

Write the number of Maldivian employees and expatriate employees at the end of the accounting period, separately in the spaces provided.

Item VI: Thin capitalization rule

From (a) to (c), tick all that apply to you.

Item VII: Details of other companies within the group

This table is to be filled ONLY if you are a company within a group of companies.

- In the first column, write the name of the company.
- In the second column, write the respective company's TIN.
- In third column write the country of residence of the company.
- In the fourth column, tick whether or not the company shares the tax threshold with you.

You may use additional sheets if necessary.

Item VIII: Details of financial interest in any shares outside the Maldives

This table is to be filled by companies only.

You are required to provide details of *all* private limited companies, and those public limited companies in which you hold more than 5% of shares.

- In the first column, write the name and address of the entity in which you hold the interest.
- In the second column, write the country in which the company was incorporated.
- In the third column, write the initial cost of investment in the company by your company. Also write the currency of the cost of the investment in the fourth column.
- In the fifth column, write the percentage of your investment in the company.

You may use additional sheets if necessary.

Item IX: Details of immovable property

Immovable property refers to buildings, warehouses, factories, land, uninhabited islands, lagoons, reefs, reef knolls, permanent structures and any other such property.

If you are a resident in the Maldives, list all immovable property in and outside the Maldives. If you are a non-resident with a permanent establishment in the Maldives, list all immovable property that relate to your operations in the Maldives.

- In the first column, write the address of the immovable property (omitting the country).
- In the second column, write the country in which the immovable property is located.
- In the third column, write the total cost of the investment in the immovable property.
- In the fourth column, write the currency of the cost of the investment.

You may use additional sheets if necessary.

Item X: Details of bank accounts

If you are a resident in the Maldives, provide details of both local and foreign bank accounts, including accounts held jointly.

If you are a non-resident with a permanent establishment in the Maldives, provide details of bank accounts which are used in your operations in the Maldives only.

- In the first column, write the name of the bank account.
- In the second column, write the bank account number.
- In the third column, write the currency of the bank account.
- In the fourth column, write the name and address of the bank where the account is held.

You may use additional sheets if necessary.

SECTION A, SECTION B and SECTION C

There are three sections in this part of the BPT Return: Section A, Section B and Section C.

If you earn **only** rental income from immovable property in the Maldives **and** you choose the 20% deduction option given under Section 9(b) of the BPT Act, complete Section A ONLY.

In all other cases, complete section B and section C. Please complete section C before section B.

SECTION A

Fill in this section if you earn ONLY rental income from immovable property in the Maldives and if you choose to deduct 20% of that rental income (the option given under Section 9(b) of the Act).

Item 1: Rental Income

Enter the total amount of rental income that you have earned from rent of immovable property. This amount must be the aggregate of the following amounts:

- a) all rental payments received in relation to the immovable property; and
- b) security deposits, advance rental payments and any other payments received in relation to the immovable property, to the extent the lessor of the property has the right to consume part or full payment of it within the tax year; and
- c) all payments received in relation to the rented property not resulting from the responsibilities of the lessee specified in the lease agreement; and
- d) payments received in respect of anything affixed to the immovable property; and
- e) payments received under an insurance policy obtained to compensate for the non-payment of rent; and
- f) any payment received for breach of a lease agreement by the lessee.

Item 2: 20% of rental income

Calculate 20% of the rental income by multiplying the amount in Item 1 (Rental Income) by 0.20.

If you are using the fillable version, this figure will be calculated automatically.

Item 3: Profit / (loss) before adjustments

Calculate this amount by subtracting Item 2 (20% of rental income) from Item 1 (Rental Income).

If you are using the fillable version, this figure will be calculated automatically.

Transfer the amount in Item 3 to Item A on page 1. If you are using the fillable version, this figure will be transferred automatically.

SECTION B

Item 4: Accounting profit / (loss) before tax

Transfer the amount in Box 76 on Page 9.

If you have earned rental income and if you have chosen to deduct 20% from your total rental income (the option given under Section 9(b) of the Act), fill in Items 5 to 8. If not, leave Items 5 to 8 blank and go to Item 9.

Item 5: Rental income

Enter the total amount of rental income that you have earned from rent of immovable property.

Item 6: 20% of rental income

Calculate 20% of your rental income by multiplying the amount in Item 5 by 0.20.

If you are using the fillable version, this figure will be calculated automatically.

Item 7: Expenses incurred to generate rental income included in the income statement

This is the total amount of expenses which are related to your immovable property rental business. These expenses have already been deducted in arriving at your accounting profit/ (loss).

Item 8: Adjustment to accounting profit / (loss)

This is the difference between 20% of your rental income and the expenses incurred to generate the rental income. Calculate this adjustment by deducting Item 6 from Item 7. If Item 6 is greater than Item 7, this will be a negative figure. If you are filling this return manually, put a minus sign (-) in front of this figure. If you are using the fillable version, it will automatically do so.

Add: Deductions not allowed

Item 9 - 29

Items 9 to 29 show the amounts of accounting expenditure which are not deductible in calculating your taxable profit. Nevertheless, some of these expenses can be deducted subject to restrictions, and they are included under the heading “Deductions allowed”. Fill in Items 9 to 29 by stating the amounts as in your financial statements. If you enter an amount in Item 29, you must attach explanations and supporting documents.

You must NOT include any expenditure in Items 9 to 29 which have already been included in Item 7. All the expenses paid to persons specified in Section 11(c) of the Act, should be stated in Item 19. The amount in Item 19 must include the remuneration paid or payable in that tax year to persons who are related to sole proprietors (Refer to Tax [Ruling: 220-PR/TR/2012/BI](#)). You must NOT include any expenditure in Items 9 to 29 which have already been included in Item 19.

Note: If you are preparing accounts on cash basis, you can deduct expenditure on non-current assets not capitalized, if the expenditure on acquisition of an asset together with like assets acquired at the same time as the asset does not exceed MVR 50,000. Further, if you have chosen accrual basis for preparing accounts, you can deduct expenditure on non-current assets not capitalized, if the expenditure on the acquisition of an asset together with like assets acquired at the same time as the asset does not exceed MVR 5,000. However, the aggregate of expenditure deducted as non-current assets not capitalized should not exceed MVR 100,000. These adjustments must be made in Item 22 (Expenditure on non-current assets not capitalized).

Item 24 (Balancing charge) is the amount transferred from the Statement of Balancing Allowance / Balancing Charge on page 7 of this return.

Item 25 loss on disposal of non-current assets

These are accounting losses from disposal of non-current assets which have been included in arriving at your accounting profit / (loss). If the assets disposed were assets for which capital allowance have been claimed, then calculate balancing allowance / balancing charge. Otherwise apply [Tax Ruling TR-2012/BI5](#).

Item 28: Interest on lease liability (for the leases classified as operating leases under paragraph 10 of the [Tax Ruling TR-2018/64](#) as amended)

Under IFRS 16, a lessee would need to recognize an interest on the lease liability. For the leases classified as operating leases under paragraph 10 of the [Tax Ruling TR-2018/64 as amended](#), the lessee should add back any interest on lease liability deducted in arriving at the accounting profit. The amount of depreciation charged for the right-of-use asset in respect of such leases also should have been already added back in Item 9.

Item 30: Total disallowed amount

Item 30 shows the total amount of expenses which cannot be deducted when calculating your taxable profit. To derive this amount, you must add up Items 9 to 29.

If you are using the fillable version, this figure will be calculated automatically.

Less: Deduction allowed

Items 31 to 47 show the amounts deductible in calculating your taxable profit. These are the expenses which can be deducted subject to certain restrictions. All the other expenses which are related to your business have already been deducted when calculating your accounting profit/(loss). You must not include any deduction in Items 31 to 47 in respect of expenses incurred to derive rental income from immovable property, if you have made an election under Section 9(b) of the Act.

Items 31 to 48 must be written with a minus sign (-) in front. If you are using the fillable version, this will be done automatically.

Item 31: Capital allowance

A capital allowance is a tax allowance given to replace the accounting depreciation, for which a tax deduction is not available under Section 11 of the BPT Act.

In Item 31 enter the total amount in your Statement of Capital Allowance. To derive this figure, fill in the **STATEMENT OF CAPITAL ALLOWANCE** on page 6. In the fillable version, the capital allowance figure will automatically be transferred to Item 31.

You must calculate the amounts referred to in the Statement of Capital Allowance for **each individual asset** separately and enter the total amounts for each asset category.

Statement of Capital Allowance

- **Column 1: Rate (%)**: These are the capital allowance rates specified under Section 50 of the Regulation.
- **Column 2: Cost of assets**: This refers to the cost of the assets which have positive written down value on the commencement of the accounting period plus cost of assets acquired during the accounting period (which have been used for more than half of the accounting period), minus cost of assets disposed during the accounting period.
- **Column 3: Capital allowance at cost**: This is the capital allowance per annum based on the capital allowance rates.
 - a) For tangible assets: Column 1 multiplied by column 2.

- b) For intangible assets: Cost price of the intangible asset divided by its estimated useful life (in years). If an intangible asset has an indefinite useful life, the useful life of the asset must be deemed as 10 (ten) years.
- **Column 4: Notional adjustment:** This is the notional adjustment to the cost of assets held at the date of commencement of the Act (refer to Section 46 of the Regulation).
- **Column 5: Accumulated capital allowance claimed:** This is the total capital allowance claimed for the preceding tax years.
- **Column 6: Written down value:** This is the cost of the assets (Column 2) **minus** the notional adjustment (Column 4) and accumulated capital allowance claimed (Column 5).
- **Column 7: Claimable capital allowance:** This is the lower of:
 - a) Capital allowance at cost (Column 3), and
 - b) Written down value (Column 6).

Item 32: Balancing allowance

Balancing allowance is an allowance given for loss on disposal of assets.

In Item 32, enter the total amount in your Statement of Balancing Allowance/ Balancing Charge. To derive this figure, fill in the **STATEMENT OF BALANCING ALLOWANCE / BALANCING CHARGE for assets disposed during the accounting period** on page 7.

Statement of Balancing Allowance / Balancing Charge

The amounts for each column must first be calculated separately for individual assets and the sum for the category must be posted in each column. Do NOT sum up the value for each category of asset before making the calculations separately for individual assets, as it would distort the balancing allowance / balancing charge figure.

- **Column 8: Cost of disposed assets:** This is the actual cost of the asset disposed.
- **Column 9: Accumulated capital allowance claimed for the disposed asset:** This is the accumulated capital allowance claimed for the disposed asset after the commencement of the Act (18 July 2011).
- **Column 10: Written down value:** This is the cost of the asset **minus** the accumulated capital allowance claimed and the notional adjustment made under Section 46 of the Regulation.
- **Column 11: Disposal value:** This is the proceeds from disposal of the asset, i.e. the consideration from the sale of the asset **less** expenses directly related to the sale of the asset.
- **Column 12: Gain/loss on disposal of asset:** This is the disposal value of the asset (Column 11) **minus** the written down value of asset (Column 10).

- **Column 13: Capital gain:** This is the disposal value of the asset (Column 11) **minus** the cost of the disposed asset (Column 8). If the answer is negative, enter zero.
- **Column 14: Balancing charge / balancing allowance:** This is the amount of capital gain (Column 13) **plus** lower of the accumulated capital allowance claimed for the disposed asset (Column 9) and the gain/loss on disposal of the asset (Column 12). If the answer is positive, enter the amount as a balancing charge in Column 14.1. If the answer is negative, enter the amount as a balancing allowance in Column 14.2 (please remove the negative sign before doing so).

Total column 14.1 and transfer the figure to Item 24. Total column 14.2 and transfer the figure to Item 32. If you are using the fillable version, these figures will automatically be transferred to Item 24 and Item 32.

Item 33: Allowable head office expenses

You should enter an amount here only if you are a permanent establishment of a non-resident.

Head Office refers to “the head office of the Person that owns the permanent establishment; or any other permanent establishment of the Person that is situated outside the Maldives; or any other Person associated with the Person.”

Head office expenses include expenditure on consultants, research and development, data processing, the right to use intangible or intellectual property, general administration costs and other such expenditure incurred by your head office which relates the permanent establishment in the Maldives.

The maximum amount which you can deduct as head office expense is the lesser of:

- a) The amount of head office expenses deducted when calculating your accounting profit. This is the amount in the Item 10.
- b) 3% of Box 64 (gross income from trading operations of the permanent establishment).

In Item 33, state the lower of Item 10 and 3% of Box 64.

Item 34: Employee welfare expenses allowed under Section 30 of the Regulation

In Item 34, enter the total of payments made:

- a) to an employee who is incapacitated on medical grounds; or
- b) to the surviving spouse or children under 18 years of age of a deceased employee; or
- c) to a fund approved by MIRA and established for the benefit of the employees to receive medical and other welfare support; or
- d) for the promotion of general employee welfare, without discrimination amongst the employees.

Item 35: Pension expenses allowed under Section 32 of the Regulation

This is the amount you have paid to the Maldives Pension Administration Office (MPAO). You must hold a receipt from MPAO to support this amount.

Item 36: Irrecoverable debts relating to transactions entered into after the commencement of the Act

Enter the amount of irrecoverable debts written off during the accounting period, which relate to transactions made after 18 July 2011.

You can only deduct the whole or part of any debt that has become irrecoverable in respect of a particular transaction under the following circumstances:

- a) a court issues a judgment that the whole or part of the debt is irrecoverable;
- b) the debtor has been liquidated or adjudged bankrupt;
- c) the debt is written off as irrecoverable in accordance with the accounting standard adopted by you.

Item 37: Receipts which have suffered withholding tax

You should enter an amount here only if you are a permanent establishment of a non-resident. This is the total amount of your income from which WHT has already been deducted by the payer.

Item 38: Interest paid/payable to approved institutions

Enter the full amount of interest paid to MIRA approved banks and financial institutions in Item 38. Refer to [Tax Ruling: TR-2018/B67](#) for the list of MIRA approved banks and financial institutions.

Item 39: Interest paid/payable to persons and non-approved institutions at a rate not exceeding 6% per annum

Interest paid to persons other than approved banks and financial institutions can be deducted only up to 6% per annum of the loan amount. In Item 39, enter the amount which is lower of 6% per annum of the principal amount of the loan and the actual amount of interest paid.

Item 40: Zakat al-mal allowed under Section 23 of the Regulation

This is the amount of *Zakat al-mal* paid during the accounting period to the Ministry of Islamic Affairs or other relevant government authority. You must hold a receipt from the Ministry of

Islamic Affairs or other relevant government authority stating the amount of *Zakat al-mal* you have paid. In Item 40 enter the amount stated on the receipt.

Item 41: Cost of low-value assets allowed under Section 43 of the Regulation

You may deduct in full the expenditure on the acquisition of a capital asset and like assets acquired at the same time, if the amount does not exceed MVR 5,000. However, the aggregate of this expenditure must not exceed MVR 100,000. The amount deducted here must not be included in **Column 2** on page 6.

Item 42: Unrealized accounting gains in relation to non-current assets and liabilities

These are unrealized gains at the end of your accounting period in relation to non-current assets and liabilities which have been included in arriving at your accounting profit / (loss).

Item 43: Gain on disposal of non-current assets

These are accounting gains from disposal of non-current assets which have been included in arriving at your accounting profit / (loss). If the assets disposed were assets for which capital allowance have been claimed, then calculate balancing allowance / balancing charge. Otherwise apply [Tax Ruling TR-2012/B15](#).

Item 44: Provision for unearned income and reversals of expenditure provisions

State here the total amount recorded as income in the Profit and Loss Statement due to provisions for unearned income and the reversal of previous accounting provisions for expenditure created since 18 July 2011.

Item 45: Dividend received from resident companies

State here the total amount of dividend which you have received or is receivable from ordinary share capital held in resident companies which you have included in your total income. Please attach explanations if you have entered any figure in this Item.

Item 46: Rental expenses deductible under paragraph 11 of [Tax Ruling Number TR-2018/B64](#) as amended

Enter the amount of lease rental payment deductible in respect of operating leases. Lessees should classify leases as either operating lease or finance lease for the purpose of business

profit tax computation, using the rule that applies lessors under IFRS 16. Rental payments under an operating lease are deductible over the lease term on a straight-line basis.

Item 47: Other expenses deductible

This is the total amount of other deductible expenses which you have not deducted when calculating your accounting profit. If you enter any amount in this Item, attach explanations and supporting documents with the return.

Item 48: Total allowable amount

This is the total amount which can be deducted excluding the amount in relation to the donations and director's remuneration when calculating your taxable profit. Calculate this figure by adding up Items 31 to 47.

If you are using the fillable version, this figure will be calculated automatically.

Item 49: Specified profit / (loss)

Specified profit refers to the taxable profit before deducting donations and directors' remuneration. To calculate your specified profit, you must add Items 4, 8, 30 and 48.

If you are using the fillable version, this figure will be calculated automatically.

Less: Remuneration

This is the remuneration or benefits given to persons specified in Section 11(c) of the Act. If the remuneration or benefit is not paid in money, it must be valued at its open market value. The maximum amount deductible is 10% of your specified profit.

Item 50: 10% of specified profit

To calculate 10% of specified profit, you must multiply Item 49 by 0.10. If Item 49 is negative, enter 0 (zero).

If you are using the fillable version, this figure will be calculated automatically.

Item 51: Remuneration paid to persons specified in Section 11(c) of the Act

Enter the actual amount of remuneration paid to the persons specified in Section 11(c) of the Act. This is the amount stated in Item 19.

If you are using the fillable version, this figure will be transferred automatically

Item 52: Allowable remuneration

Enter the amount which is the lower of Item 50 (10% of your specified profit) and Item 51 (actual amount paid as remuneration).

If you are using the fillable version, this figure will be calculated automatically.

Item 53: Taxable profit / (loss) before donations

This is your profit / (loss) before deducting donations. You must subtract the amount in Item 52 (Allowable remuneration) from the amount in Item 49 (Specified profit / (loss)).

If you are using the fillable version, this figure will be calculated automatically.

Less: Donations made to approved charitable organizations

Donations made to a body, association or public institution which is approved by MIRA and established for the promotion of Islam, relief of the poor, medical relief or education or any other object of similar general public utility are deductible in the calculation of your taxable profit (Refer to [Tax Ruling TR-2014/B38](#)).

The list of MIRA approved bodies, associations and public institutions is available on our website (www.mira.gov.mv/CharitableOrganizations.aspx). If assets are donated, you can only deduct the cost price of the assets which you have donated within 12 months of their acquisition.

In support of your claim, you must hold a receipt from the organization to which you have made the donation. The maximum amount deductible as donations is 5% of your taxable profit before deducting donations.

Item 54: 5% of taxable profit before donations

Multiply your taxable profit before donations (Item 53) by 0.05. Enter the answer in Item 54. If Item 53 is negative, enter zero in Item 54.

Item 55: Donations to approved charitable organizations

In Item 55, enter the total amount in Column 4 in your Statement of Donations. To calculate this figure, fill in the **STATEMENT OF DONATIONS** on page 8 of the return.

Statement of Donations

- **Column 1: Date of donation:** This is the date on which you made the donation.
- **Column 2: Name of donee:** This is the name of the body, association or public institution approved by MIRA to which you made the donation.

- **Column 3: Details of donation:** In this column write “Cash”, if the donation was made in money. If the donation was made in kind, write the details of the assets which you donated, including the date of acquisition of the asset and the type of asset.
- **Column 4: Amount of donation:** If the donation was made in money, enter the amount of your donation. If the donation was made in kind, enter the cost of the asset you have donated.

If there is not enough space in the Statement of Donations, you may use additional sheets. Enter the total amount of donations on the additional sheets in Row 15, Column 4.

Total column 4 and transfer the total amount to Item 55.

Item 56: Allowable donations

Enter the amount which is the lower of 5% of taxable profit before donations (Item 54) and donations made to approved charitable organizations (Item 55).

If you are using the fillable version, this Item will be filled automatically.

Item 57: Profit/(loss) before loss relief

Subtract allowable donations (Item 56) from your taxable profit/(loss) before donations (Item 53).

Interest disallowed under the thin capitalization rule (Tax Ruling Number [TR-2018/B64](#) as amended via Tax Ruling Number [TR-2018/B68](#))

Item 58: Earnings before interest, tax and capital allowance (tax-EBITDA)

To calculate your tax-EBITDA, you must add Items 57, 38, 39, 32 and 31. If the answer is negative, enter zero.

Item 59: 30% of tax-EBITDA

Multiply your tax-EBITDA (Item 58) by 0.30. Enter the answer in Item 59.

Item 60: Interest disallowed before exemptions

To calculate this figure, subtract Item 59 from the sum of Item 38 and Item 39. If the answer is negative, enter zero.

Item 61: Interest paid/payable to banks and financial institutions licensed by the MMA

The total amount of interest paid or payable to a bank or housing finance company or leasing finance company licensed by Maldives Monetary Authority (MMA) and operated in the Maldives can be deductible in full in the computation of the taxable profit.

Enter the total amount of such interest in Item 61.

Item 62: Interest paid/payable in respect of public benefit services

The total amount of interest paid or payable to a bank or financial institution approved by MIRA in respect of a debt used to finance the following public benefit services can be deductible in full in the computation of the taxable profit:

- Education provided by an educational institution registered with the relevant Government authority;
- Health services provided by a health service provider registered with the relevant Government authority. Enter the total amount of interest paid/payable in respect of public benefit services.

Enter the total amount of such interest in Item 62.

Item 63: Net interest disallowed

To calculate this figure, subtract the sum of Item 61 and Item 62 from Item 60. If the answer is negative, enter zero.

SECTION C

SUMMARY OF FINANCIAL STATEMENTS

This section must be completed by ALL taxpayers. You must enter the relevant and corresponding figures from your financial statements in each Item in this section. If you earn ONLY rental income from immovable property and you make an election under Section 9 of the Act (20% deduction option), you are not required to complete this section.

After completing this section, please go back to page 3 for section B.

COMPUTATION OF TAX PAYABLE

Item A: Profit/(loss) before loss relief

Transfer the amount in Item 3 (if you completed Section A) or Item 57 (if you completed Section B).

If you are using the fillable version, this Item will be filled automatically.

Item B: Interest disallowed under the thin capitalization rule

Transfer the amount in Item 63.

If you are using the fillable version, this Item will be filled automatically.

Item C: Loss carried forward from previous tax year

If you incurred a loss last year, or are carrying losses forward from earlier years, enter the figure in Item C. If you enter an amount in this Item, you must attach explanations and supporting documents.

Item D: Taxable profit/(loss)

Subtract your loss carried forward from the previous tax year (Item C) from the sum of your profit or loss before loss relief (Item A) and Interest disallowed under the thin capitalization rule (Item B)

If you are using the fillable version, this Item will be filled automatically.

Item E: Tax-free threshold

For companies that are members of a group of companies, the tax-free threshold must be divided among the companies in the group, which are subject to BPT. Use the formula below to calculate your tax-free threshold:

$$\frac{\text{Number of days in your accounting period}}{365} \times \frac{\text{MVR } 500,000}{A + I}$$

If you are a company in a group of companies “A” is the number of subsidiaries in the group which are within the charge to BPT. If not A is zero.

If your return is completed in United States Dollar, replace MVR 500,000 with USD 32,425. For BPT purposes, the number of days in any tax year is 365 regardless of whether or not the year is a leap year.

Item F: Profit subject to tax

Since only the excess amount after deducting the threshold is subject to tax, deduct the amount of the tax-free threshold (Item E) from your taxable profit/(loss) (Item D).

If you are using the fillable version, this Item will be calculated automatically.

Item G: Tax liability for the year

Tick the 15% Item and multiply your profit subject to tax (Item F) by 0.15. The 15% rate applies to most taxpayers. However, if your company meets all of the conditions below tick the 5% Item and multiply your profit subject to tax (Item F) by 0.05:

- The company is registered under the Companies Act of Maldives (Law Number 10/96) and is not a resident outside the Maldives.
- The company derived income during that period from business carried on wholly and exclusively outside the Maldives or investments with non-residents.
- The company does not carry on any other business or have any source of income.

Item H: Foreign tax credit

Enter the amount of tax that you have paid in foreign countries. If you enter an amount in this Item, you must attach explanation and supporting documents.

In accordance with Section 53 of the Tax Administration Act, the maximum amount of foreign tax credit cannot exceed 15% (or 5%, if you ticked 5% in Item G) of the amount of foreign income subject to foreign tax.

Item I: Tax payable for the year

To calculate this figure, subtract your foreign tax credit (Item H) from your tax liability for the year (Item G). This is the amount of tax payable for the year after allowing for foreign tax credit.

Item J: First interim payment

Enter the amount of tax that you have paid as your first interim payment for the year.

Item K: Second interim payment

Enter the amount of tax that you have paid as your second interim payment for the year.

Item L: Final payment

Deduct the total of the first interim payment (Item J) and the second interim payment (Item K) from tax payable for the year (Item I) to calculate the balance of tax which you are required to pay to MIRA for the year. This is the amount of your final instalment of tax for the year.


If you are using the fillable version, this Item will be calculated automatically.

Item M: Amount being paid

This is the amount of tax that you are actually paying when you submit this return. If the amounts in Items L and M are different, you must provide an explanation in the space provided.

Declaration



If you are filing your return “offline”, it must be signed by an authorized signatory registered with MIRA. The managing director of a company, managing partner of a partnership or the owner of a sole proprietorship may also sign the return. Companies, partnerships, cooperative societies and other legal entities must stamp their official seal in the relevant Item.

Example			
Declaration			
I declare that the information in this Return is true and correct and represents my assessment as required under the Business Profit Tax Act (Law Number 5/2011), and that I am authorised to sign this Return.			
Mr	Ahmed	Zalif	7925756
Title	First Name	Other Names	Contact Number
Managing Director		0 3 0 2 2 0 1 9	Ahmed Zalif 
Designation		Date	Signature & Seal






For Office Use Only

This section is for our use. Do not write anything below this heading.

FOR QUERIES

 1415  1415@mira.gov.mv

FOR LATEST NEWS AND UPDATES

 Maldives Inland Revenue Authority  MIRAmaldives
 MIRA Maldives  miramaldives  www.mira.gov.mv