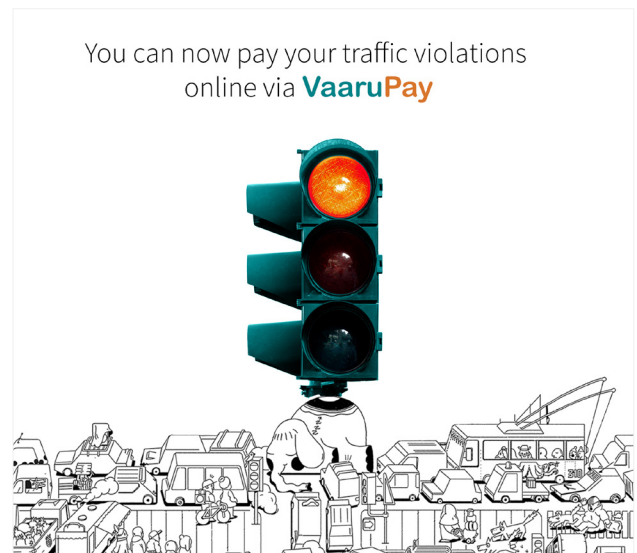




Maldives-Bangladesh begins talks over signing a double tax avoidance agreement (DTAA) ▶2



Paying for traffic violation fines online via Vaaru Pay ▶4

Maldives-Bangladesh begins talks over signing a double tax avoidance agreement (DTAA)



Shazma Thaufeeq Senior Tax Officer, Marketing and Taxpayer Relations

The first phase of discussion on formulating a Maldives-Bangladesh double tax avoidance agreement, initiated by Maldives government was held in Male'.

The meeting was held from 3rd to 6th July 2017, where Maldives was represented by Maldives Inland Revenue Authority (MIRA) and Bangladesh was represented by the National

Board of Revenue of Bangladesh. The Deputy Commissioner General of Taxation, Mr. Hassan Zareer and Senior Secretary Internal Resources Division, Mr. Mohamed Najeebuh Rahmaan represented Maldives and Bangladesh respectively.

Under the double tax avoidance agreement, double taxation of revenue generated from inter-country business transaction can be eliminated and will contribute to exchange of tax related knowledge between two nations

GST deadline for the month of June 2017 and 2nd quarter of 2017 is 30 July 2017



Ahmed Shaheen
Senior Tax Officer, Maldives Tax Academy

The deadline for GST registrants to file GST Return for the month of June 2017 second quarter of 2017 30 July 2017. This is also the deadline to make any GST payments, if any, for the aforementioned taxable periods. In other words, this filing and payment deadline applies to both monthly and quarterly filers.

The standard deadline to file the GST Return and make payment is the 28 of month following the taxable period. However, as the

deadline in this case falls on a public holiday, it has been changed to 30 July 2017.

Even if the business has been temporary closed or the business has applied for deregistration, you must continue to file your GST Return until your GST registration confirmed by MIRA in writing.

If the GST Return is not filed by the deadline, a late filing penalty of MVR 50 per day and 0.5% of the GST liability would accrue. Additionally, if GST is not paid by the deadline, a late payment penalty at the rate of 0.05% of the outstanding amount per day would apply.

Paying for traffic violation fines online via *Vaaru Pay*

You can now pay your traffic violations online via **VaaruPay**



Ahmed Maan Asad
Senior Tax Officer, Marketing and Taxpayer Relations

MIRA has introduced Vaaru Pay, an online payment service through its website, which can be used to pay traffic violation fines, whenever and wherever they are. Service is made more

convenient by the fact that payers are not even required to register for the service.

With “Vaarupay”, only the slip number, vehicle number and the ID card of the person is required and payments can be made by a debit or credit card. Once the payment is done, a confirmation receipt will be e-mailed.

Activities to be carried out to mark MIRA's 7th Anniversary

25 July 2017 - Due date of drawing competition

04 August 2017 - Anniversary night

06 August 2017 - Open day

08 August 2017 - Blood donation camp

11 August 2017 - 'Thikudhinge Haveeru' @ Hulhumale' Central Park

Deadline for 2017 BPT First Interim Payment is 31 July 2017



Riyasha Ali Director, Enforcement

The deadline for the first interim payment for 2017, that is required under the Business Profit Tax Act, is 31 July 2017. The amount of interim payment would be a half of the BPT liability of 2016.

If the year 2017 is the first tax year of business, the amount of interim payment would be a half of the amount of estimated BPT liability for the year 2017. Interim payment must accompany the Statement of Interim Payment, MIRA 303 form.

If the tax liability for the previous tax year was less than MVR 2000, the taxpayer would be exempt from paying the interim payment. All

the taxpayers who are liable to file a BPT return must submit statements of interim payments for the year 2017 irrespective of whether or not the taxpayer has to make any interim payment for the year 2017.

Late payment of interim payment would incur late payment penalties. Hence, those who are yet to submit their first statement of interim payment of 2017 are urged to submit the statement and make the payment, if any, by the deadline.

Assistance in completing Statement of Interim Payment is available through MIRA's hotline 1415 or support email 1415@mira.gov.mv. Instruction on how to complete interim payment statement is available from MIRA website.

MIRA collects 7.81 billion in total revenue as of June 2017

Mariyam Jaidha
Senior Tax Officer, Policy, Planning and Statistics

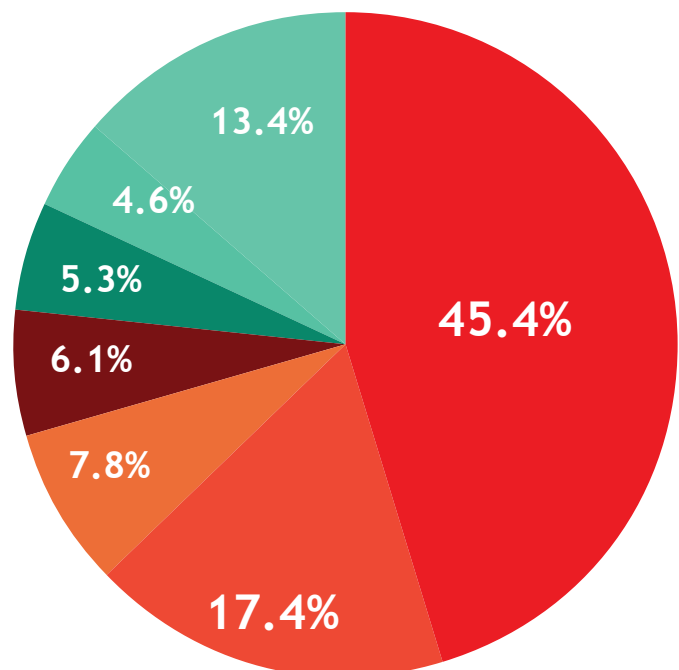
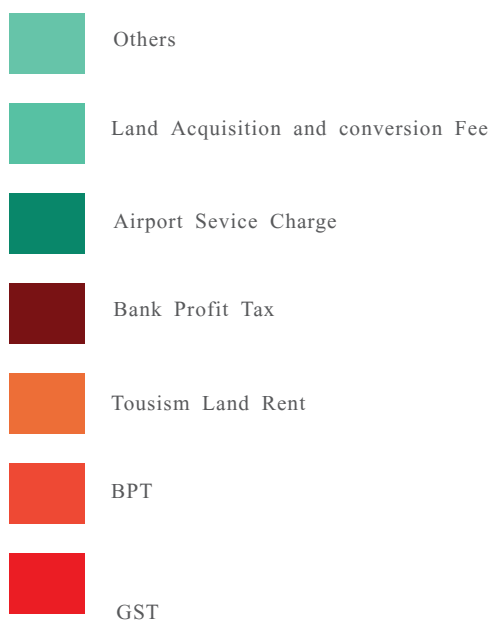
Total receipts from taxes, fees and charges accumulate to MVR 7.81 billion as of June 2017. This is an increment of 5.7% compared to the MVR 7.39 billion which was projected for this period.

Revenue generated from GST totaled MVR 3.54 billion, 45.4% share, followed by BPT which totaled MVR 1.36 billion. Since the Tourism Land Rent for the quarter has to be paid before the quarter commences, two deadline

payments fell into the period, and since most of the taxpayers paid their dues, Land Rent revenue accumulate to MVR 608.2 million.

Deadline for Bank Profit Tax fell into this period, and generated MVR 478 million in 2017, which is an increment of 20.6% compared to the corresponding period of 2016.

Airport Service Charge totaled MVR 413.9 million, which is also 46.4% higher than 2016, due to increase in foreign departures and dues collection which dates back to 2014. Foreign departures increased by 4.2% compared to the corresponding period of 2016, while MVR 137.10 million was collected as dues this year.



India rolls out GST



Mariyam Juwairiyya
Senior Tax Officer, Policy, Planning and Statistics

The government has started its media blitzkrieg to tell the common man that the GST will reduce prices of most goods. The Central Board of Excise and Customs (CBEC) in advertisements in leading dailies gave pictorial representations of items which are exempt from Goods and Services Tax and the ones which would attract lower tax of 5 per cent.

The GST Council, chaired by Finance Minister Arun Jaitley and comprising his state counterparts, has already decided on tax rates of majority of the commodities. They have been put in slabs of 5, 12, 18 and 28 per cent, with the exception of gold which will attract 3 per cent GST.

GST, which will subsume 16 different levies, was rolled out from 1 July 2017.

The CBEC said salt, milk, gur, egg, curd, unpacked food grain and paneer, fresh vegetables, unbranded atta, maida, besan, honey, including education and health services have all been exempt from GST.

In an interview to PTI last month, Revenue Secretary Hasmukh Adhia had said that the government would launch a massive awareness campaign to educate consumers about GST so that they are not fleeced by traders in the name

of the new tax.

“Because we have taken care to ensure that the average tax incidence on commodities does not go up...there may be some traders who will try to tell the consumers that under the changed GST rates they will have to pay more. We have to educate them,” Adhia had said.

Items like tea, sugar, coffee beans, edible oil, packed paneer, milk powder, brooms, domestic LPG (Liquefied Petroleum Gas) and kerosene have been put in the 5 per cent bracket.

“81 per cent of the items to fall in or below 18 per cent slab. Only 19 per cent of the goods will attract GST above 18 per cent,” the CBEC said. For items placed in 12 per cent slab, the CBEC listed butter, ghee, mobiles, cashew, agarbatti, umbrella, fruit juice and sausages. Hair oil, soap, jam, soup, ice cream, capital goods and computers will attract an 18 per cent levy. Those placed in the 28 per cent slab are custard powder, shampoo, perfume, make up items, chewing gum, motorcycle, cement and consumer durables.

The government has already said that the benefits of a reduced tax rate post GST should be passed on to consumers by way of price reduction. The GST Council has decided to set up a committee comprising central and state tax officers to act on complaints of profiteering by industry post GST.



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Deadline for 2017 BPT 1st Interim Payment



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 Submit MIRA 303 by the deadline!

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 For More Information

☎ 1415 ✉ 1415@mira.gov.mv 🌐 www.mira.gov.mv

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