



MALDIVES
INLAND REVENUE
AUTHORITY

MIRA POST

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Grand Prize
20,000

Monthly
3,000
01 August 2015
31 December 2015

Stand a chance to win
35,000
by submitting your receipts

3,000

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Important Deadlines

September
15 Submission of Withholding tax return and payment of withholding tax for August 2015

September
15 Payment of duty free royalty for August 2015

September
28 Submission of GST return and payment of GST for August 2015

September
30 Payment of Tourism Land Rent for the fourth quarter of 2015

October
11 Payment of Trade Fee for October 2015

October
11 Submission of Royalty Statement and Sales Report for September 2015 by duty free shops

* If the deadline falls on a public holiday, then the last submission deadline would be the next working day

To earn from receipts, join “Kobaa Raseedhu” campaign!

Mohamed Azhan, Principal Officer, Micro Business Audit

Requesting for a receipt or invoice, to check whether you have been charged the correct amount for the right good or service after shopping or receiving a service, is not a habit we are accustomed to, unless

it is demanded by our work. However, obtaining a receipt or invoice is very important to confirm that you have paid the correct amount and GST for the good or service you received.

Receiving and submitting receipts as part of the “Kobaa Raseedhu” campaign introduced by MIRA, is aimed at instilling this habit in the people.

The practice of customers requesting for receipts and service providers issuing receipts, could assist them in conforming to the tax laws and regulation.

Prize was given to the winner of the campaign for the month August, K. Thulushdhoo/Zamaanee Villa, Ahmed Ahlam on 14 September 2015.

MIRA new staff induction program: pathway to develop capable professionals



Ahmed Hassan, Principal Officer, Finance

As the staffs of MIRA play a great role in providing the unmatched services, importance is given to skilled and educated candidates in recruitment process, to continue providing MIRA’s services at highest standards. In order to cohere to the new work environment, newly recruited staffs undergo a comprehensive induction program.

This program includes providing information

relating to Laws & Regulations of taxes, highlighting MIRA staff regulations and rules, enhancing administrative and technical skills. Training is also provided on familiarizing using software and applications used in MIRA. In addition to this, Department Orientation is undertaken to better understand the Standard Operating Procedures (S.O.P) of the tasks undertaken at different departments. Since start of 2015, 5 batches of staff have undergone Induction Program with total of 52 staff participating in it.

Deduction of Head Office Expenses

Aminath Shaufa, Assistant Officer, Large Taxpayer Audit

Under Section 10(d) (3) of the BPT Act, head office expenses are deductible in computing taxable profits.

According to Section 23 of the BPT regulation, a 'head office' can be head office of a person who owns a permanent establishment in the Maldives, any other permanent establishment situated outside Maldives or any other person associated with the person who owns the permanent establishment in the Maldives.

Head office expenses include expenditures such as consultant fees, general administrative costs, research and development, right to use assets and other such expenditures incurred by the head office, which relates to the permanent establishment in the Maldives, irrespective of the expenditure being direct or indirect.

Direct expenses are those which can be recognized as being incurred by the head office for the purpose of generating revenue for the permanent establishment. All direct expenses are allowed for deduction. Whereas, indirect expenses are those which cannot be specifically related to creating income for the permanent establishment. However, deduction of indirect expenses are allowed under the Regulation in cases where allocation of the expenditure amount to the permanent establishment is done on a fair and reasonable basis based on their benefit and is acceptable to MIRA.

However, there is a restriction imposed on this deduction. Where the head office only plays a supervisory role, and exercises no other functions in respect of the permanent establishment, no amount is allowed for deduction in computing the taxable profits.

The amount that can be deducted is determined in accordance with Section 29 of the Regulation. Consequently, the maximum amount that can be deducted as head office expenses should be either 3% of the gross income from trading operations for that accounting period or the amount determined in accordance with the accounting standards adopted, whichever is lesser.



New tax rulings issued for amending tax returns

Shahid Moosa, Manager, Return Processing

New tax rulings (TR-2015/B45 and TR-2015/G26) have been issued on 15 July 2015 relating to amending tax returns by the taxpayers. The main purpose of these tax rulings are to set out the procedures for accepting amended GST, BPT and WHT returns.

As per the new Tax Rulings, Taxpayers need to submit an explanation with necessary supporting documents with amended tax return. If tax liability declared on the amended tax return is less than the most recent return filed, then the amended return will be accepted only after conducting a review by MIRA.

If tax liability declared on the amended tax return is higher than most recent return filed, then amended tax return will be accepted without a review. Once an amended return is submitted, Taxpayers will be notified in writing whether amended return has been approved or on hold pending a review. Taxpayers are not eligible to claim the credit arising from an amended tax return until MIRA accepts the amendment following the review.

Planting Event carried out by MIRA in collaboration with HDC



Faatheen Abdul Latheef, Senior Officer, Marketing and Public Relations

MIRA has held a tree planting event at the land recently reclaimed under the second phase of Hulhumale' Development project on 22 August 2015 in collaboration with Housing Development Corporation (HDC).

Senior officials from MIRA and HDC participated in this event in the name of "Heyvalla Gasindhamaa". The chief guest of the event was Commissioner General of Taxation Yazeed Mohamed.

Before commencing the event, Yazeed Mohamed stated in his speech that even though staff of MIRA carries out many such activities beneficial to the society, this event would also benefit MIRA staff in the future individually. Reason being, majority of MIRA staff comprise of youth and the development of Hulhumale' in the end benefits the youth.

Additionally, he gave his word of thanks to the Managing Director, Mohamed Saimon and HDC's management for providing the opportunity to carry out such priceless

work.

Speaking at the opening ceremony, HDC's Managing Director Mohamed Saimon also stated one of the foremost development that ought to be brought in the second phase of Hulhumale' development project is to plant more and make the land more 'green'. Therefore, he expressed his gratitude for MIRA staff's initiation in actively participating in such an event.

Over 200 trees were planted in this event that commenced at 4:00pm.

**NEED ASSISTANCE WITH YOUR
TAX OBLIGATIONS?
APPOINT A TAX AGENT**



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MIRA presents commemorative revenue stamp of Independence

Abdul Ghaffar Abdulla, Senior Officer, Marketing and Public Relations

MIRA presented the MVR 10,000 revenue stamp, designed on the occasion of the Golden Jubilee of National Independence, to President Abdulla Yameen.

Commissioner General of Taxation Yazeed Mohamed presented the President and Vice President with the revenue stamp at a ceremony held at the President's Office.

The revenue stamp was launched by the Speaker at Parliament,

Abdulla Maseeh Mohamed on 13 August at a ceremony held to mark the 5th anniversary of MIRA.

Prior to this, the highest denomination of the revenue stamp available was of MVR 5,000.



Presentation of MVR 10,000 revenue stamp to President Yaamin Abdul Qayyoom, Vice President Ahmed Adeeb, Chief Justice Hon. Uz. Abdulla Saeed, Chairman of the Public Finance Committee Ahmed Nihan Hussein Manik and Minister of Finance and Treasury Abdulla Jihad



MOU signed between MIRA and HDFC to provide easier housing loan for its employees

Abdul Ghaffar Abdulla, Senior Officer, Marketing and Public Relations

MIRA has signed an MOU with Housing Development Finance Corporation (HDFC) to provide easier housing loan for its employees. At the ceremony held at the MIRA, Commissioner General of Taxation, Yazeed Mohamed signed on behalf of MIRA. And the Managing Director of HDFC, Dr. A. D. Priyanka Baddevithana represented his corporation on the agreement.

Under this agreement, employees of MIRA would get the lowest rate and longer repayment period possible from HDFC including easy arrangements in down payments.

Talking to the press after the signing, Yazeed Mohamed said that the agreement signed would make things easier for the employees of MIRA to get homes and apartments in, since 99% of its employees do not own a home or an apartment. He also said that MIRA always try to compensate its employees' needs whenever and wherever possible.



Moving forward with the Digital Year - Introduction of a form printing kiosk



Faatheen Abdul Latheef, Senior Officer, Marketing and Public Relations

Aiming for technological advancements in the ongoing MIRA's Digital Year, a lot of work is being carried out. One of the main targets of the Digital Year includes automation of MIRA's entire administrative processes. Thus, a form printing kiosk has been introduced and established at the Taxpayer Service Centre for taxpayers' ease and convenience.

Taxpayers will be able to print the desired forms by themselves using this machine.



MIRA's Authority to investigate

Aas Abdulla, Director, Investigation and intelligence

Since the establishment of a modern taxation system in the Maldives, majority of the state's revenue has been the taxes collected by the MIRA. This includes specific taxes administered under taxation acts as well as land rents and other fees administered under other laws. As the tax system in the Maldives is a 'self-assessment' tax system, tax laws require MIRA to verify and ascertain whether taxpayer's declarations are correct as per the tax acts and regulations. To achieve this objective MIRA conducts tax audits.

During such audits or through other means if MIRA identifies that the taxpayer is intentionally and willfully evading tax, Tax Administration Act gives MIRA the authority to conduct criminal investigations of such cases. In such investigations if MIRA uncovers serious fraud in relation to tax, and if MIRA believes evidence of such fraud on certain premises can be found, MIRA has the authority to search such premises in the presence of Police officers, under a search warrant issued by the Tax Appeal Tribunal. During the search, MIRA has the power to seize anything that could reasonably be believed to be used as evidence for the purpose of proceedings in respect of the suspected offence. In addition, the Act also gives MIRA the power to search any person found on the premises believed to be in possession of such evidence.

Another authority granted to MIRA under the tax administration act is the power to summon for questioning and to obtain statement. The law does not limit this authority to only the taxpayers, rather any person that MIRA considers to be in possession of any information relating to the tax affairs of the taxpayer can be summoned for oral examination.

Since the state's dependence on the tax revenue is ever increasing and the fact that it is in the national interest that the right amount of tax from the right taxpayer is collected, it is not surprising that the taxation acts stipulates tax evasion as a criminal offence and has given MIRA exceptional authority and power to conduct investigations of such offences.