



MALDIVES  
INLAND REVENUE  
AUTHORITY

# MIRA POST

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# MIRAconnectPlus



MIRAconnectplus

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## Important Deadlines

November Submission of GST return and payment for October 2015

**28**

December Payment of Trade Fee for December 2015

**10**

December Submission of Royalty Statement and Sales Report for November 2015 by duty free shops

**10**

December Submission of Withholding Tax return and payment of Withholding Tax for November 2015

**15**

December Payment of duty free royalty for November 2015

**15**

December Submission of GST and Green Tax return and payment of GST and Green Tax for November 2015

**10**

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

# MIRA's new online portal: MIRAconnectPlus

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## Aishath Saana, Senior Officer, Tax Training

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As an initiative to improve the features available from MIRA's online portal and to ensure the user-friendliness of the interface, MIRA has introduced a new portal, MIRAconnectPlus, which provides more online functions and is more user-friendly. In addition to the Green Tax return and the Information Sheet, Input and Output tax statements can also be submitted via the

new portal. MIRAconnectPlus also replaces the Statement portal through which large taxpayers were required to submit the Input and Output tax statements.

MIRA has emailed the login credentials to all the taxpayers registered for Green Tax and to those taxpayers required to submit the Input and Output tax statements via online portal. Once the taxpayer logs in to the portal, all pending obligations will be displayed. Currently, only Green tax payment can be

made via this portal. Taxpayers can view the returns submitted previously through this portal by clicking on the 'History' tab. Furthermore, they can also amend tax returns submitted to MIRA via MIRAconnectPlus.

If taxpayers have difficulty in navigating through the portal, or requires training on how to use the portal, they may call MIRA's hotline 1415. A user guide has been emailed to all the taxpayers registered for this portal. This user guide is also available on MIRA's website [www.mira.gov.mv](http://www.mira.gov.mv).

## Correct GST treatment of advance payments

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### Ikram Ibrahim, Principal Officer, Individual Business Audit

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Advance payment is the amount received in relation to a service or goods which will be supplied to the customer at a later date. Advance payments are done in mostly 50% or 100% depending on the quantity, type of goods or service provided to customer. In this article we will be looking into the correct treatment of such a payment in computing the GST return.

As per section 17 (a) of the GST Act; "The time of supply of a good or service refers to whichever occurs earlier of the following: (1) the time at which a tax invoice of such good or service is issued; (2) the time at which the recipient of such good or service makes full or partial payment".

As per the aforementioned clause, when an advance payment is received, GST should be declared on the full value of the supply of the goods and services irrespective of the amount

being received from the customer. The full value of the supply will be determined by pro-forma invoice or tax invoice. In most cases the tax invoice will be raised once the good is being supplied to the customer. Pro-forma invoice is not a true invoice – it is simply a document that declares the seller's commitment to provide the goods or services specified to the buyer at certain prices.

Taxpayer should include in line item 1: "Sales of supplies subject to GST" for the full value of the supply of goods and services. As mentioned earlier, in cases where pro-forma invoice is being raised, taxpayer will be issuing the final invoice at a later date. However when the final invoice is issued, taxpayer should adjust the GST which has been paid earlier (when pro-forma invoice was issued) with regard to that transaction.

Taxpayers have to keep in mind that all the workings regarding such should be kept and disclosed to MIRA auditors during the course of an audit or compliance checks carried out from time to time.

# MIRA 404 - Payment form

## Aishath Suha, Manager, Payment Processing

Apart from those made with a tax return, every payment made to MIRA must accompany MIRA 404 (Payment form). Payment form is used in the payment verification process to ensure the correctness of the payments made.

Payment form helps to assure both the taxpayer and MIRA that the right amount is paid to the right account. For this purpose, it is very important that each taxpayer understands the information required by

the form and not to leave out important detail. At all times, counter staff's help can be sought if there is any doubt.

MIRA 404 has proven to be a very reliable and an important source of communication between the taxpayer and MIRA at times of disputes and possible errors. And it is our request that MIRA 404 be filled with utmost care as it is the most basic level of consent given by the taxpayer for the payments they make to MIRA. The form is available from our website, and printed forms are also available from Taxpayer Service Center.

The image shows a sample of the MIRA 404 Payment Form. It is a structured document with multiple sections. At the top right, it is labeled 'MIRA 404'. The main body contains a table for recording payments, with columns for 'Date', 'Description', 'Amount', and 'Balance'. Below the table, there are sections for 'Payment Details', 'Taxpayer Information', and a 'Signature & Seal' section. The form is filled with some sample data, including dates and amounts.

## No receipt!

## Ali Riyaz, Director, Education and Awareness

Maldives Inland Revenue Authority kicked off its "Koba Raseedhu" campaign last August mainly to promote the habit of giving and receiving a bill or receipt for business transactions. One of the most important reasons for obtaining a receipt, especially in transactions where taxes such as GST is involved, is to encourage the businesses collecting the tax, to properly remit it to the state. Generally, through the process of issuing a bill or receipt, the business transactions are recorded in the system. Even if it is not the case, vendors having to be liable for the bills they issue, serves as a deterrent in acting contradictory to the expected.

So far, this campaign has received a tremendous support from the public. Last month alone, it

has generated more than 14,616 receipts and the number is increasing day by day. But there are some obstacles hindering the success of this campaign, as highlighted in some complaints raised by participants. The main obstacle, being some businesses not issuing receipts.

As per the Tax Admin Act, all businesses must maintain documents related to their business transactions for a period not less than 5 years. Furthermore, businesses dealing in GST should be able to provide a "Tax Invoice" or a "Receipt" upon the request of customers. If the business fails to do so, customers are to report the issue to MIRA, which in turn will look in to the matter and take appropriate measures.

So customers should not compromise their right to demand for a receipt and should let the businesses know that they can't just say "no receipt".

# Enforced collection of dues to the state

## **Mariyam Nahula Abdul Qayyoom, Manager, Enforced Collection**

Collection of dues owed to the state is a responsibility of MIRA, as conferred by the Tax Administration Act (Law number 3/2010). Hence, MIRA is obliged to enforce collection of taxes and non-tax revenues owed to the state. If not paid as and when due, such dues are enforced under the "Enforcement Policy" of MIRA.

The Enforcement Policy stipulates the actions that can be taken by MIRA in order to collect the amount not paid by the taxpayers as per the applicable laws and regulations. In addition to pursuing legal actions, non-compliant taxpayers names may be disclosed, may freeze bank accounts, and government services to the taxpayer may be suspended as a part of recovery actions.

# ISA training for MIRA staff

## **Fathimath Juzna, Senior Officer, HR Development**

MIRA's Middle Management and Operational Level staff work closely with taxpayers, guaranteeing they receive the best of services provided by MIRA. To ensure the services provided are of premier standards and are provided in a professional manner and maintaining the high standard set by MIRA and its staff, regular in-house and out-sourced trainings are provided to all staff.

To achieve this, training on "International Standards on Auditing" or "I.S.A" is scheduled to be held from 7-17 November, which is targeted at Middle Management and Operational Level Auditors at MIRA. As a result of such continuous trainings, taxpayers are guaranteed that the tax audits undertaken by MIRA are carried out in accordance and up-to-date with "International Standards on Auditing".

