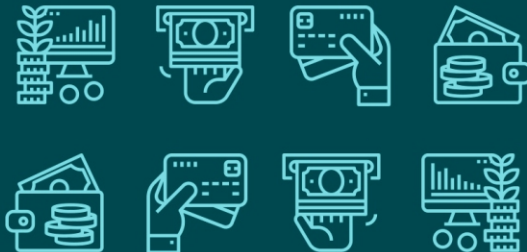
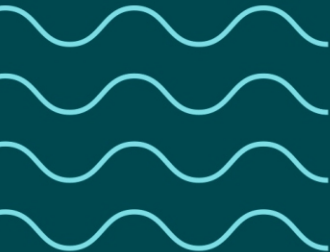


How to complete MIRA 601 form (Employee Withholding Tax Return) and Information Sheet

This is a step-by-step guide to help you fill in the Employee Withholding Tax Return (MIRA 601, version 20.1) and information sheet. Most of your questions will be answered here. If you need more help, call 1415 or send an email to 1415@mira.gov.mv

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MALDIVES
INLAND REVENUE
AUTHORITY

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

1. Employee Withholding Tax Return (MIRA 601) and Information Sheet must be filed via our online portal “MIRAconnect”. If you are faced with a situation where you are unable to file through the portal, you may request us for an alternative arrangement. We will provide you with an alternative arrangement if your circumstances are genuine and exceptional.
2. All monetary figures on your Employee Withholding Tax Return and the Information Sheet must be in Maldivian Rufiyaa rounded off to 2 decimal places.
3. If the remuneration is paid in another currency, it must be converted to Maldivian Rufiyaa in accordance with the section 40 of the [Income Tax Regulation](#)
4. If you are pasting your data from a separate sheet, make sure to open a blank template, only copy the active cells from that sheet and paste using “paste as values” to the new empty template.
5. You will receive a system-generated voucher upon filing your return. Keep it for future reference. You will also be able to download the voucher, your return as well as the Information Sheet from MIRAconnect if you need them later.

How to complete Employee Withholding Tax Information Sheet

When you attempt to file your Employee Withholding Tax Return on MIRAconnect, you will be required to upload the Information Sheet first. For guidance on using MIRAconnect, refer to the MIRAconnect User Guide (MIRA M822), which is available at <http://bit.ly/2ji4SI d>.

The Information Sheet must include information about all your employees who have been registered as your employees with us.

When you try to upload the completed Information Sheet to MIRAconnect by clicking “Check and Continue”, you will be informed of any errors in the Information Sheet. You will not be able to upload it unless you rectify all the errors.

There are 18 pieces of information, which you are required to provide in the information sheet about each one of your employee. If you have more than one employee, you must fill in the details for each employee on a separate row in the table. No field in the information sheet can be left blank. From column E (Basic Pay) to column Q (Pension to MPAO under Maldives Pension Act), you may enter “0” if there is no amount to be entered.

- **No:** In this box, write the sequence of data that you enter in the sheet. Ensure that this number is in ascending order.
- **Employee's TIN:** In this box, enter the TIN as shown on the Notification of Income Tax Registration issued to the respective employee. TIN is a unique identification number issued to employees when they are registered under the Income Tax Act. You will find the TIN of your registered employees from MIRAconnect > registration > View employees.
- **Name of the Employee:** If the employee is a Maldivian, write the name, as it appears on “view employees” page.
- **Regular remuneration of the employee exceeds MVR 60,000:** Select “Yes” from the drop-down menu, if the regular amount of monthly remuneration subject to employee withholding tax exceed MVR 60,000. If not, select “No” from the drop-down menu.
- **Basic Pay:** Write the basic pay of the employee. Basic pay is a standard rate of pay before additional payments such as allowances and bonuses. This is the gross basic pay before the deduction of the amount contributed by the employee to Maldives Retirement Pension Scheme established under the Maldives Pension Act.
- **Pension paid to funds other than MPAO:** Write the sum of the amount contributed by you for the employee and amount deducted from the remuneration as a contribution by the employee to pension funds other than the Maldives Retirement Pension Scheme established under the Maldives Pension Act.
- **Allowances and other cash benefits:** Write the total of allowances and benefits paid in the form of money.

- **Lump sum payments:** Write the amount of any non-routine or one-off payment paid to the employee. For example: the termination payment, bonus, Ramadan allowance.

Items in column I (Accommodation) to column P (Other non-cash benefits column) refer to benefits provided in kind (non-cash/non-monetary) to the employee. For such allowances and benefits to be included in the respective columns, they need to be valued [except for in kind allowances and benefits specified in the chapter 3 of the Income Tax Regulation]. Chapter 4 of the Income Tax Regulation specifies the valuation methods to be used for certain benefits and allowances. If you provide an employee with a non-cash benefit or allowance for which there is no prescribed method in the chapter 4 of the Income Tax Regulation, you must value that particular allowance or benefit at its ordinary open market value at the time it is provided.

Amount of non-cash allowances and benefits to be included in monthly remuneration can be calculated based on your regular pay cycle.

- **Accommodation:** Compute and write the value of accommodation provided to the employee that must be included in the remuneration for the month. [Valuation rules are prescribed in the section 17 of the Income Tax Regulation].
- **Goods or Services:** Compute and write the value of goods and services provided to [or by] the employee that must be included in the remuneration for the month. [valuation rules are prescribed in the section 18-20 of the Income Tax Regulation].
- **Vessels and Vehicles:** Compute and write the value of vessels and vehicles provided to the employee that must be included in the remuneration for the month [valuation rules are prescribed in the section 21 of the Income Tax Regulation].
- **Loan interest:** Compute and write the value of loan interest in relation to the loans given to the employee that must be included in the remuneration for the month. [Valuation rule is prescribed in the section 22 of the Income Tax Regulation].
- **Vacation:** Compute and write the value of vacation of the employee financed by you that must be included in the remuneration for the month. [Valuation rules are prescribed in the section 23 of the Income Tax Regulation].
- **Insurance:** Compute and write the value of insurance benefit provided to the employee. [Valuation rules are prescribed in the section 27 of the Income Tax Regulation].
- **Medical benefits other than insurance premium:** Compute and write the value of the medical benefits, other than insurance, provided to the employee. [Valuation rules are given in the section 29 of the Income Tax Regulation]
- **Other non-cash benefits:** Compute and write the value of any other non-cash-benefit or allowance provided to the employee. [For some benefits valuation rules are prescribed in the chapter 4 of the Income Tax Regulation. If no specific valuation rule is available in the chapter 4, you must value the benefit at its ordinary open market value].

- **Pension to MPAO under the Maldives Pension Act:** Write the amount deducted from the remuneration of the employee as the contribution to the Maldives retirement pension scheme established under the Maldives Pension Act. As the system will do the correct arithmetic operation, you are not required to put a (-) negative sign in front of the figure.
- **Total Remuneration subject to Employee Withholding Tax:** This is the sum of all figures in column E (Basic Pay) to column P (Other non-cash benefits) minus column Q (Pension to MPAO under the Maldives Pension Act).
- **Are you going to/have you deducted EWT from the remuneration paid to this employee?:** Select “Yes” from the drop-down menu, if you are going to deduct or if you have deducted tax from the remuneration paid to this employee. If not, select “No” from the drop-down menu. It is important to enter this information correctly, as if the amount of EWT is not withheld by the employer, the Income Tax Regulation requires to use a different formula to calculate the amount to be included in the EWT return.

Below is a sample Information Sheet belonging to the payer, ABC Private Limited, for the month of April 2020.

No.	Employee's TIN	Name of the Employee	Regular remuneration of the employee exceeds MVR 60,000	Basic Pay	Pension paid to funds other than MPAO	Allowances and other cash benefits	Lump sum payments	Accommodation	Goods or Services	Vessels and Vehicles	Loan interest	Vacation	Insurance Premium	Medical benefits other than insurance premium	Other non-cash benefits	Pension to MPAO under the Maldives Pension Act	Total Remuneration subject to Employee Withholding Tax	Are you going to/have you deducted EWT from the remuneration paid to this employee?
1	1234568	Hussain Ali	YES	40000		8000		12000	1800	1200			15000			2800	75200.00	YES
2	1234567	Ahmed Shan	NO	15000		7000		10000	1500				15000			1050	47450.00	YES
3	1234569	Sampath Perera	NO	10000	700	5000			1500	1000		5500	15000				38700.00	YES

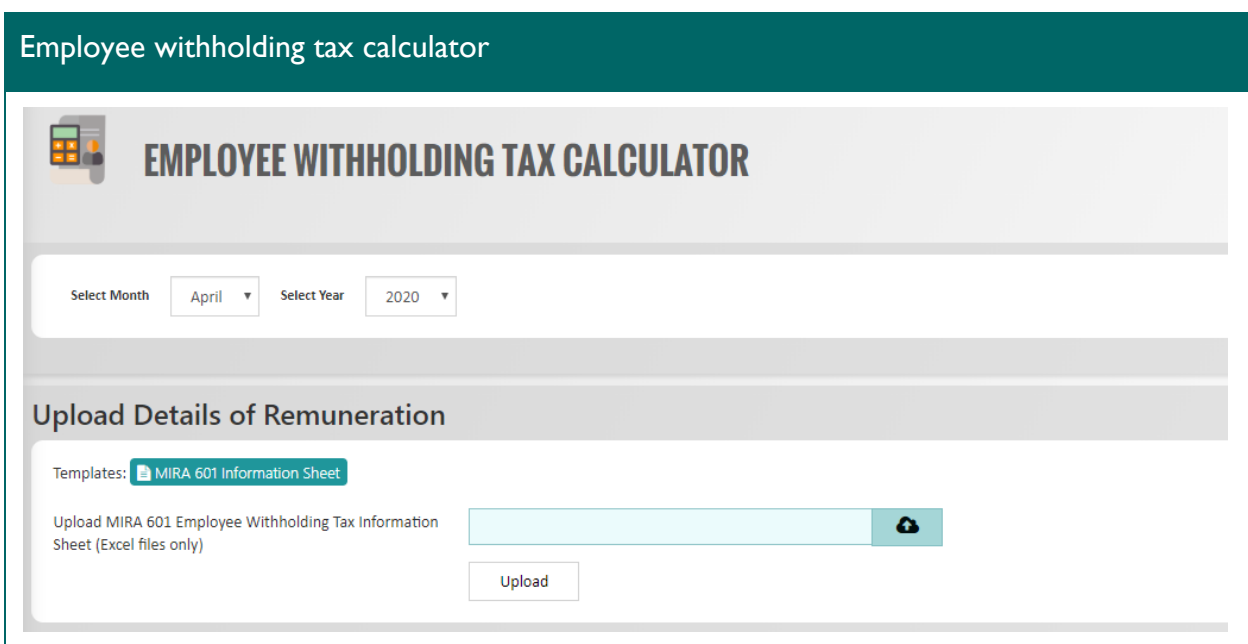
Once you complete the information sheet, you can upload it to the system through MIRAconnect. If there are errors in the information sheet, the system will ask you to correct the errors before accepting and processing it.

If any of your employees [who is registered as one of your employees] are terminated during the month, or if you hire a new employee [who is required to be registered as one of your employees] during the month, you must update those information before proceeding to upload the information sheet.

To request to update the information of a terminated employee on the MIRAconnect, go to “View employees > Edit > update termination date”. The status of the request can be checked by clicking on the TIN of the employee on the same page [View employee]. It may take about 15 minutes to process the information update request, and once updated, the status will change to “processed”.

To add new employees hired by you during the month, you will have to fill and upload a MIRA 118 form with the details of the employees. Once the registration of the employees is processed, the details of them will appear on “view employees” page.

For the purpose of your payroll processing you would need to know the rates and tax brackets at which employee withholding tax should be withheld for each employee. The rates and brackets generally depends on the elections made by the employee (through MIRA 916) and requests made by the employee (through MIRA 917), and hence can be different for different employees. You can use employee withholding tax calculator (EWT CALCULATOR), which is available on MIRAconnect, to calculate amounts to withhold for each employee.



The screenshot shows the 'Employee withholding tax calculator' interface. At the top, there is a dark teal header with the text 'Employee withholding tax calculator'. Below this, the main content area has a light grey background. On the left, there is a small icon of a calculator. To its right, the title 'EMPLOYEE WITHHOLDING TAX CALCULATOR' is displayed in bold, dark grey capital letters. Below the title, there are two dropdown menus: 'Select Month' with 'April' selected and 'Select Year' with '2020' selected. Underneath these is a section titled 'Upload Details of Remuneration'. This section includes a 'Templates:' label followed by a link to 'MIRA 601 Information Sheet'. Below this, there is a text prompt: 'Upload MIRA 601 Employee Withholding Tax Information Sheet (Excel files only)'. To the right of this text is a light blue rectangular upload area with a dark blue cloud icon. Below the upload area is an 'Upload' button.

How to complete the Employee Withholding Tax Return

When you upload the completed Information Sheet to MIRAconnect, it will automatically compute all items on your return, including the amount of employee withholding tax payable for the month.

If you are filing the return “offline”, you must fill in the following information in the box at the top of your return before you start populating the figures:

- **TIN (Taxpayer Identification Number):** Your TIN is a unique identification number issued to you when you are registered for income tax. In this box, write your TIN as shown on your notification of income tax registration.
- **Month Covered by this Return:** This is the month in respect of which the employee withholding tax is deducted. Enter the month in month-year format [mm/yyyy].
- **Payer Name:** In this box, write the name of the payer as shown on the Notification of Income Tax Registration. If the name of the payer does not match with the TIN, we will not be able to accept your return.

Example

TIN (Taxpayer Identification Number)	Month Covered by this Return
1 1 1 5 1 7 2	0 4 2 0 2 0
<small>Your TIN as it appears on your Notification of Income Tax Registration</small>	<small>Specify the month covered by this return, in MM/YYYY format</small>
Payer Name	
ABC Private Limited	
<small>Your name as it appears on your Notification of Income Tax Registration</small>	

You can now proceed to complete the remainder of your return.

EMPLOYEE WITHHOLDING TAX COMPUTATION

There are two sets of boxes to be completed for items A to E: “Amount of Remuneration (MVR)” and “Tax payable (MVR)”.

Item A: Amount subject to tax at 0%

- **Box 1: Amount of Remuneration (MVR)** is the total amount of remuneration subject to withholding tax at 0%.
- **Box 7: Tax payable (MVR)** is the amount of employee withholding tax deducted from the total remuneration subject to withholding tax at 0%, i.e. Box 1 multiplied by 0%. This amount is always 0 (zero).

Item B: Amount subject to tax at 5.5%

- **Box 2: Amount of Remuneration (MVR)** is the total amount of remuneration subject to withholding tax at 5.5%.

- **Box 8: Tax payable (MVR)** is the amount of employee withholding tax deducted from the total remuneration subject to withholding tax at 5.5%, i.e. Box 2 multiplied by 5.5%.

Item C: Amount subject to tax at 8%

- **Box 3: Amount of Remuneration (MVR)** is the total amount of remuneration subject to withholding tax at 8%.
- **Box 9: Tax payable (MVR)** is the amount of employee withholding tax deducted from the total remuneration subject to withholding tax at 8%, i.e. Box 3 multiplied by 8%.

Item D: Amount subject to tax at 12%

- **Box 4: Amount of Remuneration (MVR)** is the total amount of remuneration subject to withholding tax at 12%.
- **Box 10: Tax payable (MVR)** is the amount of employee withholding tax deducted from the total remuneration subject to withholding tax at 12%, i.e. Box 4 multiplied by 12%.

Item E: Amount subject to tax at 15%

- **Box 5: Amount of Remuneration (MVR)** is the total amount of remuneration subject to withholding tax at 15%.
- **Box 11: Tax payable (MVR)** is the amount of employee withholding tax deducted from the total remuneration subject to withholding tax at 15%, i.e. Box 5 multiplied by 15%.

Item F: Total amount of remuneration

This is the sum of all figures on the “Amount of Remuneration (MVR)” column, i.e. sum of boxes 1, 2, 3, 4 and 5. Write this amount in box 6.

Item G: Total Employee WHT payable

This is the sum of boxes 8, 9, 10 and 11. Write this amount in box 12.

NUMBER OF EMPLOYEES

Item H: Number of local employees from whom tax is withheld: In Box 13, write the total number of Maldivian employees from whom tax is withheld.

Item I: Number of foreign employees from whom tax is withheld: In Box 14, write the total number of foreign employees from whom tax is withheld.

Item J: Total number employees from whom tax is withheld: In Box 15, write the sum of boxes 13 and 14.

Item K: Total number of employees from whom no tax is withheld: In Box 16, write the total number of employees from whom no tax is withheld.


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. For government authorities, an authorized signatory registered with MIRA must sign the return.

Example

Declaration

I declare that the information in this Return and any supplementary pages is true and correct and represents my assessment as required under the Income Tax Act (Law Number 25/2019), and that I am authorised to sign this Return.

Mr	Ahmed	Shafneez	7925756	
Title	First Name	Other Names	Contact Number	
Managing Director			1 0 0 5 2 0 2 0	Signature & Seal
Designation			Date	



 **1415**

1415@mira.gov.mv



Maldives Inland
Revenue Authority



MIRAmaldives



Mira Maldives



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