

# How to complete Interim Return (MIRA 603)

This is a step-by-step guide to help you fill in the Interim Return (MIRA 603, version 21.3). Most of your questions will be answered here. If you need more help, call 1415 or send an email to [1415@mira.gov.mv](mailto:1415@mira.gov.mv)

Published on 4 January 2022



MALDIVES  
INLAND REVENUE  
AUTHORITY

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

1. You are required to file an interim return for this tax year if your annualized income tax payable for the previous tax year was more than MVR 20,000.
2. If this is your first tax year and your estimated income tax payable for this tax year is more than MVR 20,000, you are required to file an interim return and make an interim payment.
3. If your annualized income tax payable for your previous tax year was more than MVR 20,000, and, you do not choose to base your interim payment on the estimated income tax payable for this year, complete Section A.
4. If this is your first tax year, estimate the amount of interim payment payable in Section B.
5. If you have reasonable grounds to believe that your income tax payable for this tax year will be less than your annualized income tax payable for your previous tax year, and would like to base your interim payment on the estimated amount of income tax payable for this year, complete Section B.
6. Notwithstanding the points 1, 2 3 4 and 5, you are not required to make an interim payment if your total income for the year is remuneration derived solely from one employer.
7. This return must be filed online via MIRAconnect if your annual income is MVR 10 million or more.
8. If you are using the fillable version of this form, respective figures will be calculated automatically.
9. If you are filing online, Boxes in gray will be calculated once you click “Check and calculate” button.
10. Wherever the word BPT is used in the return it means Bank Profit Tax.
11. All the figures in this return must be rounded off to 2 decimal places.

## General information

### What is interim payment?

Before you make final income tax payment, you are required to make two interim payments, which is first interim payment and second interim payment for each tax year. If this is your first tax year, interim payments will be based on estimated tax payable for this tax year. If this is not your first tax year, you have to base your interim payments on income tax payable for previous tax year. However if you have reasonable grounds to believe that your income tax payable for current tax year will be less than your income tax payable for previous tax year, then you can choose to base your interim payment on the estimated income tax payable for current year.

#### Example 1: Interim payments based on income tax payable for previous tax year.

PQR Pvt Ltd's tax year for 2021 was from 1 June 2021 to 31 December 2021. Their total tax liability for tax year 2021 was MVR 110,000. They have decided to pay interim for 2022 based on tax payable of 2021. Since tax year 2021 is shorter than 365 days, PQR is required to annualize tax payable of 2022 as below.

$$\frac{\text{Income tax payable for previous tax year}}{\text{Number of days in the accounting period in the previous tax year}} \times 365$$

$$\frac{110,000}{214} \times 365 = 187,616.82$$

For each interim, PQR Pvt Ltd is required to pay MVR 93,808.41

### Interim payment based on the estimated income tax payable for the tax year.

If this is not your first tax year, you may choose to base your interim payment on the estimated income tax payable for current tax year. You are only allow to use this option if you have reasonable grounds to believe that your income tax payable for current tax year will be less than that of income tax payable to previous tax year. However, if total tax payable for the year is greater than 120% of the total interim payments, you will be deemed to have been liable to pay interim payment based on tax payable for previous tax year.

### Fine for underpayment of interim payments

When your tax payable for the year is greater than 120% of the total of interim payments, it will be deemed that you have not paid the interim payment in full and non-payment fine for the outstanding amount will be applied. Here is an example to demonstrate what has been described above.

## Example 2: Estimation of income tax payable

LMN Pvt Ltd's annualized tax payable for tax year 2021 is MVR 100,000. As a general rule company's interim payment for 2022 will be MVR 50,000 each. However, they estimate that their tax payable for tax year 2022 will be MVR 70,000, which is less than that of annualized tax payable of 2021. Based on this estimate, they can pay MVR 35,000 as first interim payment by 31 July 2022 and MVR 35,000 as second interim payment by 31 January 2023. However, by the end of tax year 2022 company had a tax payable of MVR 90,000 for the year. This is more than 120% of the estimated interim payments (MVR 70,000). In this case, company would be deemed to have been liable to pay interim payments based on tax payable for previous year (MVR 50,000 for each interim payment).

Therefore, a payment fine will be imposed on each outstanding interim payment of MVR 15,000 (50,000 – 35,000).

Fine is calculated as follow assuming LMN Pvt Ltd have paid the 15,000 difference on 30 June 2023.

### Payment fines for first interim 2022

2022 – First interim payment (estimated)	35,000
2022 – First interim payment (actual)	50,000
Variance	15,000
Fine - 0.05% of 15,000 x 334 days (1 August 2022 to 30 June 2023)	2,505

### Payment fines for second interim 2022

2022 – Second interim payment (estimated)	35,000
2022 – Second interim payment (actual)	50,000
Variance	15,000
Fine - 0.05% of 15,000 x 150 days (1 February 2023 to 30 June 2023)	1,125

Payment fines are calculated until 30 June 2023, because LMN Company Pvt Ltd has paid all pending dues by that date.

**What would happen if total estimated interim payments were greater than tax payable computed for the tax year?**

If your total interim payments estimated is greater than tax payable, that amount can be set off against any interim payable or final tax payable for any upcoming period. In case of cessation of business, this amount will be refunded to you.

## How to fill in the Interim Return

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Before you start populating the figures, you must fill in the following information in the box at the top of the return. If you are filing online, these information will be pre-filled for you.

- **TIN (Taxpayer Identification Number):** In this box, enter the TIN as shown on the Notification of Income Tax 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 Income Tax Registration issued to you. If the taxpayer name does not match with the TIN, the return will be rejected.
- **Taxpayer Type:** Tick here the applicable boxes. If you are a non-resident shipping or aircraft operator who derives income specified in 11(r) of the Income tax Act, tick that box as well either box “Individual” or “Company/Partnership/Others” as appropriate. In all other cases, tick only one box.
- **If you are a company within a group of companies, provide the number of companies in the group subject to income tax (exclusive of you):** If you are a company in a group of companies, provide number of remaining companies to which the Income Tax Act applies.
- **Accounting Period (These are the dates specified in your financial statements):** This is the start date and end date of the accounting period covered by your return.

### Item I: This is your:

Specify whether this is your first or the second interim return for the year.

### Item II: What is your presentation currency?

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

- Rufiyaa, then your financial statements must be presented in Rufiyaa.
- US Dollar, then your financial statements must be presented in US Dollar.
- Neither Rufiyaa nor US Dollar, then your financial statements may be presented in either Rufiyaa or US Dollar.

### Item III: Your interim payment is based on:

Specify whether you are going to base interim payment on previous tax year. If this is your first tax year or choose to base your interim payment on the estimated income tax payable for this year, you must choose (b).

If you choose (a), complete Section A ONLY.

If you choose (b), complete Section B ONLY.

## Section A: INTERIM PAYMENT PAYABLE BASED ON INCOME TAX PAYABLE FOR PREVIOUS TAX YEAR.

Complete this section if your tax payable for previous year was more than MVR 20,000, and you do not choose to base your interim payment on the estimated income tax payable for the this year.

### Item 1: Income tax payable for previous tax year

Enter here the amount in the box labeled “Tax payable for the year” on the Income Tax Return for previous tax year. (Box E of MIRA 604, version 21.1).

### Item 2: Annualized income tax payable for previous tax year

If your accounting period in the previous tax year was exactly 12 months, enter here the amount in Box 1. If your accounting period in previous tax year was less than 12 months, annualize the figure in Box E using the formula below, and enter here.

$$\frac{\text{Box 1}}{\text{Number of days in the accounting period in the previous tax year}} \times 365$$

### Item 3: Interim payment due

Calculate your interim payment due by multiplying Box 2 by 0.50.

### Item 4: EWT deducted by your payer

This Item is applicable to you only if you are an individual deriving income as remuneration.

If you wish to deduct the amount of Employee Withholding Tax (EWT) deducted by your payer from the remuneration payable to you up to the point of submission of this return, you can enter that amount here.

### Item 5: NWT deducted by your payer

This Item is applicable to you only if you are a non-resident doing business in the Maldives through a permanent establishment.

If you wish to deduct the amount of non-resident withholding tax (NWT) deducted by your payer from the payments payable to you up to the point of submission of this return, you can enter that amount here.

### Item 6: BPT and income tax paid in excess to date

If you wish to deduct the amount of BPT (Bank Profit Tax) or Income Tax paid in excess, enter that amount here.

### Item 7: Interim payment payable

This is the amount you must pay as your interim payment. Calculate this amount by subtracting Box 4, Box 5 and Box 6 from Box 3. If this figure is negative, enter zero.

Pay this amount if your tax payable for the previous tax year was more than MVR 20,000 or if total of your interim payment for this tax year exceeds MVR 20,000

## SECTION B: ESTIMATION OF INCOME TAX PAYABLE FOR CURRENT TAX YEAR

Complete this section only if this is your first tax year or if you have reasonable grounds to believe that your income tax payable for this tax year will be less than your income tax payable for previous tax year and would like to base your interim payment on the estimated amount of income tax payable for current tax year.

Tick this box, if this is not your first tax year, indicate whether you have reasonable grounds to believe that your income tax payable for this tax year will be less than your annualized income tax payable for previous tax year.

Complete Part 1 and Part 2 before filling in Box 8 to Box 17. Part 2 should be filled only if you are a non-resident shipping or aircraft operator.

### PART 1

If you are a non-resident shipping or aircraft operator, do not include in this part the income or expenses related to income specified in Section 11(r) of the Income Tax Act, i.e. income derived by a non-resident shipping or aircraft operator in international transportation, from carrying passengers or livestock or mail or parcels or merchandise or goods on an aircraft or a ship which departs from a place located in the Maldives.

*Taxable income from business (before zakat al-mal, donations and business loss relief)*

#### Item 18: Business income

Enter the total amount of revenue that you expect to earn from your business activities during the accounting period, excluding rental income from immovable property.

#### Item 19: Rental income from immovable property

Enter the total amount of rental income that you expect to earn from immovable property.

#### Item 20: Total business income

This is the sum of Boxes 18 and 19.

## *Allowable deductions*

### **Item 21: Allowable deductions**

In this box, enter the total amount of deductions expected for the year that are related to your business activities. This figure may include your estimated amount of contributions to Maldives Retirement Pension Scheme (MRPS) as an employer. Do not include any deductions related to rental income from immovable property if you write any amount in Box 22.

### **Item 22: Deduction from rental income from immovable property**

If you expect to claim deductions under Section 28 of the Income Tax Act, tick the box below and enter an amount equal to 20% of the amount in Box 19. If you do not wish to claim a deduction under Section 28, enter the amount of actual expenses incurred in relation to rental of immovable property. If you do not expect to earn any rental income from immovable property, leave this box blank.

You can choose to deduct 20% from your rental income (the option given under Section 28 of the Act), ONLY if you are preparing financial statements on cash basis.

### **Item 23: Total allowable deductions**

This is the sum of Boxes 21 and 22.

### **Item 24: Taxable income from business before zakat al-mal, donations and business loss relief**

Calculate this figure by subtracting Box 23 from Box 20. Enter an amount here only if this figure is positive or zero. If the figure is negative enter the amount in Box 25.

### **Item 25: Loss from business**

*Refer to Item 24 above.*

If the resulting figure from subtracting Box 23 from Box 20 is negative, enter that figure here.

### ***Taxable income from remuneration (before zakat al-mal, donations and business loss relief)***

*Items 26 to 31 applies to individuals who derives income as remuneration*

### Item 26: Remuneration

In this box, enter the total remuneration (inclusive of pension contribution made to MRPS from your remuneration) that you expect to receive. This includes salary, wages, allowances and benefits derived by you as an employee or director or partner as consideration for services you render, and includes any compensation for loss of employment or service, restrictive covenant payment, and entry or exit inducement payment.

### Item 27: Pension contributions made as an employee to MRPS

In this box, enter the amount of pension contributions expected to be made as an employee to MRPS. Do not include here any pension contributions made by you as an employer or on behalf of your employees.

### Item 28: Special clothing required for work

In this box, enter the expected amount of total cost of special clothing required for work, which are specifically designed to be worn at work and not suitable to be worn outside of work. You may refer to section 32 (b)(3) of the Income Tax Act for further details.

### Item 29: Cost of trainings, costs directly related to employment and costs contributing to employment promotions

In this box, enter the expected total cost of trainings which directly relates to your employment and expected costs directly related to the performance of your employment or directly contributing your employment promotion opportunities. You may refer to section 32 (b)(5) of the Income Tax Act for further details.

### Item 30: Necessary expenses for the performance of employment duties

In this box, enter the expected amount of necessary expenditure that you would incur for the performance of your employment duties. You may refer to section 32 (b)(6) of the Income Tax Act for further details.

### Item 31: Taxable remuneration

Calculate this figure by subtracting Box 27, Box 28, Box 29 and Box 30 from Box 26. If this figure is negative, enter zero.

## *Taxable income from gifts and other income (before zakat al-mal, donations and business loss relief)*

### **Item 32: Gross amount of gifts**

This Item is only applicable to individuals.

For purpose of Income Tax, “gift” means anything transferred by an individual, the government, or approved charity to another individual on own free will, in the form of money or otherwise, without any consideration.

Enter the value of the gifts expected to be received during the tax year.

Gifts received as below are exempt from Income Tax under the section 12(o) of the Income Tax Act, hence do not include amounts relating to below.

- Gifts received by an individual (up to a maximum of MVR 40,000/- (forty thousand) Rufiyaa per an accounting period)
- Gifts received from a related individual
- wedding gift [gifts received, on not more than 30 days before the date of marriage and not more than 30 days after the date of marriage, to the person getting married]
- gifts received from the government
- gifts received from a charitable organization approved by the Commissioner General

### **Item 33: Other income (other than business income, remuneration and capital gains)**

You are required to include any amount in this item if you receive any income other than business income, remuneration and capital gains.

**Business income** is an income derived from an activity within the definition of “business” which includes trading of goods, manufacturing activities, professional, commercial, technical or personal services and granting rights in relation to movable or immovable property.

**Remuneration** is salary, wages, allowances and benefits derived by you as consideration for services rendered, and includes any compensation for loss of employment or service, restrictive covenant payment, and entry or exit inducement payment.

**Capital gain** is the amounts derived from the disposal of movable, immovable, intellectual or intangible property in respect of which a deduction for capital allowance is not allowed under the Income Tax Act.

In this item, you may include aggregate of incomes such as dividend and interest income you expect to receive that is not exempt from Income Tax.

### Item 34: Total taxable income from gifts and other income before zakat al-mal, donations and business loss relief

This is the sum of Boxes 32 and 33.

### *Taxable capital gains (before zakat al-mal, donations and business loss relief)*

#### Item 35: Capital gains derived

Capital gain is the amounts derived from the disposal of movable, immovable, intellectual or intangible property in respect of which a deduction for capital allowance is not allowed under the Income Tax Act. If the amount by which the consideration received on disposal of the property exceeds the cost base of the property at the time of its disposal then it is a gain. Where the cost base of the property exceeds the consideration received on disposal of that property, the excess amount would be a capital loss.

In this box, enter the amount of capital gain that you expect to. You may refer to the section 30 of Income Tax Act and chapter 13 of Income Tax Regulation for further details on capital gain calculation.

#### Item 36: Capital loss incurred

In this box, enter the amount of capital loss that you expect to incur. You may refer to section 30 of Income Tax Act and chapter 13 of Income Tax Regulation for further details on capital loss calculation.

#### Item 37: Capital loss deductible

In this box, enter the amount in Box 35 or Box 36, whichever is lower.

#### Item 38: Capital gains before capital loss relief, zakat al-mal and donations

Calculate this amount by subtracting Item 37 from Item 35.

#### Item 39: Capital loss brought forward from previous year

Any amount of a Capital loss calculated shall only be deducted from Capital gains calculated in the same accounting period as that in which the loss was incurred, or to the extent that the loss exceeds those gains, such excess may be set off against the gains calculated in subsequent accounting periods. Hence include any such amounts from previous year in this item.

#### Item 40: Capital loss relief

In this box, enter the amount in box 38 or Box 39, whichever is lower.

#### Item 41: Capital gains for the year before zakat al-mal and donations

Calculate this amount by subtracting Item 40 from Item 38.

#### Item 42: Capital loss for the year available to be carried forward

If Box 36 is greater than Box 37, subtract Box 36 from Box 37. Otherwise, enter zero.

#### Item 43: Total taxable income before zakat al-mal and donations and business loss relief

This is the sum of Boxes 24, 31, 34 and 41.

### DEDUCTION OF ZAKAT AL-MAL, DONATIONS AND BUSINESS LOSS RELIEF

#### Item 44: Total zakat al-mal paid

Enter the amount of Zakat al-mal that you expect to pay, to a relevant Government institution during the year.

#### Item 45: Donations made to State institutions and approved charitable organizations

In this box, enter the expected amount of donation to state institutions and charitable organizations approved by Commissioner General. List of approved charitable organization can be retrieved from MIRA's website.

Complete the table below (Items 46 to 70) to deduct zakat al-mal, donations and loss relief.

If you are using fillable version, ALL these Items will be filled automatically. Otherwise, follow the steps below.

*Item 46:* Enter the taxable income from remuneration and taxable income from gifts and other income before zakat al-mal, donations and loss relief. This is sum of Boxes 31 and 34.

*Item 47:* Enter the taxable income from capital gains before zakat al-mal, donations and loss relief. This is the amount entered in Box 41.

*Item 48:* Enter the taxable income from business before zakat al-mal, donations and loss relief. This is the amount entered in Box 24.

*Item 49:* Enter zakat al-mal amount allocated. This figure is lower of Box 44 and Box 46.

*Item 50:* Enter zakat al-mal amount allocated. This figure is lower of remaining amount of zakat al-mal (Box 44 minus Box 49) and Box 47.

*Item 51:* Enter zakat al-mal amount allocated to income from business. This figure is lower of remaining amount of zakat al-mal (Box 44 minus Boxes 49 and 50) and Box 48.

*Item 52:* Subtracting Box 49 from Box 46 and enter the figure here.

*Item 53:* Subtracting Box 50 from Item 47 and enter the figure here.

*Item 54:* Subtracting Box 51 from Item 48 and enter the figure here.

*Item 55:* This is the sum of Boxes 52, 53 and 54. This is your taxable income before donation.

Now you may deduct donation by completing rest of the table.

*Item 56: 5% of taxable income before donations*

Multiply the amount in Box 55 by 0.05, and enter the figure here.

*Item 57: Donations deductible*

Enter the amount which is the lower of Box 45 and Box 56. This is the maximum amount you can deduct as donation.

*Item 58:* Enter donation deductible allocated. This figure is lower of Box 57 and Box 52.

*Item 59:* Enter donation deductible allocated. This figure is lower of remaining amount of donation deductible (Box 57 minus Box 58) and Box 53.

*Item 60:* Enter donation deductible allocated to income from business. This figure is lower of remaining amount of donation deductible (Box 57 minus Boxes 58 and 59) and Box 54.

*Item 61:* Subtracting Box 58 from Box 52 and enter the figure here.

*Item 62:* Subtracting Box 59 from Box 53 and enter the figure here.

*Item 63:* Subtracting Box 60 from Box 54 and enter the figure here.

*Item 64:* This is the sum of Boxes 61, 62 and 63. This is your taxable income before loss relief.

Now you may deduct loss relief by completing rest of the table.

**Item 65:** In this box, enter the amount of business loss brought forward from the previous year(s).

**Item 66:** Enter the amount which is the lower of Box 63 and Box 65.

**Item 67:** This is the figure in Box 61.

**Item 68:** This is the figure in Box 62.

**Item 69:** Subtract Box 66 from Box 63.

**Item 70:** This is the sum of Boxes 67, 68 and 69. This is your taxable income for the year.

## SECTION C: COMPUTATION OF TAX LIABILITY

### 1. Tax liability computation for banks (To be filled by banks only)

Complete this part only if you are a bank. Otherwise go to 2.

#### **Item 71: Tax liability for the year**

To compute tax liability for the year, multiply Box 70 by 0.25. Transfer this amount to Box 8.

### 2. Tax liability computation for persons other than individuals

Complete this part only if you are a person other than an individual.

#### **Item 72: Taxable income for the year**

Total taxable income as computed in Section B of the interim return must be entered here. This is the amount in Box 70.

#### **Item 73: Size of the tax bracket available at 0%**

If your accounting period would be exactly 12 months and that, you would not be a company in a group of companies this figure would be MVR 500,000 (USD 32,425.42).

To determine whether you are a company in a group of companies, please refer to the section 102-1 of the Income Tax Regulation.

If your accounting period would be shorter than 12 months, or you are a company in a group of companies, use the formulae below to calculate size of the tax bracket available to be taxed at 0%.

**NOTE 3:**

Tax-free bracket must be calculated as follows:

$$\frac{\text{Number of days in the accounting period}}{365} \times \frac{\text{MVR 500,000 or USD 32,425.42}}{A+1}$$

If you are a company in a group of companies, A is the number of companies in the group (excluding you) which are subject to income tax. If not, A is 0 (zero).

### Item 74: Amount subject to tax at 0%

Enter the amount in Box 72 or Box 73, whichever is lower.

### Item 75: Amount subject to tax at 15%

To compute the figure, subtract Box 73 from Box 72. If the figure is negative, enter zero here.

### Item 76: Tax liability for the year

To compute tax liability for the year, multiply, Box 75 by 0.15.

If you are a non-resident deriving income under Section 11(r) of the Act, go to Box 89.

## 3. Tax liability computation for Individuals

Complete this part only if you are an individual.

### Item 77: Taxable income for the year

Total taxable income as computed in Section B of the interim return must be entered here. This is the amount in Box 70.

### NOTE 4 – Calculation of size of tax brackets

Use the formulas given on the return to calculate the size of tax brackets in item A, B, C and D. If your accounting period is from 1 January to 31 December, the number of days in the accounting period is 365 days.

Divide the taxable income in Box 77 using the formulas in Note 4, filling each tax bracket starting from the bracket taxed at 0%, in that order.

Amounts entered in each tax bracket must not exceed the size of the bracket available.

### Example 3

Ali, an individual who started his business on 1 April 2021. Below is the computation of size of his tax brackets available for him.

If an accounting period starts on the first day of a month, below formula must be used to calculate the size of the tax brackets.

$$\frac{n}{12} \times m$$

Where,  $n$  = number of months in the accounting period

$m$  = full amount of the respective annual tax bracket

- A. Size of tax bracket available at 0% =  $\frac{9}{12} \times 720,000 = 540,000.00$
- B. Size of tax bracket available at 5.5% =  $\frac{9}{12} \times 480,000 = 360,000.00$
- C. Size of tax bracket available at 8% =  $\frac{9}{12} \times 600,000 = 450,000.00$
- D. Size of tax bracket available at 12% =  $\frac{9}{12} \times 600,000 = 450,000.00$

Assuming that the amount of taxable income expect to derive during the year (amount in Box 77) is MVR 4,900,000, below is how he will divide his taxable income to available tax brackets.

Taxable Income		Tax Liability	
(Rounded off to two decimals)		(Rounded off to two decimals)	
78	Amount subject to tax at 0%	79	
80	Amount subject to tax at 5.5%	81	
82	Amount subject to tax at 8%	83	
84	Amount subject to tax at 12%	85	
86	Amount subject to tax at 15%	87	
88	Total tax liability for the year (Sum of Boxes 81, 83, 85 and 87. Go to Box 89 on Page 6 if you are a non-resident deriving income under Section 11(r) of the Act.)		

↓  
Transfer to 8

Amount subject to tax at 15% is calculated as below

$$\begin{aligned} \text{Item 88} &= 4,900,000.00 - (540,000 + 360,000 + 450,000 + 450,000) \\ &= 3,100,000.00 \end{aligned}$$

#### Example 4

Fathimath an individual who started her business on 12 June 2021. Hence, her accounting period ended in the tax year 2021 would be from 12 June 2021 - 31 December 2021.

If an accounting period starts on a date other than the first day of a month, below formula must be used to calculate the size of the tax brackets.

$$\frac{p}{q} \times r + \frac{n-1}{12} \times m$$

Where,  $p$  = Number of days from the start of that accounting period till the end of that month (in which the accounting period starts)

$q$  = Total number of days in the month in which the accounting period starts

$r$  = Full amount of the respective monthly tax bracket

$n$  = Number of months in the accounting period

$m$  = Full amount of the respective annual tax bracket

For “ $n$ ” (Number of months in the accounting period), it is crucial that you write the number of months including the month your accounting year starts. In this case, it would be 7 (June to December).

- A. Size of tax bracket available at 0%  $= \frac{19}{30} \times 60,000 + \frac{7-1}{12} \times 720,000 = 398,000.00$
- B. Size of tax bracket available at 5.5%  $= \frac{19}{30} \times 40,000 + \frac{7-1}{12} \times 480,000 = 265,333.33$
- C. Size of tax bracket available at 8%  $= \frac{19}{30} \times 50,000 + \frac{7-1}{12} \times 600,000 = 331,666.67$
- D. Size of tax bracket available at 12%  $= \frac{19}{30} \times 50,000 + \frac{7-1}{12} \times 600,000 = 331,666.67$

Assuming that the amount of taxable income expect to derive during the year (amount in Box 77) is MVR 4,900,000, below is how she will divide her taxable income to available tax brackets.

		Taxable Income												Tax Liability																							
		(Rounded off to two decimals)												(Rounded off to two decimals)																							
78	Amount subject to tax at 0%									3	9	8	0	0	0	.	0	0	→	79																	0
80	Amount subject to tax at 5.5%									2	6	5	3	3	3	.	3	3	→	81										1	4	5	9	3	.	3	3
82	Amount subject to tax at 8%									3	3	1	6	6	6	.	6	7	→	83										2	6	5	3	3	.	3	3
84	Amount subject to tax at 12%									3	3	1	6	6	6	.	6	7	→	85										3	9	8	0	0	.	0	0
86	Amount subject to tax at 15%									3	5	7	3	3	3	.	3	3	→	87										5	3	6	0	0	.	0	0
88	Total tax liability for the year (Sum of Boxes 81, 83, 85 and 87. Go to Box 89 on Page 6 if you are a non-resident deriving income under Section 11(r) of the Act.)									6	1	6	9	2	6	.	6	6	→																		

↓  
Transfer to **8**

Amount subject to tax at 15% is calculated as below

$$\begin{aligned} \text{Item 88} &= 4,900,000.00 - (398,000.00 + 265,333.33 + 331,666.67 + 331,666.67) \\ &= 3,573,333.33 \end{aligned}$$

### Item 88: Total tax liability for the year

This is sum of Boxes 81, 83, 85, and 87.

Go to Box 89 on page 6 if you are a non-resident deriving income under section 11(r) of the Act

### PART 2

*This part applies only to the non-resident deriving income specified in 11(r) of the Income tax Act.*

Complete this part if you are a non-resident shipping or aircraft operator international transportation deriving income from carrying passengers, livestock, mail, parcels. Merchandise or goods (income specified in Section 11(r) of the Income Tax Act.

### Gross Income

#### Item 89: Total amount of income derived as under section 11(r) of the Income Tax Act

In this box, include any income derived by you as a non-resident shipping or aircraft operator in international transportation, from carrying passengers or livestock or mail or parcels or merchandise or goods on an aircraft or a ship which departs from a place located in the Maldives.

#### Item 90: Tax liability for the year

To compute this figure, multiply Box 89 by 0.02. This is the tax liability from income 11(r) of Income tax Act.

Now, go to Item 8 on page 2.

## COMPUTATION OF INTERIM PAYMENT PAYABLE

### Item 8: Total tax liability

If you are a bank, enter the figure in Box 71.

If you are a person other than individual, enter the figure in Box 76.

If you are an individual enter figure in Box 88.

### Item 9: Foreign tax credit

If you are a non-resident, enter zero here.

Enter the amount of credit that you expect to claim during the tax year 2020 as a foreign tax credit. For more information on foreign tax credit, please refer the section 72 of Income Tax Act and chapter 15 of the Income Tax Regulation.

### Item 10: Tax payable (exclusive of tax payable on income specified in Section 11(r) of the Income Tax Act)

To compute this figure, subtract Box 9 from Box 8. If this figure is negative, enter zero.

### Item 11: Tax payable for income specified in Section 11(r) of the Income Tax Act

In this box, enter the amount in Box 90.

### Item 12: Total tax payable for the year

This is sum of Box 10 and Box 11.

### Item 13: Interim payment due

To compute Interim payment, multiply Box 12 by 0.50.

### Item 14: EWT deducted by your payer

This Item applies to you only if you are an individual deriving income as remuneration.

If you wish to deduct the amount of Employee Withholding Tax (EWT) deducted by your payer from the remuneration payable to you up to the point of submission of this return, you can enter that amount here.

### Item 15: NWT deducted by your payer

This item applies to you only if you are a non-resident doing business in the Maldives through a permanent establishment (PE).

If you wish to deduct the amount of non-resident withholding tax (NWT) deducted by your payer from your income up to the point of submission of this return, you can enter that amount here.

### Item 16: BPT and income tax paid in excess to date

Enter zero if this is your first tax year.

If this is not your first tax year, you can enter the amount paid in excess as BPT or Income Tax to date.

### Item 17: Interim payment payable

This is the amount you must pay as your interim payment. Calculate the interim payment payable by subtracting Box 14, Box 15 and Box 16 from Box 13. Pay this amount if your tax payable for the previous tax year was more than MVR 20,000 or if total of your interim payment for this tax year exceeds MVR 20,000.

## Declaration

If you are given discretion to file the return over the counter, you are required to complete this part.

Once the return is completed, you must sign the declaration, declaring that the information given on the return is true and correct and that you are authorized to sign the return.

If you are a company, the declaration must be signed by the managing director or an authorized signatory of the company registered with MIRA. If you are a partnership, it must be signed by the managing partner or an authorized signatory of the partnership registered with MIRA. If you are an individual, it must be signed by the legal owner of the business or an authorized signatory registered with MIRA. Companies, partnerships, cooperative societies and other legal entities must stamp their official seal in the relevant box.

If there are any issues with the return, we will contact the person who has signed the declaration.

## For Office Use Only

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 1415

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Maldives Inland  
Revenue Authority



MIRAmaldives



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