



**Consolidated Version
21 January 2016**

Unofficial translation of the

TAX AGENTS REGULATION

2014/R-36

This document consolidates the following:

- 1. Tax Agents Regulation (Regulation Number 2014/R-36), formulated under Section 25 of the Tax Administration Act (Law Number 3/2010) and published in the Government Gazette on Wednesday the 18th of June 2014 (20 Sha'ban 1435).*
- 2. Tax Ruling TR-2016/A4 (First Amendment to the Tax Agents Regulation), issued on Thursday the 21st of January 2016.*

DISCLAIMER OF LIABILITY

This is the unofficial translation of the original Regulation in Dhivehi. In the event of conflict between this translation and the Dhivehi version of this Regulation, the latter shall prevail. Therefore, it is advised that both the Dhivehi version of this Regulation and this translation be read concurrently.

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TAX AGENTS REGULATION

CHAPTER 1: CITATION

1. Introduction

This Regulation was made pursuant to Section 25 of the Tax Administration Act (Law Number 3/2010).

2. Objective

The objectives of this Regulation are to specify the procedures that will be followed by MIRA in granting and revoking a tax agent license, the scope of work that a tax agent shall be permitted to undertake, and to prescribe the code of conduct to be followed by tax agents.

CHAPTER 2: SCOPE OF WORK OF TAX AGENTS

3. Scope of work of tax agents

Tax agents licensed under this Regulation shall be allowed to undertake the following works:

- (a) Compute the taxpayer's BPT, GST and withholding tax liability;
- (b) Prepare the taxpayer's tax returns;
- (c) Prepare other notices, statements, and all other documents that are to be submitted by the taxpayer to MIRA in relation to the tax payable by the taxpayer or in relation to his legal obligations and rights;
- (d) Prepare documents pertaining to an objection to be filed by the taxpayer pursuant to a decision made by MIRA;
- (e) Advise the taxpayer in matters concerning the taxpayer's obligations under Taxation Acts and other tax related issues;
- (f) Prepare the taxpayer's financial statements for tax purposes;
- (g) Communicate with MIRA on behalf of the taxpayer regarding his tax affairs.

4. Work disallowed for tax agents

A tax agent licensed under this Regulation shall not be the appointed external auditor of the taxpayer which the tax agent represents.

CHAPTER 3: CHARACTERISTICS AND CATEGORIES OF TAX AGENTS

5. Characteristics of tax agents

Persons intending to become tax agents under Section 25 of the Act must fulfill the following conditions:

- (a) Attained the age of 18 (eighteen) years;
- (b) Where the person has been convicted on indictment for an offence of theft, extortion, robbery, deception, criminal breach of trust, bribery, or any offence under any finance or business related law, 5 (five) years have elapsed from enforcement of judgment or the date on which clemency was granted for that offence;
- (c) Not be a person who is a suspect on trial for an offence of theft, extortion, robbery, deception, criminal breach of trust, bribery, or any offence under any finance or business related law;
- (d) Possess the educational qualifications necessary to fulfill the responsibilities and duties of a tax agent and satisfy the conditions determined in Sections 7 and 8 of this Regulation;
- (e) Not be an employee of the taxpayer.

6. Tax agent categories

Tax agent license shall be divided into the following 2 categories:

- (a) Category 1
- (b) Category 2

7. Category 1 tax agents

- (a) Category 1 tax agents may provide tax agent services to any taxpayer.
- (b) Persons applying for a category 1 tax agent license must fulfill the following conditions in addition to the conditions specified in Section 5 of this Regulation:

- (1) Hold a level 9 or higher qualification as per the Maldives National Qualifications Framework, in the field of accounting or auditing, or be a fully qualified member of a professional accountancy body recognized by MIRA; and
- (2) Pass an examination held by MIRA for category 1 tax agents; and
- (3) Hold a valid work visa issued under the Maldives Immigration Act (Law Number 1/2007), if the person is not a citizen of the Maldives.

8. Category 2 tax agents

- (a) Category 2 tax agents shall provide tax agent services only to taxpayers with an annual turnover not exceeding MVR 10 million.
- (b) Persons applying for a category 2 tax agent license must fulfill the following conditions in addition to the conditions specified in Section 5 of this Regulation:
 - (1) Hold a level 7 or higher qualification as per the Maldives National Qualifications Framework, in the field of accounting, auditing, finance, economics, business or law, or be an affiliate or fully qualified member of a professional accountancy body recognized by MIRA; and
 - (2) Complete a course conducted by MIRA for category 2 tax agents; and
 - (3) Pass an examination held by MIRA for category 2 tax agents; and
 - (4) Hold a valid work visa issued under the Maldives Immigration Act (Law number 1/2007), if the person is not a citizen of the Maldives.

9. Professional accountancy bodies recognized by MIRA

- (a) For the purposes of this Regulation, professional accountancy bodies recognized by MIRA refer to the following professional accountancy bodies:
 - (1) The Association of Chartered Certified Accountants (ACCA);
 - (2) The Chartered Institute of Management Accountants of the United Kingdom (CIMA);
 - (3) CPA Australia;
 - (4) The Institute of Chartered Accountants of Sri Lanka (ICAS); and
 - (5) The Institute of Chartered Accountants of India (ICAI);
- (b) The Commissioner General may, at his discretion, amend the list of professional accountancy bodies recognized by MIRA in subsection (a) by publishing such amendments on the official website of MIRA.

CHAPTER 4: GRANTING AND REVOKING A TAX AGENT LICENSE

10. Application for a tax agent license

- (a) Persons who wish to apply for a tax agent license shall submit a completed “Tax Agent Registration” (MIRA 113) form together with the information and documents specified therein, to MIRA.
- (b) If the person applying for a tax agent license under this Regulation is an employee of a State institution of the Maldives, that person shall submit a document issued by his employer which clearly states that the employer does not object to that person working as a licensed tax agent.
- (c) If the person applying for a tax agent licensed under this Regulation is not a citizen of the Maldives, that person shall submit a document issued by his employer which clearly states that the employer does not object to that person working as a licensed tax agent.
- (d) Notwithstanding anything to the contrary in this Regulation, employees of MIRA shall not be granted a tax agent license under this Regulation prior to the expiry of 2 (two) years from the date of termination of the employee’s employment contract with MIRA.
- (e) Applicants approved by the Commissioner General shall be issued with a registration certificate which shall include the “Tax Agent Registration Number” of that person.

11. Revoking a tax agent license

- (a) The Commissioner General shall have the discretion to revoke a license granted to a tax agent under this Regulation where the following circumstances arise:
 - (1) The person no longer meets the conditions to become a tax agent;
 - (2) The person violates a condition set by MIRA in granting the license or violates the code of conduct determined by MIRA;
 - (3) The person submits a document with misleading information to MIRA;
 - (4) The person commits an offence under a tax law;
 - (5) The person is convicted upon indictment of a criminal offence in a Court of Law;

- (6) The person fails to pay judgment debt in accordance with a Court Judgment or has been declared bankrupt;
 - (7) Disciplinary measures have been taken against the person by a professional body;
 - (8) [Repealed.]
- (b) Where a tax agent license granted by MIRA is revoked under this section, the Commissioner General may, at his discretion, refuse to grant another license to that person for a period not exceeding 10 (ten) years.
- (c) Where a tax agent believes that the revocation of his license by MIRA under this section is in violation of this Regulation, he must object to the Commissioner General in writing within 30 (thirty) days of the revocation, by citing the grounds for the objection and submitting relevant documents.
- (d) Where a licensed tax agent wishes to revoke his license, such request shall be made in writing to the Commissioner General.

CHAPTER 5: APPOINTMENT AND REMOVAL OF A TAX AGENT

12. Appointment of a tax agent

- (a) A taxpayer who wishes to appoint a licensed tax agent pursuant to this Regulation shall submit a completed "Appointment of Tax Agent" (MIRA 114) form together with the information and documents specified therein, to MIRA.
- (b) A tax agent shall not represent any taxpayer prior to the submission of the form referred to in subsection (a) to MIRA.
- (c) A taxpayer shall appoint only 1 (one) licensed tax agent pursuant to this Regulation.

13. Removal of a tax agent or withdrawal by tax agent

- (a) Where a taxpayer wishes to remove the tax agent appointed by the taxpayer, such request shall be made in writing to the Commissioner General.
- (b) Where a tax agent wishes to withdraw from representing a taxpayer, such request shall be made in writing to the Commissioner General.
- (c) Where a request for removal or withdrawal is received pursuant to subsection (a) or (b), MIRA shall notify the parties of the cessation of the tax agent appointment, within 10 (ten) working days.

- (d) Unless a notice under subsection (a) or (b) has been given, the appointment of a tax agent by a taxpayer under Section 12(a) of this Regulation shall remain in force.

14. Disclosure of taxpayer information to tax agent

Where a taxpayer appoints a tax agent, the taxpayer shall be deemed to have given consent to disclose information about the taxpayer to the tax agent pursuant to Section 15(b)(2) of the Act.

CHAPTER 6: CODE OF CONDUCT OF TAX AGENTS

15. Code of conduct of tax agents

Tax agents licensed under this Regulation shall abide by the following code of conduct:

- (a) A tax agent shall be well mannered, honest and sincere in his work and always give full cooperation when dealing with MIRA. All information furnished by the tax agent to taxpayers shall be correct to the best of his knowledge and belief.
- (b) A tax agent shall not use information obtained in the course of his work for his own advantage or that of a party other than the party to which the information relates.
- (c) A tax agent shall not misuse any monies entrusted by his client for the payment of tax or for any other purpose. Proof of payment of the money shall be given to his client.
- (d) A tax agent shall maintain professional competency in the performance of his duties. A tax agent must be familiar with tax laws, regulations and tax rulings to ensure that his technical knowledge is up-to-date.
- (e) Employees of a tax agent, who are engaged in providing tax agent services, must also be familiar with tax laws, regulations and tax rulings.
- (f) A tax agent shall ensure that all tax returns, financial statements, and other submissions are prepared in accordance with the requirements of MIRA.
- (g) When making objections against an assessment, proper care shall be taken by the tax agent to ensure that such objections are based on valid grounds.
- (h) A tax agent shall give prompt and complete responses to enquiries from MIRA.
- (i) In giving advice to taxpayers, a tax agent shall always have regard to the prevailing tax laws, regulations and tax rulings.

- (j) A tax agent shall educate his clients about their duties and obligations under tax laws.
- (k) A tax agent shall advise his clients to maintain sufficient funds for payment of tax, and educate them about potential fines and penalties where their obligations are not fulfilled.

CHAPTER 7: GENERAL PROVISIONS

16. Registration of tax agents pursuant to the Act

Notwithstanding the provisions of Tax Ruling TR-2013/A1, all tax agents licensed pursuant to this Regulation must register with MIRA under the Act.

17. Submission of annual report

All tax agents licensed pursuant to this Regulation must submit an annual report to MIRA by the 31st of March of the following year. The report must contain details of the work done by the tax agent during the year, in a format prescribed by MIRA.

18. Continuing professional development program

- (a) All tax agents licensed pursuant to this Regulation must complete the continuing professional development program for tax agents conducted by MIRA.
- (b) Where a licensed tax agent fails to attend any of the sessions arranged by MIRA under the continuing professional development program referred to in subsection (a), his tax agent license shall be revoked.
- (c) Where a tax agent whose license has been revoked pursuant to subsection (b) wishes to renew his license, he shall be required to submit a new application under Section 10(a) of this Regulation, together with the supporting documents. Such applicants shall also be required to pass the examination and complete the course referred to in Sections 7 and 8 of this Regulation.

19. Disclosure of licensed tax agents list

MIRA shall publish a list of licensed tax agents on its website.

20. Advertising as a tax agent

Persons other than tax agents licensed by MIRA shall not advertise in any form that he is a tax agent or that he provides tax agent services.

21. Commencement of this Regulation

This Regulation shall commence upon its publication in the Government Gazette of the Maldives.

22. Repealed regulation

Sections 65 and 66 of the Tax Administration Regulation (Regulation Number 2013/R-45) shall be repealed upon commencement of this Regulation.

23. Definitions

(a) Unless and otherwise specified in this Regulation:

“Commissioner General” refers to the Commissioner General of Taxation appointed pursuant to the Tax Administration Act (Law Number 3/2010).

“MIRA” refers to the Maldives Inland Revenue Authority established pursuant to the Tax Administration Act (Law Number 3/2010).

“Act” refers to the Tax Administration Act (Law Number 3/2010).

(b) For the purposes of this Regulation, in phrasing, the singular shall include the plural and the plural shall include the singular.