



Unofficial translation of the

AIRPORT TAXES AND FEES ACT

29/2016

In accordance with Article 92 of the Constitution, the “Airport Taxes and Fees Bill” passed in the 16th sitting of the 3rd session of the People’s Majlis held on Thursday the 24th of November 2016, has become law and has been published in the Government Gazette upon its ratification by the President on Wednesday the 7th of December 2016 (8 Rabi’al-Awwal 1438).

DISCLAIMER OF LIABILITY

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

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AIRPORT TAXES AND FEES ACT

1. Introduction and citation

(a) This Act prescribes all matters relating to the levying of Airport Service Charge as a tax and Airport Development Fee as a fee, on passengers departing from the Maldives from an airport in the Maldives.

(b) This Act shall be cited as the “Airport Taxes and Fees Act”.

2. Levying of Airport Service Charge

(a) A tax in the name of Airport Service Charge shall be levied on passengers departing from the Maldives from an airport in the Maldives, as follows:

(1) 25 (twenty five) United States Dollars on each foreign passenger;

(2) 12 (twelve) United States Dollars on each Maldivian passenger.

(b) Persons with diplomatic immunity, transit passengers and children below the age of 2 (two) years shall be exempt from Airport Service Charge.

3. Airport Development Fee

(a) A fee in the name of Airport Development Fee shall be levied on each passenger, including transit passengers, departing from the Maldives via Ibrahim Nasir International Airport, in addition to the Airport Service Charge specified in Section 2 of this Act, as follows:

(1) 25 (twenty five) United States Dollars on each foreign passenger;

(2) 12 (twelve) United States Dollars on each Maldivian passenger.

(b) Persons with diplomatic immunity shall be exempt from the Airport Development Fee specified in subsection (a).

(c) Subsection (a) shall have effect from the first day of the first month following the expiration of 4 (four) months from the date of commencement of this Act.

4. Responsibility of collecting Airport Service Charge and Airport Development Fee

(a) It shall be the responsibility of airlines that operate scheduled flights to the Maldives to collect Airport Service Charge in a manner determined by MIRA from passengers departing from the Maldives from an airport in the Maldives via that airline, to file

the return specified in Section 5(a) of this Act, and to make full payment to the State in accordance with Section 6 of this Act.

- (b) It shall be the responsibility of airlines that operate scheduled flights to the Maldives to collect Airport Development Fee in a manner determined by MIRA from passengers departing from the Maldives from Ibrahim Nasir International Airport via that airline, to file the return specified in Section 5(a) of this Act, and to make full payment to the State in accordance with Section 6 of this Act.
- (c) It shall be the responsibility of airport operators to collect Airport Service Charge in a manner determined by MIRA from passengers departing from the Maldives from that airport on flights operated by persons other than airlines that operate scheduled flights to the Maldives, to file the return specified in Section 5(a) of this Act, and to make full payment to the State in accordance with Section 6 of this Act.
- (d) It shall be the responsibility of the operator of Ibrahim Nasir International Airport to collect Airport Development Fee in a manner determined by MIRA from passengers departing from the Maldives from Ibrahim Nasir International Airport on flights operated by persons other than airlines that operate scheduled flights to the Maldives, to file the return specified in Section 5(a) of this Act, and to make full payment to the State in accordance with Section 6 of this Act.

5. Return submission

- (a) For each calendar month, a return which includes information about passengers who departed from the Maldives from an airport in the Maldives during that month and the amount of Airport Service Charge and Airport Development Fee payable by such passengers, shall be prepared in a format prescribed by MIRA, and submitted to MIRA by the 15th day of the following month.
- (b) The return specified in subsection (a) shall be submitted within the specified period even if no passengers who are subject to Airport Service Charge or Airport Development Fee departed from the Maldives during that month.
- (c) Where the return required to be submitted in accordance with this section is not submitted by the due date, the person shall be fined in accordance with the Tax Administration Act (Law Number 3/2010).

6. Payment of Airport Service Charge and Airport Development Fee

- (a) The amount of Airport Service Charge and Airport Development Fee declared as payable in the return prepared in accordance with Section 5(a) of this Act shall be paid to MIRA by the due date for filing the return for that month.

- (b) Airport Service Charge and Airport Development Fee shall be paid to MIRA in United States Dollars.
- (c) Where the Airport Service Charge and Airport Development Fee payable pursuant to this section is not paid to MIRA by the date due, the person shall be fined in accordance with the Tax Administration Act (Law Number 3/2010).

7. Providing information to MIRA

The Maldives Immigration shall provide information about flights and passengers departing from the Maldives where MIRA requests for such information for the purpose of enforcing this Act.

8. Irrecoverable debt

The amount of Airport Service Charge or Airport Development Fee receivable by an airline or airport operator from a third party but not recovered, shall be deductible as an irrecoverable debt in accordance with a procedure determined by the Commissioner General.

9. Maintaining records

- (a) The following records must be maintained by persons required to pay Airport Service Charge and Airport Development Fee to ascertain that the amount payable is correct:
 - (1) Invoices sent to various parties to collect Airport Service Charge and Airport Development Fee receivable from such parties, receipts for payments received, and other written correspondence between such parties relating to collection of payments; and
 - (2) Flight manifest of flights operated by that airline, or of flights departing from that airport; and
 - (3) Other information determined by the Commissioner General.
- (b) The records specified in subsection (a) shall be maintained for 5 (five) years. Such records must be kept in either Dhivehi or in English. And the amounts recorded must be in Maldivian Rufiyaa, United States Dollar or in a currency determined by the Commissioner General out of the foreign currencies accepted by the Maldives Monetary Authority.

10. Following the Tax Administration Act

- (a) The provisions of the Tax Administration Act (Law Number 3/2010) shall apply in enforcing this Act. And circumstances not specified in this Act shall be enforced in accordance with the Tax Administration Act (Law Number 3/2010).
- (b) This Act shall be read together with the Tax Administration Act (Law Number 3/2010). Any word or phrase not defined in this Act, unless the context otherwise requires, shall have the same meaning such word or phrase has in that Act.

11. Airport Service Charge not paid up to the commencement date

- (a) Airport Service Charge payable pursuant to the Airport Service Charge Act (Law Number 71/78) but not paid up to the date of commencement of this Act, shall be paid to MIRA within 45 (forty five) days from the date of commencement of this Act.
- (b) The details of the dues referred to in subsection (a) shall be prepared in a format prescribed by MIRA and submitted to MIRA within 30 (thirty) days from the date of commencement of this Act.

12. Agreements made before the commencement of this Act

The provisions in agreements signed before the date of commencement of this Act which refer to Airport Service Charge shall be void from the date of commencement of this Act to the extent such provision contradicts with this Act.

13. Formulating regulations and administration

- (a) This Act shall be enforced and the provisions of this Act shall be administered by MIRA. MIRA shall formulate policies on registration of airlines and airport operators under this Act and regulations which are necessary to enforce this Act. Transitional provisions on enforcing the changes to the procedure for collection of Airport Service Charge pursuant to this Act shall be included in the regulation made by MIRA.
- (b) Unless otherwise specified in this Act, regulations to be made pursuant to this Act shall be made and published within 3 (three) months from the date of commencement of this Act.

14. Repealed Act

The Airport Service Charge Act (Law Number 71/78) shall be repealed from the date of commencement of this Act.

15. Commencement of this Act

This Act shall commence from the date of its publication in the Government Gazette following its passing and ratification.

16. Definitions

Unless the context requires a different meaning, the following phrases and words shall have the following meanings:

- (a) "Transit passengers" refers to passengers who stay in the Maldives for less than 24 (twenty four) hours for a purpose such as changing flights, while travelling from one country to another country.
- (b) "Commissioner General" refers to the Commissioner General of Taxation appointed pursuant to the Tax Administration Act (Law Number 3/2010).
- (c) "MIRA" refers to the Maldives Inland Revenue Authority established pursuant to the Tax Administration Act (Law Number 3/2010).
- (d) "Airport operator" refers to persons issued a permit to operate international aerodromes pursuant to the Maldives Civil Aviation Act (Law Number 2/2001).