



CIRCULAR

Reference Number: 220-TFD/CIR/2017/10
Date: 27 December 2017
To: Taxpayers
Subject: **Registration of foreigners conducting business activities in the Maldives**

It has been brought to our concern that foreign parties that are liable to register with MIRA under the Maldivian tax laws, have been conducting business activities in the Maldives without such registration.

For the purposes of the Business Profit Tax Act, persons that are resident in the Maldives and non-resident persons conducting business activities in the Maldives through a Permanent Establishment, as defined in section 43(e) of that Act, are required to register with MIRA under the Tax Administration Act and fulfill all obligations with respect to the relevant tax laws.

Therefore, kindly be informed to verify whether or not the foreign party providing its services in the Maldives is registered with MIRA, before appointing such party to perform any form of work in the Maldives. Further to this, please also confirm whether or not such foreign party is registered with MIRA for Goods and Services Tax if the gross value of the service provided by that party is more than MVR 1 million.

Hassan Zareer
Deputy Commissioner General of Taxation