

Goods & Services Tax (GST)

Goods and service tax (GST)

GST is a tax charged on the goods and services supplied in the Maldives by GST registered businesses.

How GST works

GST can be charged only after registering for GST with MIRA. GST must be charged on all goods and services other than zero-rated and exempt goods and services.

- if you are registered for GST, you can claim back the GST on the expenses as input tax provided that you have a valid tax invoice
- to claim the GST you have paid, you need to file the GST return together with the input tax statement (format available on our website)
- if there is a GST payable amount, you must pay this amount to MIRA, and if there is GST to be refunded, you can carry forward and set off the amount against your future GST liabilities
- businesses not registered for GST and businesses supplying exempt goods and services, cannot claim back GST on the purchases and expenses

Registering for GST

It is compulsory to register for GST if:

- you provide "tourism goods and services", or
- you hold an import license, or
- your total taxable sales including zero rated goods and services for the previous 12 months exceed MVR 1 million, or your expected taxable sales including zero rated goods and services for the next 12 months exceed MVR 1 million

Even if you do not meet any of the above conditions, you may request for voluntary GST registration

Additionally, accommodation by guesthouses which let rooms on a daily basis and do not require authorization from the Ministry of Tourism to supply accommodation shall be subject to GST at 6% if their taxable sales exceed MVR 1 million.

Tourism goods and services

Tourism goods and services include goods and services supplied by:

- Tourist resorts, tourist hotels, picnic islands, tourist vessels and yacht marinas ('Tourist Establishment') authorized by the Ministry of Tourism
- Diving schools, shops, spas, watersports facilities and other such facilities operated on a tourist establishment (shops operated exclusively for the employees are excluded)
- Travel agents and tour operators authorized by the Ministry of Tourism
- Agents supplying goods and services to foreign tourist vessels entering the Maldives
- Domestic air transportation service providers (to persons other than Maldivian citizens)

Goods and services other than "tourism goods and services" are referred to as "general goods and services".

Registration and afterwards

You can register for GST using MIRA105. For details on filling the form, refer to the 'GST Registration Form Instructions' available on our website.

Once you register for GST you must:

- charge GST on all sales except those which are zero-rated or exempt
- issue tax invoices to GST registered persons if requested
- retain tax invoices when you buy goods and services for your business
- file your GST returns and make GST payments to MIRA by the due date
- maintain records to support the figures in your GST return
- display the GST Registration Certificate in your business outlets

GST categories and rates

	2011	2012	1 Jan 2013 - 31 Oct 2014	1 Nov 2014 onwards
Tourism GST	3.5%	6%	8%	12%
General GST	3.5%	6%	6%	6%

Filing the GST return and paying GST

Payment and return filing frequency depends on your taxable period. The period covered by the GST return is called the taxable period.

- **Monthly** – if your average monthly turnover is more than MVR 1 million, you must file your returns monthly
- **Quarterly** – if your average monthly turnover is less than MVR 1 million, you must file your returns quarterly (based on calendar quarters, i.e. Jan-Mar, Apr-Jun, Jul-Sep, Oct-Dec)

Due dates

Your GST return should be filed and GST should be paid on or before the 28th of the month following the end of your taxable period. Following are the deadlines for those who must file their returns quarterly.

Taxable Period	Deadline
January - March	April 28
April - June	July 28
July - September	October 28
October - December	January 28

If the due date for your GST return falls on a weekend or a public holiday, it will be due the next working day.

Cancelling your GST registration

You may apply for GST de-registration using the form MIRA 106 if:

- you discontinue or dispose of your business, or
- Your annual turnover falls below MVR 500,000.

However, you would need to continue filing your returns (even if you did not carry on your business) until MIRA informs you of your de-registration.

Need to know more?

For more information:

visit our website: www.mira.gov.mv
call our hotline: 1415
email us: 1415@mira.gov.mv