



15 years of Revenue Reform

Insights from the Maldives Experience

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BRITACOM COUNCIL MEETING

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Overview of Maldives

- Maldives is a small island nation comprised 1190 islands.
- Maldives has a population of 530,000 people.
- Male' City is heavily populated with 142,000+ people.
- 200 inhabited islands.
- 100+ islands developed as tourist resorts.
- The currency of Maldives is Maldivian Rufiyaa.



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Taxation in Maldives

- MIRA established on 2nd August 2010.
- Autonomous body accountable to the Parliament.
- Main taxes administered include Income Tax, Goods and Services Tax, Departure Tax, and Green Tax.

Key Roles:

- Enforce all Taxation Acts and implement taxation policies.
- Collect all taxes imposed by the State pursuant to the law.
- Provide necessary technical assistance to the government in formulating the government's tax policies.
- Work together with the Tax Policy Unit under Ministry of Finance on the implementation of tax and fiscal policies.



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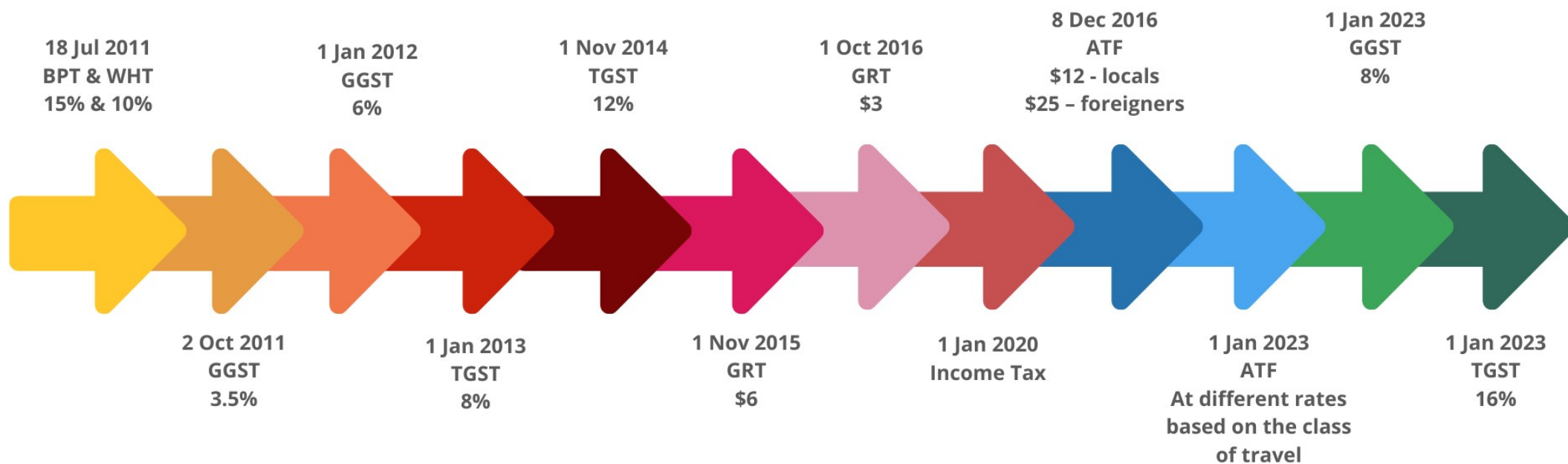
Governance Structure

- Day to day operations of MIRA are overseen by the Commissioner General of Taxation and the Deputy Commissioner General of Taxation.
- The Board of Directors of MIRA consists of 7 members including the Commissioner General of Taxation.
- The term of the Board is 5 years.
- 307 staff are employed at MIRA as of date.



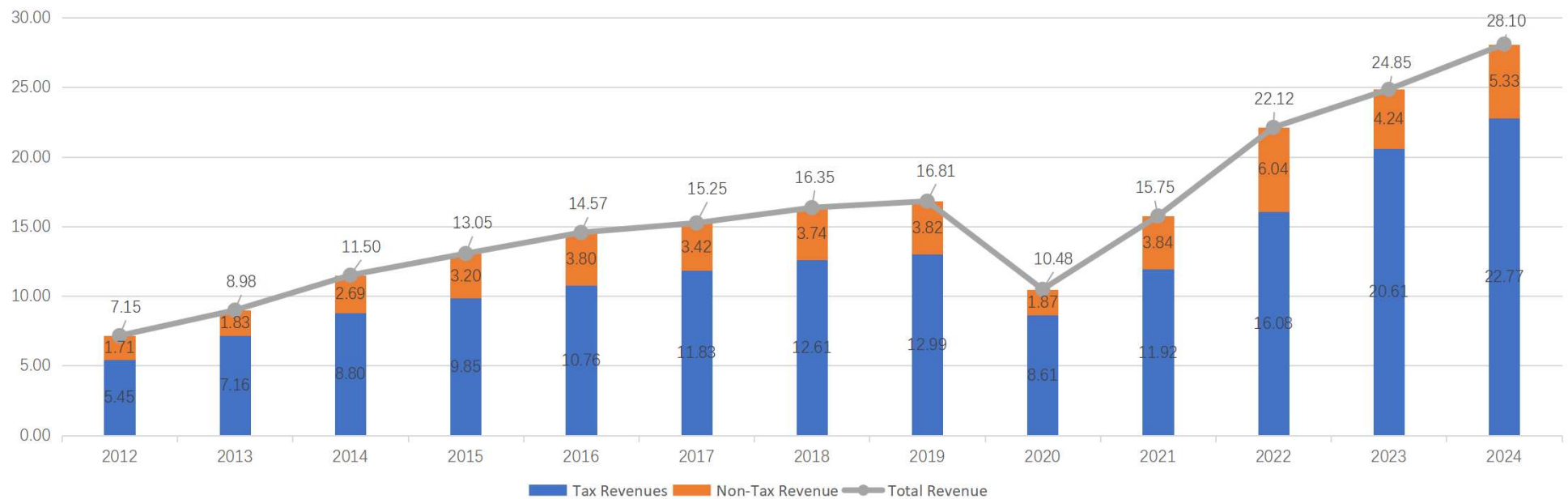
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Timeline of Implementation of Taxes



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Tax Revenue



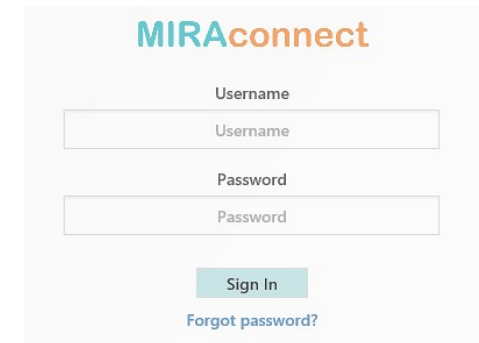
- MIRA collects more than 80% of the Government Revenue



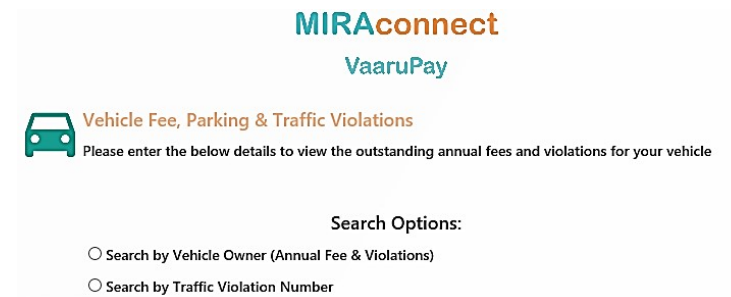
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Online Filing & Payments

- MIRA online service, MIRAconnect, facilitates online return filing and payment
- Taxpayers can file their tax returns and amend their tax returns via the online portal
- Two components of MIRAconnect
 - **MIRA connect** – for taxpayers to fulfil tax obligations
 - Tax return filing and tax payment
 - Account display
 - Information update
 - Submission of forms
 - **VaaruPay** – available on website and as a mobile application
 - For payment of low value-high volume non tax revenues
 - VaaruPay also allows GST nil return filing in a few clicks



The screenshot shows the MIRAconnect login interface. At the top is the MIRAconnect logo. Below it are two input fields: 'Username' and 'Password'. Each field has a placeholder text 'Username' and 'Password' respectively. Below the password field is a 'Sign In' button and a link for 'Forgot password?'.



The screenshot shows the MIRAconnect VaaruPay page. At the top is the MIRAconnect logo and the VaaruPay sub-header. Below this is a section titled 'Vehicle Fee, Parking & Traffic Violations' with a car icon. The text says 'Please enter the below details to view the outstanding annual fees and violations for your vehicle'. Below this is a 'Search Options:' section with two radio buttons: 'Search by Vehicle Owner (Annual Fee & Violations)' and 'Search by Traffic Violation Number'.



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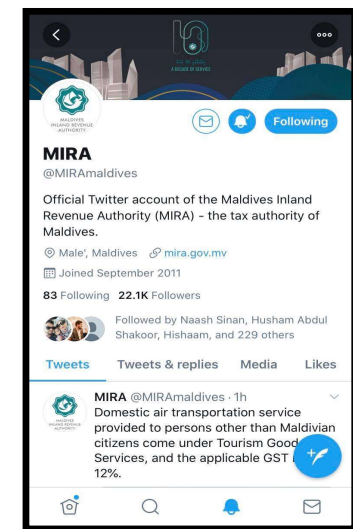
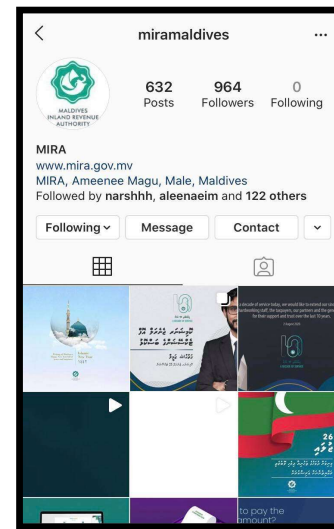
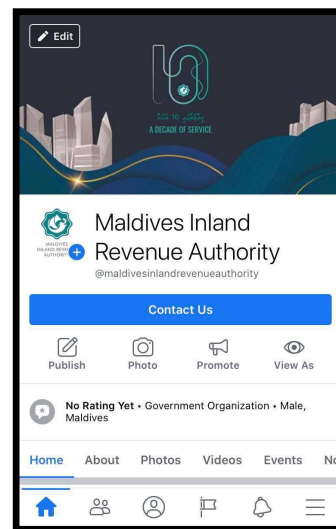
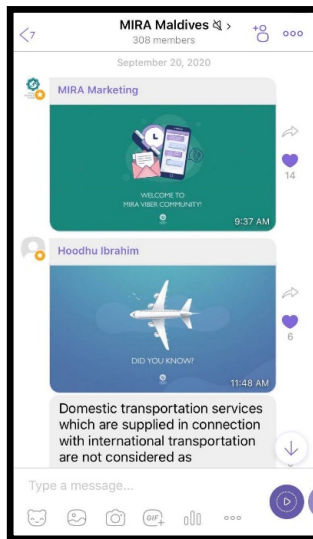
Service Delivery Channels

- Dedicated Call Center to attend taxpayer queries
- Outreach and taxpayer education programs
- In 2015, Maldives Tax Academy was formed, and it offers:
 - Training programs endorsed by the Maldives Qualification Authority
 - Targeted at individuals working in tax related fields



Service Delivery Channels

- MIRA uses Facebook, Instagram, Twitter and Viber platform to share information and attend to queries
- MIRA has its own YouTube channel, MIRA Tube share awareness programs and updates on tax obligations



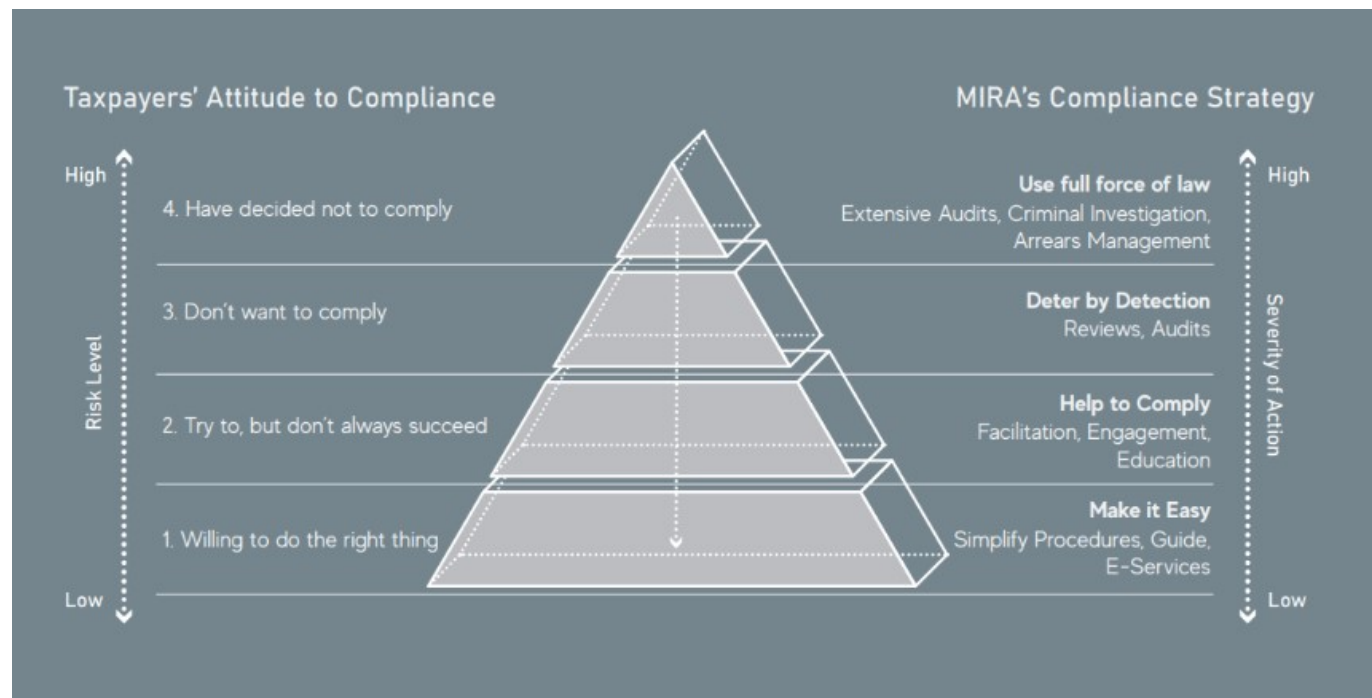
Compliance through risk-based interventions

- MIRA has introduced a Compliance Improvement Policy to:
 - Promote voluntary compliance by making it easier for taxpayers to meet their obligations
 - Deter non-compliance through regulated enforcement actions
 - Encourage movement of taxpayers toward the lower-risk tier of the compliance pyramid



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Compliance through risk based interventions



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Compliance through strengthening relationship

- MIRA launched a special initiative on the 14th Anniversary event.
- Aims to:
 - Strengthen relationships with taxpayers and stakeholders
 - Build public trust in the tax system
 - Enhance voluntary compliance
 - Improve service delivery across the authority



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Challenges

- Resource constraints
 - Limited financial and human resources
 - Challenges in upgrading infrastructure and technology
- Staffing Challenges
 - Difficulty I retaining skilled technical staff
 - High turnover impacts service continuity and expertise



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Strategic Direction

- Four-year strategic plan launched focusing on service improvement and compliance with best practices
- Key initiatives under the Strategic Plan
 - Implementation of e-invoicing
 - Achieve automation through technology & data integration
 - Fostering a culture of voluntary compliance
 - Enhance organizational culture centered on upskilling
 - Implement a comprehensive enterprise risk management framework



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International Collaborations

- Growth through partnerships
 - Leverage strategic partnerships for technical support and funding
 - Invest in capacity building and professional development programs
- MIRA's commitment in international tax landscape
 - Becoming a signatory to BRITACOM
 - Appointed as Co-Chair of the Asia Initiative
 - Asian Regional Director at the Commonwealth Association of Tax Administrators



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Thank you