

Maldives Dispute Resolution Profile

(Last updated: 23.05.2024)

General Information

- **[Jurisdiction] tax treaties are available at:**
https://www.mira.gov.mv/Pages/View/InternationalTax_TaxTreaties
- **MAP request should be made to:**
Ms. Mariyam Himmath Hassan
Deputy Director General, Planning and Development
Maldives Inland Revenue Authority
Ameenee Magu
Male' 20379
Maldives
Email: himmath.m@mira.gov.mv
- **APA request should be made to:**
Ms. Mariyam Himmath Hassan
Deputy Director General, Planning and Development
Maldives Inland Revenue Authority
Ameenee Magu
Male' 20379
Maldives
Email: himmath.m@mira.gov.mv

[Jurisdiction] Dispute Resolution Profile – Preventing Disputes

s/n		Response	Detailed explanation	Where publicly available information and guidance can be found
A. Preventing Disputes				
1.	Are agreements reached by your competent authority to resolve difficulties or doubts arising as to the interpretation or application of your tax treaties in relation to issues of a general nature which concern, or which may concern, a category of taxpayers published?	No	-	-
2.	Are bilateral APA programmes implemented? If yes:	Yes	Taxpayers can now opt for bilateral APA programs as detailed in the APA regulation.	https://www.mira.gov.mv/Files/GetFile/90f0b0f6-82b6-422b-b527-10d8c5652a00
a.	<ul style="list-style-type: none"> Are roll-back of APAs provided for in the bilateral APA programmes? 	Yes	Roll-backs of APAs are allowed under bilateral APAs as well.	https://www.mira.gov.mv/Files/GetFile/90f0b0f6-82b6-422b-b527-10d8c5652a00
b.	<ul style="list-style-type: none"> Are there specific timeline for the filing of an APA request? 	No	-	
c.	<ul style="list-style-type: none"> Are rules, guidelines and procedures on how taxpayers can access and use bilateral APAs, including the specific information and documentation that should be submitted in a taxpayer's request for bilateral APA assistance, publicly available? 	Yes	This is detailed under section 4 of the APA regulation – prefiling consultation.	https://www.mira.gov.mv/Files/GetFile/90f0b0f6-82b6-422b-b527-10d8c5652a00
d.	<ul style="list-style-type: none"> Are there any fees charged to taxpayers for a bilateral APA request? 	Yes	-	https://www.mira.gov.mv/Files/GetFile/90f0b0f6-82b6-422b-b527-10d8c5652a00
e.	<ul style="list-style-type: none"> Are statistics relating to bilateral APAs publicly available? 	No	-	

[Jurisdiction] Dispute Resolution Profile – Preventing Disputes

s/n		Response	Detailed explanation	Where publicly available information and guidance can be found
3.	Is training provided to your officials involved in the auditing /examination of taxpayers to ensure that any assessments made by them are in accordance with the provisions of your tax treaties?	Yes	Our officials partake in trainings conducted by OECD and Global Forum to stay up to date.	-
4.	Is other information available on preventing tax treaty-related disputes?	No	-	-

Notes:

1. An APA is an “arrangement that determines, in advance of controlled transactions, an appropriate set of criteria (e.g. method, comparables and appropriate adjustments thereto, critical assumptions as to future events) for the determination of the transfer pricing for those transactions over a fixed period of time”. (see definition of APA in the ***OECD Transfer Pricing Guidelines for Multinational Enterprises and Tax Administrations*** (“Transfer Pricing Guidelines”).

2. Situations may arise in which the issues resolved through an APA are relevant with respect to previous filed tax years not included within the original scope of the APA. The concept of “roll-back” is further elaborated in paragraph 4.136 of Section F (Advance pricing arrangement) of Chapter IV of the Transfer Pricing Guidelines and in paragraph 69 of Section D.4.2 (Possible retrospective application (“Roll back”)) of the Annex to Chapter IV (Guidelines for Conducting Advance Pricing Arrangements under the Mutual Agreement Procedure (“MAP APAs”)) of the Transfer Pricing Guidelines. Simply put, the “roll-back” of the APA is understood to mean that the outcome of the APA is applied to previous filed tax years not included within the original scope of the APA.

[Jurisdiction] Dispute Resolution Profile – Availability and access to MAP

s/n		Response	Detailed explanation	Where publicly available information and guidance can be found
B. Availability and Access to MAP				
5.	Are transfer pricing cases covered within the scope of MAP?	Yes	The section 2.4.1 of MAP guide states that a taxpayer may seek to access MAP on Transfer Pricing issues	https://www.mira.gov.mv/Files/GetFile/62ab6cd0-9ce1-4846-b82c-7fcd0b790347
6.	Are issues relating to the application of treaty anti-abuse provision covered within the scope of MAP?	Yes	Taxpayers will be able to request MAP assistance for tax that results from the application of the general anti-avoidance rule. In such cases, CA of the Maldives will engage in consultations with the CA of the other jurisdiction	https://www.mira.gov.mv/Files/GetFile/62ab6cd0-9ce1-4846-b82c-7fcd0b790347
7.	Are issues relating to the application of domestic anti-abuse provision covered within the scope of MAP?	Yes	-	https://www.mira.gov.mv/Files/GetFile/62ab6cd0-9ce1-4846-b82c-7fcd0b790347
8.	Are issues where there is already an audit settlement between the tax authority and the taxpayer covered within the scope of MAP?	No	-	
9.	Are double taxation cases resulting from bona fide taxpayer initiated foreign adjustments covered within the scope of MAP?	Yes	-	https://www.mira.gov.mv/Files/GetFile/62ab6cd0-9ce1-4846-b82c-7fcd0b790347
10.	Are there any other treaty related issues not covered under s/n 5 to 9 which are not within the scope of MAP?	No	-	https://www.mira.gov.mv/Files/GetFile/62ab6cd0-9ce1-4846-b82c-7fcd0b790347

[Jurisdiction] Dispute Resolution Profile – Availability and access to MAP

s/n		Response	Detailed explanation	Where publicly available information and guidance can be found
11.	Are taxpayers allowed to request MAP assistance in cases where the taxpayer has sought to resolve the issue under dispute via the judicial and administrative remedies provided by the domestic law of your jurisdiction?	Yes	Taxpayers are allowed to apply to the Tax Appeal Tribunal for a review of the objection decision or appeal to a court of law in the Maldives against the objection decisions made by MIRA. However, once the TAT decides or a court of law in the Maldives decides, the CA of Maldives will abide by that decision. Where such a decision or order has been made, the taxpayer will not have the opportunity to present the case to MAP.	https://www.mira.gov.mv/Files/GetFile/62ab6cd0-9ce1-4846-b82c-7fcd0b790347
12.	Are taxpayers allowed to request for MAP assistance in cases where the issue under dispute has already been decided via the judicial and administrative remedies provided by the domestic law of your jurisdiction?	No	Once the Tax Appeal Tribunal decides or a court of law in the Maldives decides, the CA of Maldives will abide by that decision. Where such a decision or order has been made, the taxpayer will not have the opportunity to present the case to MAP.	https://www.mira.gov.mv/Files/GetFile/62ab6cd0-9ce1-4846-b82c-7fcd0b790347
13.	Are rules, guidelines and procedures on how taxpayers can access and use MAP, including the specific information and documentation that should	Yes	Taxpayers can find the details of this under section 2.5 of the MAP guide. This section details on how a request is made along	https://www.mira.gov.mv/Files/GetFile/62ab6cd0-9ce1-4846-b82c-7fcd0b790347

[Jurisdiction] Dispute Resolution Profile – Availability and access to MAP

s/n		Response	Detailed explanation	Where publicly available information and guidance can be found
	be submitted in a taxpayer's request for MAP assistance, publicly available?		with the documents that needs to be submitted with it.	
14.	Are there specific timeline for the filing of a MAP request?	Yes	Taxpayers are required to request for MAP within three years from the first notification resulting in taxation not in accordance with a treaty.	https://www.mira.gov.mv/Files/GetFile/62ab6cd0-9ce1-4846-b82c-7fcd0b790347
15.	Are guidance on multilateral MAPs publicly available?	Yes	Details of multilateral MAPs are covered under section 2.5.2 of the MAP guide	https://www.mira.gov.mv/Files/GetFile/62ab6cd0-9ce1-4846-b82c-7fcd0b790347
16.	Are tax collection procedures suspended during the period a MAP case is pending?	No	Section 6.4.1 of the MAP guide states that the collection of taxes will not be halted	https://www.mira.gov.mv/Files/GetFile/62ab6cd0-9ce1-4846-b82c-7fcd0b790347
17.	Are there any fees charged to taxpayers for a MAP request?	No	-	-
18.	Is there any other information available on availability and access to MAP?	Yes	Additional details on the availability and access to MAP is covered under section 2 of the MAP guide	https://www.mira.gov.mv/Files/GetFile/62ab6cd0-9ce1-4846-b82c-7fcd0b790347

[Jurisdiction] Dispute Resolution Profile – Resolution of MAP cases

s/n		Response	Detailed explanation	Where publicly available information and guidance can be found
C. Resolution of MAP Cases				
19.	Are there any model timeframes for the steps taken by your competent authority from the receipt of a MAP case to the resolution of the case provided to taxpayers?	Yes	Maldives is committed to the OECD's recommended average timeframe of two years to resolve MAP cases.	https://www.mira.gov.mv/Files/GetFile/62ab6cd0-9ce1-4846-b82c-7fcd0b790347
20.	Are statistics relating to the time taken to resolve MAP cases publicly available?	No	-	-
21.	Is interest or penalties resulting from adjustments made pursuant to a MAP agreement waived or dealt with as part of the MAP procedure?	Dealt	<p>Penalties incurred must be settled by the taxpayers. Tax treaties do not include penalties and fines as being a 'tax'. Therefore, taxpayers cannot seek relief under a MAP for any penalties or fines.</p> <p>Commissioner General has the right to waive off fines imposed under a tax law. Taxpayers can make a written request to remit any penalties or fines accrued for unpaid tax, by submitting 'Request for Fine Relief' (MIRA 910) form.</p>	https://www.mira.gov.mv/Files/GetFile/62ab6cd0-9ce1-4846-b82c-7fcd0b790347

[Jurisdiction] Dispute Resolution Profile – Resolution of MAP cases

s/n		Response	Detailed explanation	Where publicly available information and guidance can be found
22.	Are the roles and responsibility of the MAP office publicly available, for example, is the mission statement of the MAP office available in the <i>annual</i> report of the organisation?	No	-	-
23.	Is MAP arbitration a mechanism currently available for the resolution of tax treaty related disputes in any of your tax treaties? If not:	No	-	-
a.	<ul style="list-style-type: none"> Are there any legal limitations in your domestic law (for example in your constitution) to include MAP arbitration in your tax treaties? 	No	The Tax Administration Act of the Maldives does not allow arbitration.	-
b.	<ul style="list-style-type: none"> Does your treaty policy allow you to include MAP arbitration in your tax treaties? 	No	-	-
24.	Is the explanation of the relationship between the MAP and domestic law administrative and judicial remedies publicly available? If yes:	Yes	Section 6 of the MAP guide details the interactions between the MAP and domestic law.	https://www.mira.gov.mv/Files/GetFile/62ab6cd0-9ce1-4846-b82c-7fcd0b790347
a.	<ul style="list-style-type: none"> Does the guidance specifically address whether the competent authority considers that it is legally bound to follow a domestic court decision in the MAP or will not deviate from a domestic court decision as a matter of administrative policy or practice? 	N/A	As per section 6.3 of MAP guide, once the Tax Appeal Tribunal decides or a court of law in the Maldives decides, the CA of Maldives will abide by that decision. Where such a decision or order has been made, the taxpayer will	https://www.mira.gov.mv/Files/GetFile/62ab6cd0-9ce1-4846-b82c-7fcd0b790347

[Jurisdiction] Dispute Resolution Profile – Resolution of MAP cases

s/n		Response	Detailed explanation	Where publicly available information and guidance can be found
			not have the opportunity to present the case to MAP.	
25.	Are taxpayers allowed to request for multi-year resolution through the MAP of recurring issues with respect to filed tax years?	N/A	No such cases have been dealt with yet, hence the procedure for such a case has not been determined	-
26.	Do all your jurisdiction's tax treaties contain a provision which would oblige your jurisdiction to make corresponding adjustments or to grant access to the MAP with respect to the economic double taxation that may otherwise result from a primary transfer pricing adjustment (i.e. is paragraph 2 of Article 9 of the OECD Model Tax Convention or the UN Model Double Taxation Convention included in all of your jurisdiction's tax treaties)?	Yes	All three tax treaties signed by Maldives contains paragraph 2 of Article 9 of the OECD Model Tax Convention.	https://www.mira.gov.mv/Pages/View/InternationalTax_TaxTreaties
27.	Is there any other information available on resolution of MAP cases?	Yes	The MAP Guide published by MIRA will further detail on the resolution of MAP cases	https://www.mira.gov.mv/Files/GetFile/62ab6cd0-9ce1-4846-b82c-7fcd0b790347

[Jurisdiction] Dispute Resolution Profile – Implementation of MAP Agreements

s/n		Response	Detailed explanation	Where publicly available information and guidance can be found
D. Implementation of MAP Agreements				
28.	Where the agreement reached by your competent authority through the MAP process leads to additional tax to be paid by your taxpayer, is there publicly available information on the timeframe the taxpayer could expect its tax position to be amended to reflect the agreement reached by the competent authority and/or for the additional tax to be paid?	N/A	Currently, Maldives has signed one Double Tax Avoidance Agreement with United Arab Emirates, Bangladesh and Malaysia, all of which institutes the mutual agreement procedure for resolving difficulties in application of the treaty under Article 24 of the Agreement. No MAP cases have been received so far by Maldives.	https://www.mira.gov.mv/Pages/View/InternationalTax_TaxTreaties
29.	Where the agreement reached by your competent authority through the MAP process leads to a refund of the tax due or paid by your taxpayer, are there publicly available information on the timeframe the taxpayer could expect its tax position to be amended to reflect the agreement reached by the competent authority and/or for a refund of the tax paid?	No	No time limits imposed under current domestic law.	-
30.	Are all mutual agreements reached through MAP implemented notwithstanding any time limits in your domestic law?	Yes	If the taxpayer confirms in writing the acceptance of the mutual agreement, MIRA will give effect to the mutual agreement and seek to ensure its implementation	https://www.mira.gov.mv/Files/GetFile/62ab6cd0-9ce1-4846-b82c-7fcd0b790347

[Jurisdiction] Dispute Resolution Profile – Implementation of MAP Agreements

			without delay. The MAP agreement will be implemented despite any domestic time limits.	
31.	Is there any other information available on the implementation of MAP agreements?	Yes	MAP Guide of Maldives further details the implementation of MAP agreements.	https://www.mira.gov.mv/Files/GetFile/62ab6cd0-9ce1-4846-b82c-7fcd0b790347