



Seminar on

**Managing Tax Audits  
& Appeals**

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# Managing Tax Audits & Appeals

8 September 2018

## INTRODUCTION

Virtually, all enterprises operating in the Maldives must self-assess their tax liability and submit their return along with a payment of the correct amount of tax. However, the “correct” amount of tax is subject to interpretation of the tax laws, and the MIRA often holds a different interpretation than the taxpayer. This is why understanding the tax laws, and navigating MIRA audits are imperative when tackling contentious issues that can potentially lead to litigation. This seminar aims at covering those three aspects.

## **WHY ATTEND THE SEMINAR?**

Most businesses prepare their Tax return, file it, and calculate their tax payments based on their understanding and interpretation of the tax laws. However, once a business has filed their Tax return - be it Withholding Tax, Business Profit Tax or Goods and Services Tax – the MIRA is also allowed – under both the Tax Administration Act and the Business Profit Tax Act – to scrutinize the business's tax returns, any documentation and other relevant considerations, which led to the tax calculation. Often, this leads to an adjustment in the form of additional tax payable to the state.

This seminar is designed to give participants an in-depth understanding of the audit process, including the steps leading up to the audit process, such as some considerations factored into the risk assessment criteria, and the entire audit and appeal process. It's a generally accepted fact that the MIRA may issue an audit notice any time after a return is due, regardless of whether the return was submitted. As such, the only way to properly prepare for an audit is to be aware of what the MIRA will consider when scrutinizing your return.

## **WHO SHOULD ATTEND**

The seminar is targeted at multi national enterprises, tourism businesses, and large businesses. The seminar will be important for tourist resorts, hotels, guesthouses, safari boats, dive and water sports centres, spas, businesses in construction and development, and international and domestic air transport and shipping operators. More specifically, the following persons working for the said businesses will find this seminar particularly useful:

- ◇ Chief Financial Officers
- ◇ Tax Managers
- ◇ Accountants
- ◇ Finance Managers
- ◇ In-house and external lawyers

## **LANGUAGE OF DELIVERY**

The seminar will be conducted in English.



## LEARNING OBJECTIVES

At the end of the seminar, the participants would be able to:

- ◇ Understand the powers of the MIRA regarding auditing, and adjusting your tax liability from an accounting and taxation perspective
- ◇ Understand the current case law and decisions that impact the MIRA's decisions in audit – procedurally and with respect to substantial matters
- ◇ The A – Z of the audit process – how it begins, what the MIRA is interested in examining, your rights and obligations, and conclusion of an audit
- ◇ Objecting to an Assessment – Matters to take into consideration
- ◇ Appeal rights arising from decisions on objected assessments
- ◇ Common mistakes and misconceptions regarding Audits, Objections and Appeals

## TOPICS OF FOCUS

### *1. The audit process*

A commonly asked question by business's is whether the MIRA can audit a taxpayer without an audit notice. As stipulated in the tax laws, the precursor to every type of tax audit is an audit notice. Once the audit notice is issued, the audit process begins, and the business must be prepared to present documents upon the request of the MIRA, co-ordinate with MIRA auditors and clarify their queries and give them timely responses. The Seminar will break down the various stages of the audit and how to best prepare you and your business to the various requests of the MIRA.

### *2. Audit finalization and Notice of Tax Assessments*

In the audit conclusion stage, the business is given a vital opportunity to positively impact the assessment made by the MIRA by commenting on the draft audit report issued. The comments made, references given, and information provided in this stage is crucial in affecting the outcome of the assessment, and for any further disputes that may arise regarding the assessment. We will focus on points that you need to be mindful of when commenting on the draft audit report, and how better prepare yourselves for an objection.

### ***3. Objecting to an Assessment***

The tax laws allow businesses to file a formal objection with respect to an assessment made by the MIRA. A Notice of Objection filed by the business is a crucial avenue of recourse available to correcting any misapplications or misinterpretations of the relevant tax laws by the MIRA during the assessment. It also allows business's the opportunity to raise any concerns they have regarding the findings during the period audited. The seminar will focus on the key matters and points to focus on when drafting an objection and some important considerations to be taken to account by MNE's when filing an objection.

### ***4. Appealing to the TAT***

When considering what matters and decisions may be appealed to the TAT, businesses are generally faced with two types of decisions – assessments issued by the MIRA and other administrative decisions. The appeal filed with the TAT is one of the most critical points of any dispute process – ultimately culminating in a decision that will impact any future decisions of the MIRA and will affect tax behaviour. The seminar will mainly focus on preparing an appeal based on the objection review report issued by the MIRA in response to the notice of objection filed by the business. However, other appealable matters and certain commonly seen misconceptions will be covered.

## SPEAKERS' PROFILE

The seminar will be conducted by the lawyers and tax advisors at CTL Strategies LLP – a multi-disciplinary law firm that provides comprehensive legal solutions to both local businesses operating globally and foreign businesses with interests in the Maldives. The speakers are:



**Madeeh Ahmed**

- ◇ Chartered Accountant and Tax Advisor
- ◇ Former Director of Audit at the MIRA
- ◇ Currently advises international hotel chains on their tax affairs.
- ◇ Advises clients during the audit stage with the MIRA, and controversial transactions.



**Abdulla Waris**

- ◇ Counsel
- ◇ Former Head of Legal Affairs at the MIRA
- ◇ Represents clients in informal and formal disputes with the MIRA, and litigates controversial tax issues in the Courts of Maldives
- ◇ Advises international hotel chains on their tax affairs, and represents clients at the Tax Appeal Tribunal



**Husam Shareef**

- ◇ Tax Advisor
- ◇ Extensively involved in drafting Tax Regulations, Rulings and Policies while at the MIRA
- ◇ Specialises in advising MNE tourism enterprises in controversial cross border transactions, and represents clients at Tax Appeal Tribunal



## **REGISTRATION**

Registration can be done online via the link <http://registration.ctlstrategies.com/seminar>

### **Seminar Fee**

USD 350 per person (inclusive of GST).

5% discount per person for a group of 2 or more from each organisation.

\* Lunch and evening tea will be provided

### **Earlybird Discount**

10% for registrations before 20 July 2018.

### **Reservations**

Reservations can be made online via the link given above, and registration will be confirmed upon payment in full.

### **Closing Date**

Closing Date date for registration is 20 August 2018.

### **Cancellation & Substitution Policy**

The Seminar fee will become non-refundable after the closing date. If the registered attendee is unable to attend, a substitute attendee will be allowed if you inform us in writing prior to the seminar.



## ABOUT CTL STRATEGIES

CTL Strategies LLP is a multi-disciplinary law firm that provides comprehensive legal solutions to both local businesses operating globally and foreign businesses with interests in the Maldives.

We, at CTL Strategies, look to assist our clients on all aspects of their business, regardless of the minutia of the task. Our services range from helping local and foreign companies get started by assisting them with the inception of their business in the Maldives to advising them on all aspects of any commercial transaction they may undertake.

CTL Strategies is comprised of corporate lawyers, tax advisors and chartered accountants who are well versed in all domestic laws concerning any financial undertaking that you may intend. Our lawyers take up the role of both business advisor and legal counsel which make them uniquely suited in providing comprehensive guidance for businesses looking to make strategic decisions which impact their future.

We are particularly known for our skillful work in highly complex tax matters. Our clients can rely on us at every level of tax audits, investigations, and controversies and we represent them in any litigation that may arise from a tax dispute. We understand the value of a strategic approach to all of those stages and we use that approach to achieve the best outcome for our clients. The caliber of our work in all areas of taxation law is unrivalled and acknowledged by our peers in the industry.

## CONTACT US

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