



Schedule 4: **Reporting of International Transactions with Associates**

April 2022

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Who is liable to fill Schedule 4



The taxpayer must have carried out international (cross-border) transactions with associates.



Annual Income of the taxpayer must be more than MVR 20 million.

Associates

- Party who controls, or is controlled by, the other, or both persons are controlled by the same person or persons
- Relatives
- Partnership and partners in that partnership
- A partner in a partnership and the other partners in the same partnership
- Trust and the beneficiaries of that trust
- Trust and a settlor of the trust.



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Eligible taxpayers must fill the Schedule Four of the Income Tax Return during the submission of the income tax on or before 30th June every year

Contents of the Schedule



Part 1

Shareholding Details

If the taxpayer is a company, shareholding details must be provided here including shareholders details, shares held by the taxpayer, branch operations (inclusive of Maldives branches) if the taxpayer is a nonresident.



Part 2

Ultimate Holding Company

Body corporates must clarify whether they are the Ultimate holding company or not in this part of the schedule. If the taxpayer is not the Ultimate holding company, the details of the Ultimate holding company and details of the beneficial owners must be provided.



Transactions with Associates

All the transactions with all the associates of the taxpayer must be provided in this part of the Schedule 4. The transactions are to be provided as categories and subcategories as follows.

Part 3

The main categories of transactions and their subsections

3A	3B	3C	3D	3E
Sale of goods to / purchase from all associates	Rent, Royalties and Intangible property from / to all associates	Services rendered to / received from all associates	Financial transaction	Other transactions with associates which do not fall under Boxes 3A to 3D



Part 4

Information on transaction with Associates

This part of the Schedule requires:

- details of sales and purchases of goods and provision of services to/from associates outside Maldives
- information of lending / borrowings with associates
- whether the taxpayer was a party to a cost contribution arrangement for developing, producing or obtaining assets or rights with an international associate
- clarifications of any restructuring event(s) occur in the current year involving international associates or the taxpayers branch operations.

How we assist

Crowe can assist in the following ways:

- Identifying transactions with associates
- Finalising the types and amount of transactions to be disclosed
- Verifying shareholder information and Ultimate Beneficial Owner information to be disclosed
- Preparing the Schedule Four as per requirement of Maldives

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Receive guidance from the Crowe team of Transfer Pricing Specialists



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