



SHC LAW & TAX

Tax Update

Amendments to the Goods and Services Tax Act (10/2011), Airport Taxes & Fees Act (29/2016) and the Tourism Act (2/99)

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INTRODUCTION

The Maldivian government has recently introduced new amendments to several key financial acts, including the Goods and Services Tax Act (10/2011), the Airport Taxes and Fees Act (29/2016), and the Tourism Act (2/99). These legislative changes aim to increase tax rates, impacting both tourism and general economic sectors. The changes have been published in the Gazette on 5th November 2024, officially implementing the following:

1. Tourism Goods and Services Tax (TGST)

Tourism Goods and Services Tax rate increased from 16% to 17%, effective from 01 July 2025.

Further, cafés situated in tourist establishments operating exclusively for employees have been removed from the scope of TGST. Previously only shops situated on tourist establishments operating exclusively for employees were excluded. It is, however, to be noted that both are within the scope of General Goods and Services Tax (GGST)

2. Green Tax

Green tax payable per night by every tourist (excluding those under 2 years of age) is amended as follows, effective from 1st January 2025:

- **Resorts:** USD 12 per tourist (an increase of USD 6)
- **Guesthouses and hotels with more than 50 rooms:** USD 12 per tourist (an increase of USD 6)
- **Tourist vessels:** USD 12 per tourist (an increase of USD 6)
- **Guesthouses and hotels with 50 or fewer rooms:** USD 6 per tourist (an increase of USD 3).


3. *Departure Tax*

Departure tax rates are amended as follows, effective from 1st December 2024:

- **Maldivians traveling on Economy Class:** USD 12 (no change)
- **Foreigners traveling on Economy Class:** USD 50 (an increase of USD 20)
- **Any passenger traveling on Business Class:** USD 120 (an increase of USD 60)
- **Any passenger traveling on First Class:** USD 240 (an increase of USD 150)
- **Any passenger traveling on a Private Jet:** USD 480 (an increase of USD 360).

4. *Airport Development Tax*

Airport Development Tax rates are amended as follows, effective from 1st December 2024:

- **Maldivians traveling on Economy Class:** USD 12 (no change)
 - **Foreigners traveling on Economy Class:** USD 50 (an increase of USD 20)
 - **Any passenger traveling on Business Class:** USD 120 (an increase of USD 60)
 - **Any passenger traveling on First Class:** USD 240 (an increase of USD 150)
 - **Any passenger traveling on a Private Jet:** USD 480 (an increase of USD 360)
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SUMMARY

No.	Tax	Previous Provision	Amendments	Change effective from
1	Tourism Goods and Services Tax (TGST)	16% on sale of goods and services	17% on sale of goods and services <i>This is a 1% increase to the current TGST rate of 16%.</i>	1 st July 2025
2	Green Tax	<ul style="list-style-type: none"> Resorts: USD 6 per tourist Guesthouses and hotels with more than 50 rooms: USD 6 per tourist Tourist Vessels: USD 6 per tourist Guesthouses and hotels with 50 or less rooms: USD 3 per tourist <p><i>Green tax is payable by every tourist per night of the stay.</i></p>	<ul style="list-style-type: none"> Resorts: USD 12 per tourist (i.e., USD 6 increment) Guesthouses and hotels with more than 50: USD 12 per tourist (i.e., USD 6 increment) Tourist Vessels: USD 12 per tourist (i.e., USD 6 increment) Guesthouses and hotels with 50 or less rooms: USD 6 per tourist (i.e., USD 3 increment) No green tax payable for guests under 2 years old <p><i>Green tax is payable by every tourist (excluding those under 2 years of age) per night of the stay.</i></p>	1 st January 2025
3	Departure Tax	<ul style="list-style-type: none"> Maldivians travelling on Economy Class: USD 12 per traveller Foreigners travelling on Economy Class: USD 30 per traveller Any passenger travelling on Business Class: USD 60 per traveller 	<ul style="list-style-type: none"> Maldivians travelling on Economy Class: USD 12 (no change) Foreigners travelling on Economy Class: USD 50 (i.e., USD 20 increment) Any passenger travelling on Business Class: USD 120 (USD 60 increment) Any passenger travelling on First Class: USD 240 (i.e., USD 150 increment) 	1 st December 2024

		<ul style="list-style-type: none"> • Any passenger travelling on First Class: USD 90 per traveller • Any passenger travelling on Private Jet: USD 120 	<ul style="list-style-type: none"> • Any passenger travelling on Private Jet: USD 480 (i.e., USD 360 increment) 	
4	Airport Development Tax	<ul style="list-style-type: none"> • Maldivians travelling on Economy Class: USD 12 per traveller • Foreigners travelling on Economy Class: USD 30 per traveller • Any passenger travelling on Business Class: USD 60 per traveller • Any passenger travelling on First Class: USD 90 per traveller • Any passenger travelling on Private Jet: USD 120 	<ul style="list-style-type: none"> • Maldivians travelling on Economy Class: USD 12 (no change) • Foreigners travelling on Economy Class: USD 50 (i.e., USD 20 increment) • Any passenger travelling on Business Class: USD 120 (USD 60 increment) • Any passenger travelling on First Class: USD 240 (i.e., USD 150 increment) • Any passenger travelling on Private Jet: USD 480 (i.e., USD 360 increment) 	1 st December 2024

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