



MINISTRY OF TOURISM  
REPUBLIC OF MALDIVES

Economic Prosperity – Social Harmony

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## PRESS RELEASE/STATEMENT

We bring to your notice about a news that has been circulating in the media with regard to unlawful persecution by the government to a particular group of resorts.

The Ministry of Tourism has been informed by the Ministry of Economic Development, that the Ministry has revoked the Liquor License of the following resorts:

- Royal Island Resort and Spa (Baa Atoll Horubadhu)
- Paradise Island Resort and Spa (Male' Atoll, Lankan Finolhu)
- Sun Island Resort ( Ari Atoll, Nalaguraidhu)
- Fun Island Resort ( Male' Atoll, Bodu Finolhu)
- Holiday Island Resort (Ari Atoll, Dhiffushi)

As per the Liquor and Pork regulation (no: R-49 /2011) of the Maldives, a license is required to sell liquor or pork. The licensed properties were monitored by the Maldives Customs Service and we have been informed that the above resorts have violated the regulation.

We also note that the Maldives Inland Authority (MIRA) has filed a legal suite to the courts that involves the company of Villa Shipping and Trading and other companies related to this group. The cases are related to non-payments with regard to leases of islands and lagoons and also for non-payment of Tax returns such as the Green Tax and Tourism Goods and Services Tax.

Operating resorts without paying the relevant dues and taxes are a violation of the lease agreements, laws and regulations. Majority revenue of the Maldives economy is directly from the tourism industry through taxes, rents and other payments by the industry. The government depends on this revenue for the budget and most development projects. Non payments and evasion of taxes has a negative impact on our economy.

In this context we note the importance of the Government's responsibility to enforce the agreements in equal fairness especially on cases with regard to non-payments of taxes and lease rents. It is also

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important that taxes and rents payments are filed as due as per agreements and regulations to maintain fairness amongst all properties. We have been repeatedly receiving complaints from the regular tax payers in this industry on those parties who violates tax regulation.

The Ministry of Tourism shall give support to all government authorities in upholding laws and regulations through cooperation and respecting their investigations and findings.

We also assure to the industry that we will continue to extend our utmost cooperation and assistance in the smooth operation of all properties giving high consideration to tourists who are occupying the resorts. The wellbeing, safety and security of the tourists are our priority

We believe in minimal intervention and encourage all properties to respect and abide regulations minimizing challenges that could arise at all times. We are also in dialogue with the Maldives Association of Tourism Industry (MATI) and other relevant stakeholders. We hope to find an amicable solution soon.

