

MALDIVIAN LAND ACT

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| Introduction and Title | 1. | a. The Act governs the allocation of Maldivian land for different purposes and uses and other issues regarding the issuing of land, issuing of state dwellings for residential purposes, conduct regarding state dwellings or private dwellings constructed for residential purposes and the sale, transfer and lease of Maldivian Land. |
| | | b. This Act shall be cited as the “ <i>Maldivian Land Act</i> ”. |
| Transactions Concerning Land | 2. | All transactions concerning the issuing, receiving, owning, selling, lease, utilizing and using Maldivian land shall be conducted in compliance with this Act. |
| Party Deciding the Policy and Party Allocating Land | 3. | a. Policies concerning Maldivian land shall be decided by the President of the Maldives on the advice of the discussions in the Ministers Cabinet. |
| | | b. In compliance with the land policies stated in subsection (a) of this section the President of the Maldives shall for different purposes and uses allocate land and change the allocation from one to another. |
| Purposes and Uses of Land Allocation | 4. | In accordance with section 3 of this Act, land shall be allocated for the following purposes and uses. |

which land was transferred to and the purposes and date of transfer.

4. Private dwellings, private lands and the owners of the aforesaid lands.

Land Transactions Conducted by the Ministries

7. The Ministries entrusted with land in accordance to section 4 of this Act shall allocate the land, lease or transact any business in regard to the land only in accordance with this Act and any other Acts in force regarding the allocation of land for different purposes and uses.

Issuing land for Different Purposes and Uses

8. Land allocated to the different Ministries according to section 5 of this Act shall be used or issued to different parties only in accordance with sections 3 and 4 of this Act and for the purposes and uses for which the land has been allocated for.

Issuing Land for Purposes other than Residence

9.
 - a. Except the land allocated for the construction of households and buildings for residence as stated in sections 3 and 4 of this Act, the land allocated to the different Ministries under section 5 of this Act shall be allocated by that Ministry in accordance with this Act and Acts regarding the allocation of land for different purposes and uses and under a written agreement between the Ministry and the party concerned in accordance with the regulations made under this Act.
 - b. Any party entrusted with land in accordance with

subsection (a) of this section is only permitted to use the land or have the right to transact any business regarding the land for the duration the land has been issued at that time and in compliance with the specifications agreed in the agreement in accordance with this Act and with the regulations made under this Act and Acts regarding the allocation of land for different purposes and uses.

ISSUING STATE DWELLINGS FOR RESIDENCE

Issuing dwellings for residence

10. Dwellings for residence will be issued from the land allocated for the construction of households and buildings for residential purposes in accordance with sections 3 and 4 of this Act. Issuing shall be enforced in accordance with the general rules and regulations published publicly by the Ministry of Home Affairs, Housing and Environment, if in Male' by the Male' Municipality in consultation with the Ministry of Home Affairs, Housing and Environment if in any island other than Male' then the respective Atoll office in consultation with the Ministry of Atolls Administration.

Conditions in Issuing Dwellings for Residence

11. The allocation of state dwellings for residential purposes as stated in section 10 of this Act shall be issued in the following manner.

a. State dwellings shall be issued to Maldivian citizens who do not have a state dwelling or a private dwelling or a flat from a government constructed building or from a co-

owned building or a part of a state or private dwelling that has been divided in accordance with section 15 of this Act. However this Act shall not prohibit the issuing of a state dwelling to a person who relinquishes his/her ownership of a part of a state or private dwelling that has been divided in accordance with section 15 of this Act or relinquishes his/her ownership of a flat from a government constructed building or from a co-owned building or on a condition that the person relinquishes his/her ownership of the aforesaid properties.

- b.** From the date of enforcement of this Act, dwellings issued for the purpose of residence shall not be larger than 4000 square feet.
- c.** No person shall be issued with more than one dwelling in a particular island however an additional dwelling can be issued at another island for residential purposes on a lease specified by the government in accordance with the regulations made under this Act.
- d.** State dwellings allocated for residential purposes shall only be issued in accordance with this Act and the regulations made under this Act.

**Applying for a
State Dwelling**

- 12. a.** Application for a dwelling from the land allocated for the construction of dwellings and buildings for residential purposes under sections 3 and 4 of this Act should be made after a public announcement has been made about the intention to distribute dwellings from a particular area and that applicants are welcomed. Then the applicant

must submit a completed application form to the office that made announcement.

- b.** After the announcement regarding the issuing of state dwellings has been made as specified in subsection (a) of this section then any person who satisfies the requirements set in this Act and the regulations made under this Act may apply for a state dwelling in accordance with subsection (a) of this section.

**Registering
Dwellings and
Buildings**

- 13. a.** Every state dwelling issued for residential purposes should be registered with the office issuing the dwelling and a registration should be made for the person issued with the dwelling in accordance with the regulations made under this Act

- b.** Every building constructed on a dwelling issued under subsection (a) of this section should be registered by the office issuing the dwelling and a registration should be made for the person issued with the dwelling in accordance with the regulations made under this Act.

**Cancellation of
Issued State
Dwellings**

- 14. a.** The government has the right to withdraw a dwelling if the dwelling has not been settled within a period of 5 years from the date the dwelling was issued.

- b.** If a person to whom a state dwelling has been issued to; repeatedly breaches this Act or breaches a condition agreed upon during the issuing of the dwelling, the government shall have the discretion to withdraw the dwelling from the person to whom it was issued.

Death of a person to whom a State Dwelling has been issued

- 15. a.** If a person issued with a state dwelling dies, then that dwelling can be divided among the inheritors of the building and other fixed assets in accordance with the rules of intestate only on the following conditions.
- 1.** Each divisible plot shall not be smaller than 600 square feet.
 - 2.** If among the inheritors of the building and other fixed assets of a state dwelling, there exist an inheritor who faces receiving a plot less than 600 square feet in accordance with the rules of intestate then that inheritor shall not be entitled to receive the plot if the inheritor already has a state dwelling or a part of a dwelling.
- b.** If a person issued with a state dwelling dies and if requested by all the inheritors in accordance with the rules of intestate then that building can be registered under the name of all its inheritors and the building shall be in accordance with section 31 of this Act registered as a co-owned building.

BYING AND SELLING STATE DWELLINGS

Buying State Dwellings

- 16.** A person to whom a state dwelling has been issued may, after paying the whole price or after paying the whole price in installments purchase the dwelling. The price of the dwelling shall be determined by subsection (a) of section 18 of this Act.

**Transferring
or
Transferring
through Will []**

- 17.** Buildings on state dwellings or a part of a state dwelling issued for the purpose of residence can be transferred or transferred through will in accordance with the following conditions.
- a.** The person receiving the plot through a transfer or a transfer through a will shall be either the husband or wife of the person transferring or a child or the father or the mother or the child of a child who had died.
 - b.** In the event the person(s) established in subsection (a) of this section does not object or the person(s) are not alive then the person transferring or transferring through a will can transfer the property to a grandchild or a relative from the maternal or the paternal side.
 - c.** In the circumstance a transfer or a transfer through a will is made to person(s) established in subsection (a) of this section then conditions stated in subsection (a) of section 11 of this Act shall not be applicable. However unless stated otherwise in this Act transfer or transfer through a will to person(s) established in subsection (b) of this section shall be in compliance with the conditions established in subsection (a) of section 11 of this Act.
 - d.** Transferring or transferring land through a will to a particular person or a particular group of persons from among the person(s) mentioned in subsection (a) of this section, who are eligible to receive land through transfer or transfer through will then it shall be allowed after

considering the richness of the lands of the other person(s) entitle to receive land through transfer or transfer through a will in accordance with subsection (a) of this section and if it has been established that the other person(s) mentioned in subsection (a) of this section lacks the richness of the land then the land can be transferred or transferred through will only if the other person(s) do not object. However this Act shall not prohibit the transfer or transfer of land through will if the person objecting is either the wife or the husband of a deceased child and the transfer is being made to the deceased child's children.

- e. The arrangement of a place to reside for the person intending to transfer or transfer through will and the arrangement of a place to reside for person(s) the transferee is responsible for according to Shariah.
- f. The person receiving the transfer or the transferred land through a will should be a Maldivian citizen.

**Selling State
Dwellings and
the Tax to be
Paid to the
Government**

18. a. After a state dwelling issued for the purpose of residence has been purchased in accordance with section 16 of this Act. The dwelling can then be sold to another party in accordance with the regulations made under this Act and in compliance with the generally published rules and on one of the following conditions.
- b. The arrangement of a place to reside for the person intending to sell and the arrangement of a place to reside for person(s) the seller is responsible for according to

Shariah.

- c. The purchaser of the land is not a person who has a state dwelling, private dwelling or a plot from a divided state dwelling or a private dwelling in accordance with subsection (1) of section 15 of this Act or the purchaser is not a specialized company that deals with the determination and the development of households and where the company has a government share.
- d. The purchaser of the dwelling must be a Maldivian citizen.
- e. If any dwelling or land is being sold then 15% of the purchase price of the dwelling or the land shall be paid to the government as tax.

**Selling or
Mortgaging
the Building
Separately
from the Land**

- 19.** Any building on a dwelling or a land cannot be sold or mortgaged separately from the land.

**Transferring
Land under
the Condition
that the
Owner would
be taken care
of**

- 20. a.** From the date of enforcement of this Act, land issued for the purpose of residence cannot be transferred to any party under the condition that in return that the receiver would take care or look after the welfare of the owner.

- b.** Prior agreements registered with arrangements to look after the owners of the land or the owners welfare in return for the transfer of the land shall not be affected by the enforcement of this Act and after the enforcement of this Act those who have an agreement to take care of the owner or the welfare of the owner then on the fulfillment of the agreement the dwelling shall be transferred.

**Registering the
buyer or the
Receiver**

- 21.** If a plot has been sold or transferred in accordance with sections 17 and 18 of this Act then the dwelling will be registered in the name of the purchaser or the receiver at Male' Municipality if in Male' or if in any island other than Male' then at the respective island office.

**Enforcement
of this Act on
Private Land**

- 22.** This Act shall be enforced upon private lands and private dwellings established prior to the enforcement of this Act and to state dwellings that have been bought and made private in accordance with this Act.

**Registering
Private Lands
and Dwellings**

- 23. a.** Private lands and private dwellings and the buildings constructed on such lands should be registered; if in male' at the Male' Municipality, if in any islands except Male' at the respective island office.
- b.** Lands, dwellings and buildings that are eligible to be registered as stated in subsection (a) of this section should be registered in accordance with this Act and the regulations made under it and the registration should be handed to the owner of the dwelling.
- c.** If the there is a transfer of ownership or a change in

ownership of a private land or a private dwelling registered under subsection (a) of this section then along with the concerned legal document an application shall be submitted to the Male' Municipality if in Male' or to the respective island office if outside Male'. The registration of the land or the land used for dwelling shall be changed to the new owner or if there is a transfer of ownership or a change in ownership of a private land or a private dwelling due to the death of the owner who has registered the private land or the private dwelling then along with the legal document deciding the owner(s) of the land the application must be submitted to the Male' Municipality if in Male' or to the respective island office if outside Male'. In accordance with this Act and the regulations made under this Act the registration of the land shall be changed to the person who has acquired the ownership status of the land or the land used for dwelling.

**The Sale of
Private Land
or Private
Dwelling**

24. Private land or private dwellings established prior to the enforcement of this Act or lands or dwelling that have been bought after the enforcement of this Act shall be sold, transferred or transferred through a will according to the provisions of section 17 and 18 of this Act and according to the conditions set forth in the aforesaid sections.

**The Death of
the Owner of a
Private Land
or Private**

25. a. On the death of an owner of a private land or a private dwelling, the land can be divided among the inheritors into separate dwelling(s) on the condition that none of the inheritors receive less than 600 square feet of land.

Dwelling

- b.** If requested by the inheritors according to the rules of interstate, on the death of the owner of a private land or a private dwelling, the land, the building on the dwelling and the fixed assets can be registered as a co-owned building under section 31 of this Act.

Use of Private Land for Lease or for any other Purpose other than for Dwelling

- 26.** Private land to be used for lease or for any other purpose other than for dwelling should be used in accordance with subsections (b), (c), (d) and (e) of section 27 and in accordance with section 29 of this Act.

LEASE

Leasing Dwelling For Residential Purposes

- 27.** If a state dwelling issued for residential purposes or a part of a state land or a building constructed on a state land or a part of the building; is to be leased for residential purposes, then it must be in accordance to the following
- a.** The maximum period of a lease is 15 years.
 - b.** In case where the whole land or the whole building is to be leased, then it must be leased with an agreement made between the lessor and the lessee in accordance with the regulations regarding the lease of land made under this Act.

- c. In case where a part of a land or a part of a building is to be leased for a period longer than a year, then it must be leased with an agreement made between the lessor and the lessee in accordance with the regulations regarding the lease of land made under this Act.
- d. Rooms and buildings leased for living and places constructed for lease should within a year of enforcement of this Act, register; if in Male' at Male' Municipality if in any island other than Male' then at the respective island office
- e. Flats leased by the government and by companies that are specialized to construct dwellings, determine and develop places for settlement and whose shares contain government shares shall be exempt from subsection (a) of this section.

Leasing for a Purpose other than Residential Purposes

28. a. If a state dwelling released for residential purposes or a part of a state land or a building constructed on a state dwelling or a part of the building; is to be leased for a purpose other than residential then it must in accordance with the following conditions;
- 1. If a dwelling or a part of a dwelling is to be leased for a purpose other than residential, then permission must be attained from Male' Municipality if in Male' or island office if in any island other than Male'.
 - 2. The intention of the lease shall not be for a purpose that conflicts with the government policy on the use of land on the particular island.

- b.** If a dwelling issued for residential purposes or a part of a dwelling or a building on such land or a part of the building is to be leased for a purpose other than residential then the maximum period of the lease is 10 years.

USING FOR A NON-RESIDENTIAL PURPOSE

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| Using for a Non-Residential Purpose | 29. | a. If a state dwelling released for residential purposes is to be used for a purpose other than for residing, then permission must be attained from Male' Municipality if in Male' or island office if in any island other than Male'. |
| | | b. The permission mentioned in subsection (a) of this section shall be granted if the type of work or the type of work operated on the dwelling or the use made on the dwelling does not conflict with the government policy on the use of land on the particular island. |
| Co-owned Building | 30. | A co-owned building is a building owned by more than one person and where the building is constructed with separate flats consisting of separate dwellings. |
| Registering as a Co-owned Building | 31. | Anyone or any party wishing to change their private land or state dwelling into a co-owned building then in accordance with the regulations made under this Act, an application should be submitted to the Ministry of Home Affairs, Housing and Environment and the aforesaid land/dwelling should be registered as a co-owned building. |

- The Dwelling that has the Co-owned building** 32. Every owner of a flat in a co-owned building can be registered as the owner of the dwelling on which the building is located. If the land is a state land then every owner of a flat in such a building shall be registered as a person to whom the state land has been issued to.
- Rights of the Party Purchasing the Flats** 33. a. Upon registration of the building in accordance with section 31 of this Act. The owners of the flats in the building shall have the right in accordance with this Act and the regulations made under it to sell, transfer or to transfer by will or to transfer by any other means or to lease.
- b. Flats constructed in co-owned buildings on state dwellings can be sold to a person to whom it has not been issued by the Government with the permission of the concerned Government authority in accordance with this Act and the regulations made under it.
- Maintenance of the Co-owned Building and the Land** 34. The common areas and the facilities of the co-owned building should be maintained and the rules regulating such places should be made by the owners of the building in accordance with the regulations made under this Act.
- Withdrawing Ownership of a Flat** 35. The person who was issued the flat or the person who purchased the flat shall have the right in accordance with the regulations made under this Act to withdraw or sell the flat and the person who purchases the flat or the person who receives the flat shall have the flat registered

in accordance with this Act.

MISSICILANIOUS

- Mortgaging** **36. a.** A person shall have the right to mortgage any Maldivian land, if the person who has the registration of the land has the required permission and is in accordance with the following.
- 1.** If the land was acquired under an agreement in accordance with section 9 of this Act then it shall be mortgaged in accordance with the permitted method in the agreement.
 - 2.** Any person or persons who has a land or dwelling registered, shall be able to mortgage the particular land in accordance with the following.
 - a.** The mortgagor is either a business bank or a financial institution recognized by the Government.
 - b.** Prior to Mortgaging the Mortgagor should in the presence of two independent witnesses discuss and solve the Mortgage transaction and the result of the Mortgage transaction.
 - c.** If a dwelling or a building on a dwelling registered by more than one person is to be mortgaged then the consent of all the parties registered must be sort. However if the dwelling has been divided amongst the registered persons and it has been noted in the registry of the particular land then while mortgaging the subplot acquired by the

particular person, he/she does not require the consent of the other parties in the particular land registry to mortgage.

- b.** Every land or dwelling eligible to be mortgaged land under this section should be registered at the office that issued the land.
- c.** Mortgage specified in this section shall be implemented in accordance with the regulations made under this Act and in accordance with conditions mentioned below;
 - 1.** To sell a dwelling or a building in order to implement a mortgage; shall be commenced with the permission of the court in accordance with the regulations made under this Act at a place designated by the government for open bidding.
 - 2.** Having brought a claim after the lapse of a year from the date set for the payment of the loan except in circumstances where a written agreement exists between the mortgagor and the mortgagee.
 - 3.** In the event of problems created before the enforcement of the first amendment of the Maldivian Land Act, a claim can be brought to reclaim the money within a year from the date of enforcement of this Act the exception is where a written agreement exist with the mortgagee
 - 4.** This section will not prohibit the sale of a mortgage or a part of a mortgage by the court in the event the mortgagee is unable to pay the loan and the mortgagor intends to sell the mortgage and takes the matter to the

court.

- d.** In the event that a land has been mortgaged more than once consecutively then the order of priority during the implementation of the mortgage would be in the order of registration in accordance with this Act, However if the mortgage had been made prior to the enforcement of this Act then the order of priority would be according to the date of the mortgage agreement.
- e.** The money received through the implementation of the mortgage shall be used for the following purposes in the following order.

 - 1.** To pay for the expenditure incurred by the government during the bidding procedure in accordance with subsection (c) (1) of this section.
 - 2.** To pay the tax required to be paid to the government under section 18 of this Act.
 - 3.** To pay back the debt of the mortgage.
 - 4.** If the implementation of the mortgage is against a state land then to pay the value of the land decided by this Act to the government.
- f.** The money remaining after the payment of the finances listed in subsection (f) of this section, shall be kept with the mortgagee.
- g.** In the event a state land is being sold for the implementation of a mortgage then the title deeds shall

be transferred to the person who paid the mortgage.

- h.** In the event a land or a building is being sold for the implementation of a mortgage then subsections (b) and (c) of section 18 shall not apply.
- i.** Mortgages made prior to the enforcement of the first amendment to the Maldivian Land Act and where an implementation of mortgage is to be taken in regard to a building on a state dwelling then it shall be implemented in accordance with this section.

**Religious
Endowment**

- 37. a.** Any land in the Maldives or any fixed assets on such a land can be declared to be a religious endowment only if declaring it to be a religious endowment does not conflict with government policies on land use for the particular island and this shall further be subjected to the attainment of a written approval from the Ministry of Home Affairs, Housing and Environment.
- b.** Land or fixed assets on a land in Male' cannot be declared as religious endowments.

**Articles found
during the
Excavation of
Land**

- 38. a.** Except for coconut palms owned by the person, all other natural resources and gold, silver, jewelry, money, utensils, historical artifacts and metals that do not have a legal owner shall be a property of the government.
- b.** Any jewelry, vessel or money or artifacts or metal as mentioned in subsection (a) of this section, if found in the soil of Maldives then the party who found the articles

must inform without delay to the Ministry of Finance and Treasury if in Male' or if in any other part of the Maldives to the respective island office.

- Soil and Coral** 39. Excavating, selling or transferring soil or coral from state dwellings or private dwellings can only be done if in Male' with the approval of the Male' Municipality, if in any other island other than Male' then with the approval of the respective island office in accordance with the regulations made under this Act.
- Third Party Property on Land** 40. a. Buildings, trees and coconut palms and other such fixed assets within ones private land or within a state dwelling issued to a person shall belong to the owner of the private land or in the case of a state dwelling to the person to whom the dwelling has been issued to. This is in the circumstance where legal documents establishing third party rights to the properties is not established at the Shariah courts.
- b. No person shall construct a building on a state dwelling in a manner that transfers ownership from the person to whom the state dwelling has been issued.
- Formulating regulations** 41. The formulation of regulations under this Act shall be undertaken by the President of the Maldives or by a party or parties designated by him.
- Enforcement of this Act** 42. This Act shall come into force one year from the date this Act is passed, rectified and published in the gazette.

- Exemption** 43. Transactions made under this Act shall be exempt from subsection (h) of section 1 of the 9/68 Act (Transfer of Ownership Act).
- Interpretation** 44. In this Act unless the context of the phrase does not specifically indicate; the term “*Implementing Mortgage*” shall be interpreted to mean the work done by the Mortgagor in acquiring the rights established in the agreement after the Mortgagee has breached a condition or a statement of the mortgage agreement.
- Acts Repealed** 45. On the enforcement of this Act; Act no 2/70~~ε~~ (Religious Endowment Act), Act number 28/71~~ε~~ (Third party property on land Act), Act number 15/72~~ε~~ (Government Confiscation of Non-settled Land Act), Act number 52/78~~ε~~ (Registration of land, dwellings and buildings in Male’ Act), Act number 55/78~~ε~~ (Prohibition of excavating soil and coral from government dwellings and land in Male’ and the selling of such materials Act) and Act number 59/78~~ε~~ (Materials found during excavation of soil in Maldives Act) is repealed.