

# ANDERSEN®

## CONTRIBUTION SOCIALE GENERALISEE (AMENDMENT) REGULATIONS 2021

On 7 April 2021, The Contribution Sociale Généralisée (Amendment) Regulations 2021 was gazetted and the main amendment brought was the exclusion of non-citizen employees who are not tax resident of Mauritius from the purview of the Contribution Sociale Généralisée (“CSG”). This exclusion shall come into operation as from 1 September 2020.

Previously, a non-citizen employee<sup>1</sup> employed by a Mauritian employer was required to contribute the CSG irrespective of his or her tax residency or from where the duties of his or her employment are physically performed.

### Our Views:

The exclusion of non-citizen employees who are not tax resident of Mauritius from the purview of CSG is most welcomed, particularly for expatriates and their employers.

On the basis that the exclusion takes retrospective effect as from 1 September 2020, employers of impacted non-citizens, will have to make an application for CSG refund to the Director-General of the Mauritius Revenue Authority. We understand that such refund application will be dealt with on a case-by-case basis.

We recommend that employers keep an appropriate employee register and document the tax residency of any of their non-citizen employees.

For completeness, under domestic tax law, a non-citizen is considered tax resident of Mauritius where he or she has been present in Mauritius in an income year for a period of at least 183 days or for at least 270 days in that income year and the 2 preceding income years.

### How can we help?

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- Tax compliance
- Tax advisory
- Tax controversies and litigation
- FATCA and CRS
- Accounting
- Insolvency

Should you have any query, please liaise with your usual contact person at Andersen in Mauritius or write to us on [info@mu.Andersen.com](mailto:info@mu.Andersen.com)

<sup>1</sup> Excluding the current exclusion under item (d) of the definition of “participants” under the Contribution Sociale Généralisée Regulations 2020

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