



It's time to contribute to the Portable Retirement Gratuity Fund ("PRGF")

On 31 December 2021, the Mauritius Revenue Authority ("MRA") released a communique to inform employers of their obligation to contribute to the PRGF as from the month of January 2022.

What is PRGF?

The PRGF was introduced effective from 1 January 2020, to provide for the payment of a gratuity:

- to a worker, on his retirement;
- to the legal heirs of a worker on his demise;
- to a self-employed who has contributed to PRGF, on his retirement; or
- to the legal heirs of a self-employed who has contributed to PRGF, on the death of the self-employed.

It is the obligation of the employer to contribute for PRGF for his eligible workers and for the eligible self-employed individual to contribute for himself.

Who are excluded from the payment of PRGF?

PRGF is applicable to any worker or self-employed, excluding:

- A worker drawing a monthly basic wage of more than Rs 200,000;
- A migrant worker or a non-citizen;
 - A worker whose retirement benefits are payable under the Statutory Bodies Pension Fund Act or in accordance with a private pension scheme;
- A job contractor; and
- A public officer or a local government officer.

When is PRGF contribution due?

Payment of PRGF contribution was suspended for the period from 1 January 2020 to 31 December 2021 ("the suspension period").

The due dates for payment of PRGF contribution and the submission of PRGF returns to the MRA are as follows:

	Due Date
Monthly PRGF - January 2022	28 February 2022
Monthly PRGF - Subsequent months	On or before the end of the following month
Annual PRGF return	15 July of every year

PRGF contribution rate

	Rate
Small and Medium-sized Enterprises ("SMEs")*	2.1% to 4.2%**
Employers and Self-employed other than SMEs	4.5%

* An SME is an enterprise with annual turnover of not more than Rs 50 million.

**Applicable for the first 3 years, the difference being met by the Government from a seed capital. The PRGF rate varies depending on the annual turnover of the SME.



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PRGF is calculated on the monthly remuneration of the worker. “Monthly Remuneration” means the monthly basic wage, payment for extra work performed and any productivity bonus and attendance bonus paid to a worker.

PRGF contribution for Past Services

PRGF for Past Services relates to contributions to be made by an employer in respect of the past services of a worker who is in his employment on 1 January 2020.

PRGF for Past Services is applicable in the event of retirement, termination of employment or death of a worker.

In the event of termination of employment, retirement or death of a worker, PRGF contributions for past services should cover the period from the worker’s start date of employment until the date of such event or 31 December 2021, whichever is the earlier.

In the [MRA’s Communique](#) dated 31 December 2021, the MRA confirmed that where an employer availed of the suspension period, that is, has not paid PRGF for the months prior to January 2022, PRGF contribution for that period shall be deemed to form part of “Past Services”.

In the event of resignation during the suspension period and the employer did not contribute to PRGF during that period, contribution to PRGF shall be deemed to form part of “Past Services” and will cover the period from 1 January 2020 (PRGF contribution effective date) until the date of resignation or 31 December 2021, whichever is the earlier.

You may access the PRGF Past Services return on the MRA’s website on this [Link](#)

Andersen can help you comply with your PRGF requirements. Our Team can assist you with the following:

- Computation of PRGF contributions
- Preparation and submission of monthly and annual PRGF returns to the MRA
- Preparation and submission of Past Services return to the MRA
- Preparation and submission of Exit Statement to the MRA
- Preparation and submission of notice of termination, resignation, retirement or death to the MRA or the administrator, as applicable

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

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