



ANDERSEN®

TAX  
CARD  
2022/23

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# ABBREVIATIONS

AC	Authorised Company
APS	Advance Payment System
ARC	Assessment Review Committee
ATDR	Alternative Tax Dispute Resolution
BEPS	Base Erosion and Profit Shifting
CBRS	Companies and Businesses Registration Integrated System
cc	Cylinder Capacity
CFC	Controlled Foreign Company
CIS	Collective Investment Scheme
CPS	Current Payment System
CSG	Contribution Social Généralisée
CSR	Corporate Social Responsibility
EDB	Economic Development Board
DG	Director General of the MRA
FA 2021	The Finance (Miscellaneous Provisions) Act 2021
FSA	Financial Services Act 2007
FSC	Financial Services Commission
GloBE Rules	Global Anti-Base Erosion Rules developed by the OECD
GBL	Global Business Licence
GBL 1	Category 1 Global Business Licence
GBL 2	Category 2 Global Business Licence
GBC	Global Business Company
GRA	Gambling Regulatory Act
HEC	Higher Education Commission
HRDC	Human Resource Development Council
IET	Income Exemption Threshold
ITA	Income Tax Act 1995
kW	Kilo Watt
M	Million
MNE	Multinational Enterprise
MRA	Mauritius Revenue Authority
NSF	National Savings Fund
OECD	Organisation for Economic Cooperation and Development
PAYE	Pay As You Earn
PCC	Protected Cell Company
PDS	Property Development Scheme
POEM	Place Of Effective Management
PRGF	Portable Retirement Gratuity Fund
R&D	Research & Development
ROE	Return Of Employee
Rs	Mauritian Rupee
SME	Small and Medium Enterprise
SMEDA	Small and Medium Enterprises Development Authority
SOP	Statement of Practice
TDS	Tax Deducted At Source
TRC	Tax Residence Certificate
VAAS	VAT Annual Accounting System
VAT	Value Added Tax

# INCOME TAX INDIVIDUALS

Mauritius has a self-assessment tax system. An individual pays tax on income derived during the preceding year. The fiscal year runs from 1 July to 30 June.

## Tax rate

The below income tax rates are applicable for an individual:

Annual net income	Rate of income tax
Not exceeding Rs 700,000	10%
Exceeding Rs 700,000 but not exceeding Rs 975,000	12.5%
Exceeding Rs 975,000	15%*

\* Solidarity levy at the rate of 25% may also apply where the annual leviable income exceeds Rs 3M. However, the solidarity levy may be restricted to 10% of the sum of the net income, excluding lump sum and dividend falling under the definition of leviable income, subject to conditions.

The income tax is calculated on chargeable income.

## Chargeable income

The chargeable income of an individual is the amount remaining after deducting from the net income the IET and other applicable reliefs to which the individual is entitled.

## Taxable persons

Resident individuals are subject to income tax in Mauritius on income, other than exempt income, which is derived from Mauritius. Income derived by a resident individual from outside Mauritius is taxable in Mauritius when it is remitted in Mauritius.

A non-resident individual will only be subject to income tax on income, other than exempt income, derived from or accruing in Mauritius.

## Residence status for an individual

An individual is considered to be a tax resident of Mauritius in respect of an income year where he:

- has his domicile in Mauritius unless his permanent place of abode is outside Mauritius;
- has been present in Mauritius for at least 183 days; or
- has been present in Mauritius in the current income year and the 2 preceding income years, for an aggregate period of at least 270 days.

## Taxation of premium visa holders

A premium visa holder may be subject to tax in Mauritius on income derived from Mauritius. Income derived for work performed remotely from Mauritius shall be deemed to be derived in Mauritius when it is remitted in Mauritius.

Money spent in Mauritius through the use of a foreign credit or debit card is not deemed to be income remitted in Mauritius. On the other hand, money deposited in a Mauritian bank account is considered as income remitted in Mauritius and is subject to tax in Mauritius, unless a declaration is made to the effect that the required tax has been paid in the country of origin or residence.

## Tax Holidays

- A 10-year tax holiday is provided on income from registered employment, business, trade, profession or investment derived by a member of the Mauritian Diaspora under the Mauritian Diaspora Scheme.
- A 10-year tax holiday is provided on emoluments from employment with an FSC licensed company, provided that the employee manages an asset base of not less than USD 50M and is issued with an Asset Manager Certificate, Fund Manager Certificate, or Asset and Fund Manager Certificate on or after 1 September 2016.
- A 5-year tax holiday is provided on income derived by a non-citizen individual or a company wholly owned by a non-citizen who invests USD 25M or more on or after 1 September 2016 and complies with the terms and conditions of the EDB.

## Benefits in Kind and Allowances

### i. Car Benefit

Non-Electric Car Rating	Up to 1600 cc	1,601 cc to 2000 cc	Above 2,000 cc
Electric Car Rating	≤ 57.5 kW	57.5 kW to 78.4 kW	> 78.4 kW
	Per month Rs	Per month Rs	Per month Rs
Both private and business purposes	9,500	10,750	12,000

### ii. Housing Benefit

	Unfurnished	Furnished
Property owned by the employer	10% of employee's total emoluments	15% of employee's total emoluments
Property rented by the employer	Actual rent paid	Actual rent paid

### iii. Accommodation Benefit Provided by Hotels

#### a. Full Board and lodging

	Per month
Single	Rs 11,500
Married	Rs 15,700

#### b. Accommodation

For managing and supervisory staff	Rs 4,400
Other Staff	Rs 2,200

### iv. Other Fringe Benefits

	Taxable benefits
Interest free loans or loans at reduced rates	Difference between the amount of interest for the month, calculated at 2% per annum above the repo rate, prevailing at the end of that month, and the amount of interest paid in that month
Tips received by an employee from a pool managed by the employer	Actual amount received in the month by the employee
Repayment or write-off of employees' debt by the employer	Amount of debt repaid or written off in the month
Domestic and private expenses borne by employer, including utilities, wages of housemaids, school fees of children, club membership fee and any other domestic and private expenses	Actual amount paid for the month
Tax paid by the employer	Tax benefit is arrived at by dividing the tax payable on the actual emoluments by a factor which varies according to the marginal tax rate applicable

## Income Exemption Threshold

An individual, resident in Mauritius, is entitled to the following IET, based on the number of dependents.

	Year ended 30 June 2022 Rs	Year ending 30 June 2023 Rs
Category A (An individual with no dependent)	325,000	325,000
Category B (An individual with 1 dependent)	435,000	435,000
Category C (An individual with 2 dependents)	515,000	515,000
Category D (An individual with 3 dependents)	600,000	600,000
Category E (An individual with 4 or more dependents)	680,000	680,000

Retired individuals or disabled persons are entitled to an additional amount of Rs 50,000 in respect of each of the Categories A and B. A retired person is a person who attains the age of 60 during the income year and who is not in receipt of business income or emoluments exceeding Rs 50,000, other than retirement pension, in an income year.

IET cannot be claimed on a dependent who is deriving total income, including exempt income, exceeding the amount below:

	Year ended 30 June 2022 Rs	Year ending 30 June 2023 Rs
Category B : Income of first dependent	110,000	110,000
Category C: Income of second dependent	80,000	80,000
Category D: Income of third dependent	85,000	85,000
Category E: Income of fourth dependent	80,000	80,000

### Additional exemption for dependent child attending undergraduate or postgraduate course

Where a person has claimed an IET in respect of Category B, C, D or E and the dependent is a child pursuing a non-sponsored full-time undergraduate or postgraduate course, the person may claim an additional exemption of Rs 500,000, irrespective of the place of study and total income of the household.

No exemption is allowed where the annual tuition fees are less than Rs 34,800 for a child following an undergraduate course in Mauritius or in respect of the same child for more than 6 consecutive years.

### Deduction for bedridden dependents

Where, in an income year, a person claims an IET in respect of Category B, C, D or E and the dependents in respect of whom he has claimed the deduction include a bedridden next of kin, the benefits derived by the bedridden next of kin under the National Pensions Act, in that income year, shall –

- a. be excluded in the calculation of the net income and exempt income of the bedridden next of kin; and
- b. not be included in the net income of the person claiming the deduction.

### Angel Investor Allowance

An angel investor may deduct 50% of the amount invested to the seed capital invested of a qualifying start-up SME from his net income and carry forward any unrelieved amount for 2 succeeding years subject to meeting the below conditions:

- a. Investment should be a minimum of Rs 100,000 and should be by way of share acquisition;
- b. Deduction is limited to a maximum of Rs 500,000 in an income year;
- c. The Angel Investor and his relatives should not hold more than 25% of the shares of the SME;
- d. Shares purchased should be held for at least 36 months from the date of acquisition; and
- e. Such terms and conditions as may be prescribed.

### Investment in Rainwater Harvesting System

Investment by an individual in rainwater harvesting system can be claimed as a deduction from the individual's net income.

The deduction can be claimed by either of the spouses or shared equally between them.

Any unclaimed amount can be carried forward and deducted against net income of succeeding income years.

### Expenditure Incurred by Artists

A member of the Mauritius Society of Authors can opt to claim a deduction of up to 50% of his gross income, from his artistic work (other than a literary work) provided that such gross income is not derived from employment and does not exceed Rs 500,000.

### Income Tax on Winnings

The Mauritius National Lottery Operator, a casino operator, a hotel casino operator or a gaming house operator, licensed under the GRA is required to deduct tax at 10% of the amount, exceeding Rs 100,000 of winnings paid to a winner.

The operator who deducts tax shall remit electronically to the DG the amount deducted not later than 20 days from the end of the month in which the deduction is made and at the same time submit a return as required by the DG.

### Interest Relief on Secured Housing Loan

A person who has contracted a housing loan, which is secured by a mortgage or fixed charge on immovable property and which is used exclusively for the purchase or construction of his house, may claim a relief in respect of the interest paid on the loan.

The relief may be claimed by either spouse or at the option of the spouses, be divided equally between them. The relief is not allowable where the person or his spouse:

- i. is, at the time the loan is contracted, already the owner of a residential building;
- ii. derives in the income year, total income (net income plus interest and dividends received) exceeding Rs 4M;
- iii. has benefited from any new housing scheme set up on or after 1 January 2011 by a prescribed competent authority.

## Relief for Medical or Health Insurance Premium

An individual is entitled to deduct from his net income the actual amount of premium paid in that income year in respect of a medical or health insurance policy or contribution to an approved provident fund, for himself and his dependents in respect of whom he has claimed a deduction.

The maximum relief allowable is as follows:

	Year ended 30 June 2022	Year ending 30 June 2023
	Rs	Rs
Self	20,000	25,000
1 <sup>st</sup> dependent	20,000	25,000
2 <sup>nd</sup> dependent	15,000	20,000
3 <sup>rd</sup> dependent	15,000	20,000
4 <sup>th</sup> dependent	15,000	20,000

No relief is allowable where the premium or contribution has been paid by the employer of the person or the premium is paid under a combined medical and life assurance scheme.

## Deduction for Household Employees

Where a person employs one or more household employees, he may claim a deduction of the wages paid to the household employees up to a maximum of Rs 30,000, from his net income, provided he has duly paid the contributions payable under the National Pensions Act and the National Savings Fund Act. In the case of a couple, the deduction shall not, in the aggregate, exceed Rs 30,000.

## Solar Energy Investment Allowance

An individual investing in a solar energy unit can claim an allowance for the amount invested from his net income. Where the allowance exceeds the net income, the excess can be carried forward for deduction from the net income of the succeeding years. This allowance can be claimed by either one spouse or at the option of the spouses be divided equally between them.

## Donation to Charitable Institutions

An individual may deduct from his net income any donation made through electronic means to a charitable institution, subject to a maximum deduction of Rs 50,000.

## Contribution to Approved Personal Pension Schemes

A person who has contributed to an individual pension scheme approved by the FSC under the Insurance Act for the provision of a pension for himself, can claim the amount contributed not exceeding Rs 50,000.

## Contribution to National COVID-19 Vaccination Programme Fund

Any amount contributed to the National COVID-19 Vaccination Programme Fund during the income year ended 30 June 2021 may be claimed as a relief against the net income, after deduction for IET, household employees, donation to charitable institutions and contribution to approved personal pension schemes.

Any unrelieved amount may be carried forward and offset against the net income of the next 2 income years.

## Exempt Person

An employee is considered to be an exempt person where his monthly emoluments do not exceed one thirteenth of the Category A IET. The emoluments of an exempt person are not subject to income tax under PAYE. However, this exemption does not apply to a director or a member of the Board, Council, Commission or Committee of a statutory body.

An exempt person or a person deriving pension may opt to receive his pension net of income tax. He has to make a request to his employer/person responsible for the payment of the pension to withhold income tax on the amount of pension paid.

## Fees to Directors

Where fees are payable by a company to any of its directors or by a statutory body/Council/Committee to any member of its Board, tax shall be withheld from the fees at the flat rate of 15%. Where the director is a non-resident and does not derive any other gross income, the amount of tax withheld shall be the final amount of tax payable and no annual tax return is required to be filed.

## Interest on Peer-to-Peer Lending

Business Income includes any interest derived by a person from money lent through any Peer-To-Peer lending platform operated under a licence issued by the FSC.

Any bad debt arising from money lent may be deducted from interest income received from money lent through the same Peer-To-Peer lending Platform. Any unrelieved bad debt can be carried forward and set off against interest received from money lent through the same Peer-To-Peer lending Platform. The set off is not subject to any time limit.

80% of interest derived from Peer-To-Peer lending is tax exempt.

The income derived by a person from the operation of a Peer-To-Peer platform is exempted for a period of five years from the income year in which he starts operations provided:

- i. operations start before 31 December 2020;
- ii. the income derived is covered under the FSC licence; and
- iii. the operator satisfies the “substance conditions” of the FSC.

No TDS is applicable on the interest payable.

## Unexplained Wealth

Where the MRA has reasonable ground to suspect that a person has acquired unexplained wealth of Rs 10M or more, the MRA shall make a report to the Integrity Reporting Services Agency specifying the full name, address and the sum of the unexplained wealth of that person.

Where a report is made, the sum of the unexplained wealth is not liable to income tax.

The MRA shall issue an assessment if the sum specified in the report is not subject to confiscation (wholly or partly) following the directions from the Integrity Reporting Board to the Integrity Reporting Services Agency.

## Statement of Assets and Liabilities

An individual who derives income (including exempt income) exceeding Rs 15M in a year or owns (together with his wife and dependent children) assets costing more than Rs 50M is required to submit a statement of assets and liabilities along with his return of income.

Submission of the statement of assets and liabilities is not applicable to an individual who has submitted his income tax return for the last five years.

A non-Mauritian citizen or a citizen who is not tax resident in Mauritius is not required to submit the statement of assets and liabilities.

## Solidarity Levy

A resident individual who derives leviable income in excess of Rs 3M per annum is liable to a solidarity levy of 25% on the excess leviable income. However, the Solidarity Levy shall not exceed 10% of the sum of net income and dividend received from a resident company or a co-operative society and the share of dividends the individual would have been entitled as an associate of a resident société or heir in a succession, had the dividends been wholly distributed among the associates or heirs.

The leviable income includes chargeable income of the individual and any dividend received from a resident company or a co-operative society and the share of dividends the individual would have been entitled as an associate of a resident société or heir in a succession, had the dividends been wholly distributed among the associates or heirs.

Leviable income excludes any lump sum paid by way of commutation of pension or by way of death gratuity or as consolidated compensation for death or injury.

Solidarity Levy at the rate of 25% shall be withheld under the PAYE system on emoluments in excess of Rs 230,769 in a month provided that it does not exceed 10% of the total emoluments.

An individual who has not submitted an EDF in an income year and derives emoluments including pension in relation to past employment or annuity, pension or similar payments not exceeding Rs 230,769 monthly, can make a request for his employer to deduct PAYE for solidarity levy and this will remain applicable until revoked by the person or the DG.

## Current Payment System

Under the CPS, an individual who derives gross income from business, profession or rent and in respect of the preceding income year, had a chargeable income, or the gross income (falling within the CPS system) of the preceding year exceeded Rs 4M shall submit electronically to the MRA a quarterly Statement of Income and pay the tax as computed for each of the CPS quarters electronically.

An individual whose tax payable for a CPS quarter is less than Rs 500, is not required to submit a CPS statement for that quarter.

An individual deriving gross income from the cultivation of sugar cane and/ or the growing of tobacco leaves is not required to submit CPS statements.

No CPS statement is to be submitted by a small enterprise engaged in activities qualifying for presumptive tax and whose gross income for the preceding year did not exceed Rs 10M.

# COMPANIES

## Tax Residency

A company is resident in Mauritius if it:

- a. is incorporated in Mauritius; or
- b. has its central management and control in Mauritius.

A company incorporated in Mauritius shall be treated as being non-resident if its central management and control is outside Mauritius.

## Imposition of Tax

Resident companies are subject to tax in Mauritius on worldwide income whereas non-resident companies are subject to tax in Mauritius only on income derived from Mauritius.

## Standard Tax Rate

Companies are normally subject to income tax at the rate of 15% on their chargeable income.

## Reduced Tax Rate

A reduced 3% tax rate is applicable on:

- Chargeable income attributable to export of goods. Export of goods includes international buying and selling of goods where the goods are being shipped directly from the exporting country to the importing country, without the goods being physically landed in Mauritius.
- Chargeable income derived by manufacturing companies engaged in medical, biotechnology or pharmaceutical sector and holding an Investment Certificate issued by the EDB, subject to conditions.
- Chargeable income derived by a higher education institution set up in Mauritius and registered under the Higher Education Act.

## Top-up Tax

A company forming part of an MNE Group which is liable to a Top-up Tax in a year, may be required by the DG to compute and pay a Qualified Domestic Minimum Top-up Tax in such form and manner as may be prescribed.

“MNE Group”, “Top-up Tax”, and “Qualified Domestic Minimum Top-up Tax” have the same meaning as in the GloBE Rules as approved by the Inclusive Framework on BEPS.

## Tax Deduction at Source

TDS is applicable where payments are made by any person, other than an individual, as per the table below, subject to conditions:

Source	Rate of tax %
1. Interest payable by any person, other than by a bank or non-bank deposit taking institution, to any person, other than a company resident in Mauritius. Interest payable by a GBC to a non-resident out of foreign source income is exempt from tax in Mauritius. (See (i) below)	15
2. Royalties payable to- a. a resident	10
b. a non-resident (see (i) below)	15
There is no TDS on royalty paid by a company to a non-resident out of its foreign source income.	
3. Rent payable to- (see (ii) below) a. a resident	7.5
b. a non-resident	10
4. Payment to contractors and sub-contractors (see (iii) below)	0.75
5. Payment to providers of services (see (iv) below)	5
6. Payment made by Ministry, Government department, local authority, statutory body, or the Rodrigues Regional Assembly on contracts, other than payments to contractors and sub-contractors and payments to providers of services (see (iii) & (iv) below) a. for the procurement of goods and services under a single contract where the payment exceeds Rs 300,000	1
b. for the procurement of goods under a contract, where the payment exceeds Rs 100,000; or	1
c. for the procurement of services under a contract, other than telephone, postal, air travel and hotel services, where the payment exceeds Rs 30,000.	3
7. Payments in respect of rental or other consideration for board and lodging made to the owner of an immovable property or his agent, other than a hotel, by: a. a tour operator or travel agent, other than an individual;	5
b. an IRS/RES company or a provider of property management services;	5
c. any other agent, other than an individual, carrying on the business of providing services in respect of letting of properties.	5

Source	Rate of tax %
8. Payments made by any person, other than an individual, to a non-resident for any services rendered in Mauritius, except where the payments are made to a person exempt from income tax by virtue of an enactment or any arrangement for relief from double taxation	10
9. Management fees payable to an individual by any corporate entity: a. resident	5
b. non-resident	10
10. Payments to a non-resident entertainer or sportsperson	10
11. Commissions payable by any person other than an individual (see (v) below)	3
12. Payments by any person, other than an individual, to consultants other than those specified in the Fifth Schedule (see (vi) below)	3
13. Payments by any person, other than an individual, to a provider of security services, cleaning services, pest management services and other ancillary services (see (vi) below)	3
14. Payments by insurance companies to motor surveyors and mechanics for repairs of motor vehicles of policy holders (see (vi) below)	3

- i. The rate of TDS may be reduced under any applicable Double Taxation Agreement between Mauritius and the jurisdiction of the recipient.
- ii. TDS is applicable on rent payable by any person, other than an individual, to any person except a person exempt from income tax. The rate of TDS applicable on rent paid to a resident increased from 5% to 7.5% effective from 3 October 2022.
- iii. "Contractor" means any person who enters into a contract for carrying out civil construction, mechanical or electrical work, including the supply of labour for carrying out civil construction works.
- iv. The TDS rate increased from 3% to 5% effective from 3 October 2022. The list of "providers of services" is as per the Fifth Schedule of the ITA.
- v. "Commission" includes any sum paid or payable to an agent in relation to a commercial transaction.
- vi. These are applicable as from 3 October 2022.

## Partial Tax Exemption

80% partial tax exemption is applicable on the following streams of income, subject to satisfying certain conditions:

- foreign sourced dividend;
- interest derived by a company other than:
  - i. a bank referred to in section 44C of the ITA;
  - ii. a non-bank deposit taking institution;
  - iii. a money changer;
  - iv. a foreign exchange dealer;
  - v. an insurance company;
  - vi. a leasing company; and
  - vii. a company providing factoring, hire purchase facilities, or credit sales facilities;
- profit attributable to a permanent establishment;
- income derived by a Collective Investment Scheme ("CIS"), closed-end fund, CIS manager, CIS administrator, Investment Adviser, Investment Dealer or Asset Manager licensed or approved by the FSC;
- income derived by a company engaged in the leasing of ships, aircrafts, locomotives and trains including rails leasing;
- income derived by a company from reinsurance and reinsurance brokering activities;
- income derived by a company from leasing and provision of international fibre capacity;
- income derived by a company from the sale, financing arrangement, asset management of aircraft and its spare parts and aviation advisory services related thereto; and
- interest derived by a person from money lent through a Peer-to-Peer Lending platform.

## Authorised Company

A company that is licensed by the FSC as an AC, is a company incorporated in Mauritius but which is required to have its place of central management and control outside of Mauritius.

## Small Company

A small company is a company which is incorporated under the Companies Act on or after 2 June 2015 and is registered with SME Mauritius Ltd (previously known as ("SMEDA")). A small company is exempt from income tax for the first 8 income years and is not required to operate TDS.

Unrelieved tax losses incurred during the tax exemption period cannot be carried forward.

## Small Enterprise

Small Enterprises and Co-Operative Societies registered with SME Mauritius Ltd on or after 2 June 2015 will benefit from an 8-year tax holiday.

Unrelieved tax losses of Small Enterprises shall not be carried forward after the 8 years exemption period.

## Insurance companies

### Life Insurance Business

The net income of a life insurance business is calculated as the difference between -

- a. the income from investment held by the company in connection with its life insurance business but excluding that attributable to the general annuity business and pension business; and
- b. the sum of all management expenses, commissions paid and allowable deductions.

Where the insurance company is a non-resident company, deduction can also be claimed for any agency fees incurred in Mauritius and a fair proportion of the expenses of the head office of the company.

Where a life insurance business receives premiums outside Mauritius, the net income of the company is calculated as the difference between -

- a. that part of the total investment income which bears the same proportion to the total investment income as the premiums received in Mauritius bear to the total premiums received by the company; and
- b. in the case of a resident company, the sum of all management expenses, commissions and allowable deductions;
- c. in the case of a non-resident company, the sum of all management expenses, commissions paid in Mauritius, allowable deductions, any agency expenses incurred in Mauritius and a fair proportion of the expenses of the head office of the company.

However, effective from 1 July 2021, companies carrying out life insurance business will be liable to income tax at the higher of:

- a. normal tax calculated as above; or
- b. 10% of Relevant Profit, where Relevant Profit means profit attributable to shareholders adjusted for any capital gains or losses attributable to shareholders.

### Insurance Business other than Life Insurance

The net income of insurance business other than life insurance is calculated as follows:

- a. gross premiums and interest and other income minus premium returned to an insured and paid on re-insurance;
- b. minus reserve for unexpired risks outstanding at end of the year;
- c. add reserve for unexpired risks outstanding at start of the year; and
- d. minus actual loss of the company less any amount recovered under re-insurance in respect of loss and minus all allowable deductions.

## General Annuity Business and Pension Business

The net income of the company derived from the general annuity business and pension business shall, with respect to each class, be computed separately and shall be calculated -

- a. by taking the liability of the company under its general annuity contracts or pension contracts, as the case may be, at the beginning of the income year, as assessed by an actuarial valuation;
- b. by adding the premiums and considerations received and investment income as the case may be; and
- c. by deducting annuities or pensions paid, as the case may be, surrendered policies and the liability of the company at the end of the income year as assessed by an actuarial valuation.

## Solidarity Levy on Telephony Service Providers

Operators are subject to solidarity levy of 5% of book profit and 1.5% of turnover of the preceding year.

“book profit” means the profit derived by an operator from all its activities and computed in accordance with the International Financial Reporting Standards.

“turnover” means the gross receipts derived by the operator from all its activities.

The solidarity levy is not applicable where the company has a loss in the preceding year.

## Controlled Foreign Company Rules

A CFC is defined as:

- a company which is not resident in Mauritius;
- where more than 50% of its participation rights are held either directly or indirectly by a resident company or together with its associated enterprises; and
- includes a permanent establishment of the resident company.

Where the non-distributed profits of a CFC are deemed to have arisen from non-genuine arrangements which have been put in place for the main purpose of obtaining a tax benefit, that income shall be accounted as part of the chargeable income of the resident parent company.

Arrangements will be regarded as non-genuine if the CFC would not have owned the assets or would not have undertaken the risks associated with all or part of its income generation if it were not controlled by a company where the significant people functions, relevant to the assets and risks are carried out and are instrumental in generating the CFC's income.

CFC rules will not apply in an income year where the:

- Accounting profits do not exceed EUR 750,000 and non-trading income is less than EUR 75,000;
- Accounting profits represent less than 10% of its operating costs for the tax period. Operating costs exclude the cost of goods sold outside the country where the foreign entity is tax resident and any payment to associated enterprises; or
- The tax rate in the country of residence of the CFC exceeds 50% of the Mauritian tax rate (i.e. where the headline income tax rate in the jurisdiction of the CFC exceeds 7.5%).

## Application of Arm's Length Test

Mauritius does not have transfer pricing regulations. However the ITA provides for the application of the arm's length principles to any business or income generating activity carried in or from Mauritius.

## Tax Holidays

Income derived by the following companies are tax exempt for a period of 8 years as from the income year in which they start their operations, subject to conditions:

- i. Companies incorporated on or after 1 July 2017 and engaged in innovation-driven activities for intellectual property assets.
- ii. Companies which have started operations on or before 8 June 2017 and involved in the manufacture of pharmaceutical products, medical services and high-tech products. This has been repealed as per FA 2021 and only companies which benefitted from this tax holiday before, will continue to be exempted from tax.
- iii. Companies engaged in exploitation and use of deep ocean water for providing air conditioning installations, facilities and services.
- iv. Companies registered with the EDB and engaged in the manufacturing of automotive parts. This has been repealed as per FA 2021 and only companies which benefitted from this tax holiday before, will continue to be exempted from tax.
- v. Companies which have started operations after 4 June 2020 and which is involved in inland aquaculture in Mauritius. This has been repealed as per FA 2021 and only companies which benefitted from this tax holiday before, will continue to be exempted from tax.
- vi. Companies which have started operations after 4 June 2020 and which is approved as a branch campus by the HEC and is part of an institution which ranks among the first 500 tertiary institutions worldwide. This has been repealed as per FA 2021 and only companies which benefitted from this tax holiday before, will continue to be exempted from tax.
- vii. Companies which have started operations after 4 June 2020 and which is involved in the manufacturing of nutraceutical products. This has been repealed as per FA 2021 and only companies which benefitted from this tax holiday before, will continue to be exempted from tax.
- viii. Companies registered with the EDB, which have started operations after 8 June 2017 and which are involved in food processing activities. This has been repealed as per FA 2021 and only companies which benefitted from this tax holiday before, will continue to be exempted from tax.
- ix. Companies set up on or before 10 June 2019 and engaged in the development of a marina. This has been repealed as per FA 2021 and only companies which benefitted from this tax holiday before, will continue to be exempted from tax.
- x. Companies incorporated on or after 1 July 2021 and holding an Investment Certificate issued by the EDB.
- xi. Companies holding a Global Headquarters Administration Licence, issued on or after 1 September 2016.
- xii. Companies incorporated on or after 1 September 2016 and which are approved as an industrial fishing company. This has been repealed as per FA 2021 and only companies which benefitted from this tax holiday before, will continue to be exempted from tax.

8 years of tax holiday is provided on the below income streams, subject to conditions

- i. income derived by a person from any activity under the sheltered farming scheme.
- ii. income derived by a person engaged in an approved bio farming project.
- iii. income derived by a person using an innovative agricultural method under the Integrated Modern Agricultural Morcellement Scheme administered and managed by the EDB.
- iv. income derived by a person engaged in sustainable agricultural practices and registered with the EDB.
- v. income derived by a company issued with a certificate as a freeport operator or private freeport developer under the Freeport Act.

10 years of tax holiday is provided on the below income streams, subject to conditions:

- i. income derived by a person licensed under the Captive Insurance Act 2015.
- ii. Income derived by a holder of a Family Office (Single) Licence.
- iii. Income derived by a holder of a Family Office (Multiple) Licence.

5 years of tax holiday is provided on the below income streams, subject to conditions:

- i. income derived by a company from activities carried out as a project developer or project financing institution in collaboration with the Mauritius Africa Fund for the purpose of developing infrastructure in the Special Economic Zones.
- ii. income derived by a company set up on or before 30 June 2025 from the operation of e-Commerce platform.
- iii. income derived by a person from the operation of a Peer-to-Peer Lending platform.
- iv. income derived by a company registered with the EDB as a company engaged in the provision of health services. This has been repealed as per FA 2021 and only companies which benefitted from this tax holiday before, will continue to be exempted from tax.
- v. income derived by a company holding any of the following licences issued on or after 1 September 2016:
  - A Global Treasury Activities Licence
  - A Global Legal Advisory Services Licence

A 4-year tax holiday is provided on income derived by a company from bunkering of low Sulphur Heavy Fuel Oil from the income year ended 30 June 2019 or for a company set up after 1 July 2019, 4 succeeding years as from the income year in which that company starts its operations. This has been repealed as per FA 2021 and only companies which benefitted from this tax holiday before, will continue to be exempted from tax.

## Tax Incentives

- Full deduction is allowed on capital expenditure on electronic, high precision or automated machinery or equipment incurred on or after 1 July 2020, provided no further deduction is claimed as annual allowance.
- Double tax deduction on medical R&D expenditure is allowed to companies engaged in medical R&D, provided the R&D is carried out in Mauritius. No further deduction can be claimed as annual allowance.

- Double tax deduction is allowed to companies on the acquisition cost of patents and franchises, including costs incurred to comply with international quality standards and norms. No further deduction can be claimed as annual allowance.
- Full deduction is allowed as additional investment allowance to companies affected by Covid-19 on capital expenditure on plant and machinery (excluding motor vehicles) made during the period 1 March 2020 to 30 June 2020, in addition to annual allowances claimed on the asset.
- Double tax deduction on expenditure for the acquisition of specialised software and systems is allowed. No further deduction can be claimed as annual allowance.
- An additional deduction is allowed on expenditure incurred by manufacturing companies whose annual turnover exceeds Rs 100M, on products manufactured locally by small enterprises. The additional deduction shall be:
  - 10% of the amount of expenditure incurred during the period starting on 1 July 2021 and ending on 30 June 2022; and
  - 25% of the amount of expenditure incurred as from 1 July 2022.
- Double tax deduction can be claimed by a company registered as a health institution under the Private Health Institutions Act, for any direct expenditure relating to international accreditation.
- Double tax deduction is allowed to manufacturing companies for expenditure incurred on market research and product development for the African market. No further deduction can be claimed as annual allowance.
- Double tax deduction is allowed on qualifying research and development expenditure incurred during the period 1 July 2017 to 30 June 2027 and which is directly related to existing trade or business of a company, provided the research and development is carried out in Mauritius and no annual allowance has been claimed.

## Tax Credits

### a. Foreign Tax Credit

Under domestic law, a company is allowed to claim as credit, against its Mauritian tax liability arising on its foreign source income, the foreign tax suffered on that income. However, the tax credit cannot exceed the Mauritian tax payable and any excess is not refundable and cannot be carried forward to the next year.

### b. Tax Sparing Credit

Where the DG is satisfied that provisions have been introduced in the law of a foreign country with a view to promoting industrial, commercial, scientific, educational or other development in that country and that under those provisions –

- a. a lower rate of tax has been imposed in that country than would otherwise have been the case; or
- b. income has been exempted from tax which would otherwise have been chargeable to foreign tax,

he shall allow a credit for the amount of foreign tax which would have been chargeable had those provisions not been enacted.

### c. Tax Credit for Medical, Biotechnology or Pharmaceutical Companies

100% tax credit may be claimed on capital expenditure on the acquisition of patents, incurred by a manufacturing company engaged in medical, biotechnology or pharmaceutical sector. Any unutilised tax credit may be carried forward for 5 consecutive income years, subject to conditions.

### d. Tax credit for Manufacturing Companies

15% tax credit may be claimed on the cost of the new plant and machinery incurred by a manufacturing company during the period 1 July 2020 to 30 June 2023, in the year of acquisition and in each of the 2 subsequent income years. Any unutilised tax credit may be carried forward for 10 consecutive income years.

### e. Investment Tax Credit

5% tax credit is provided over three years in respect of investments made during the period 1 July 2018 to 30 June 2020 in new plant and machinery (excluding motor vehicles) by a company importing goods in semi knocked-down form.

The tax credit is available subject to a local value addition of at least 20%.

## Presumptive Tax

A small enterprise may elect, by irrevocable notice, on or before the due date for the filing of its return, to pay a presumptive tax at the rate of 1% of its gross income.

A small enterprise is defined as a person -

- who is engaged in activities specified in the Thirteenth Schedule;
- whose gross income in an income year does not exceed Rs 10M; and
- whose gross income from sources, other than those specified in the Thirteenth Schedule of the ITA does not exceed Rs 400,000.

The activities specified in the mentioned Thirteenth Schedule are agriculture, forestry and fishing, manufacturing, excluding restaurants, wholesale of goods and retail of goods, including sale of food to be consumed off premises.

## Exempt Income for Individuals and Companies

1. Dividends
  - a. paid by a company resident in Mauritius; or
  - b. paid by a co-operative society registered under the Co-operative Societies Act.
2. Interest payable on:
  - a. a balance maintained in a bank by an individual who is not resident in Mauritius.
  - b. a savings or fixed deposit account held by an individual, a Société or a Succession with any bank.
  - c. Government securities, debentures and sukuks quoted on the Stock Exchange and Bank of Mauritius Bills held by an individual, a Société or a Succession.
  - d. Bonds and sukuks quote on the stock exchange held by a non-resident company.

3. Interest derived by individuals and companies from debentures, bonds or sukuks issued by a company to finance renewable energy projects, the issue of which has been approved by the DG on such terms and conditions as he may determine.
4. Interest payable to a non-resident, not carrying on any business in Mauritius, by a GBC or by a licensed bank insofar as the interest is paid out of gross income derived from its banking transactions with non-residents and GBCs.
5. Interest, rent, royalties, compensations and other amounts paid by a Special Purpose Fund to a non-resident.
6. Royalties payable to a non-resident by a company out of its foreign source income.
7. Interest payable by Air Mauritius Limited in respect of an agreement entered into by Air Mauritius Limited and a non-resident company or consortium of companies for the lease of an aircraft provided that the agreement has been signed in the year of 2019 and that Air Mauritius Limited is required as a condition of the agreement to bear the income tax payable by the lessor pursuant to that agreement.
8. Gains or profits derived from the sale of units, securities or debt obligations by a person.
9. Gains or profits derived from the sale of gold, silver or platinum, held for a continuous period of at least 6 months by a person.
10. Gains or profits derived from the sale of the items stored in a vault pursuant to item 3(n) of the Second Schedule to the Freeport Act or of the titles of ownership of those items.
11. Income derived by the registered owner of a foreign vessel from the operation of the vessel including any income derived from the chartering of such vessel.
12. Income derived by the registered owner of a local vessel registered in Mauritius provided the income is derived from deep sea international trade only.
13. Income from bunkering activities of Marine Residual Fuel Oil by an authorised firm, subject to conditions.
14. Income exempt from income tax by any other enactment.
15. Surplus income generated by a co-operative credit society whose members are registered with the Sugar Insurance Fund Board.
16. Income derived by a co-operative society from agricultural activities.
17. Income derived on the first 60 tonnes of sugar accruing to a planter who is an individual cultivating less than 15 hectares of land.
18. Gains derived by a planter, miller or service provider from the sale of land, provided that the proceeds are used exclusively for the implementation of the Voluntary Retirement Scheme or used exclusively by a miller in compliance with certain conditions, as the case may be.
19. Gains derived by any person from the sale of land previously acquired by him from a planter implementing the Voluntary Retirement Scheme.
20. Gains derived from the sale of land converted pursuant to section 29(1)(c)(ii)(B), or (f) of the Sugar Industry Efficiency Act, provided that the proceeds are used exclusively for the implementation of specified schemes.
21. The first Rs 2.5M of the aggregate amount received as lump sum by way of commutation of pension, death gratuity, retiring allowance, compensation negotiated under Section 42 of the Employment Rights Act and severance allowance, received in an income year and the four succeeding income years.

22. Any transport allowance, including petrol allowance and travel grant which is the lesser of Rs 20,000 or 25% of the monthly basic salary payable to an employee, provided that the employee makes use of the private car registered in his own name for attending duty and for the performance of the duties of his office or employment.
23. Passage Benefits provided under the contract of employment, not exceeding 6% of the basic salary.
24. Any retirement pension not exceeding the IET in respect of Category A payable to a citizen of Mauritius who is not resident in Mauritius.
25. Basic retirement pension paid by a pensioner to a charitable institution.
26. Invalid basic pension, contributory invalidity pension and carer's allowance payable under the National Pensions Act.
27. Alimony or maintenance allowance paid to a previous spouse whose marriage has been dissolved by a court of competent jurisdiction.
28. Maintenance allowance or other benefit in respect of attendance at a university, college, school or other educational institution in terms of a scholarship, bursary, exhibition or other education award.
29. Car allowance payable, in lieu of duty exemption on a car, to a public officer, an officer of a local authority or officer of a statutory body whose terms and conditions of service are governed by the 2013 Report of the Pay Research Bureau.
30. The first Rs 50,000 of the amount receivable by an individual in an income year from a Real Estate Investment Trust.
31. Income received by an athlete, including financial support he receives within the framework of a sponsorship contract, financial assistance he receives in relation to his preparation for, and participation in, a competition and a financial reward in respect of his performance.
32. Gains or profits, in money or money's worth, derived from the sale or transfer of undeveloped land made to a smart city company or smart city developer or the holding company a smart city company or smart city developer, to a PDS Company or the holding company of a PDS Company, subject to conditions.
33. Emoluments derived from the office of the President or Vice-President.
34. Any rent allowance payable to a person appointed to an office in the Police Force, Fire Services, Forests Division of the Ministry of Agriculture and Natural Resources, Prisons and Industrial School Service, Ministry of Fisheries, Department of Civil Aviation or Fire Unit of the Mauritius Marine Authority.
35. Housing allowance up to Rs 100 monthly payable by an employer to an employee.
36. Foreign service allowance, reimbursement of the cost or payment of personal and private expenses including medical expenses, to homebased staff of overseas mission.
37. Any advantage in money or in money's worth received as lump sum by an employee voluntarily terminating his contract of employment in the context of a factory closure pursuant to the Cane Planters and Millers Arbitration and Control Board Act or under the Voluntary Retirement Scheme under the Sugar Industry Efficiency Act 2001.
38. Medical expenses paid for an employee or his dependents by his employer under an approved scheme.
39. Emoluments of a non-citizen who holds office in Mauritius as an official of a foreign Government and is posted to Mauritius for that purpose.

40. Foreign service allowance payable under a contract of employment to staff of statutory bodies posted abroad.
41. Car allowance payable in lieu of duty exemption on a car, to a public officer, an officer of a local authority, or officer of a statutory body.
42. Salaries and emoluments derived by an employee who is a citizen of Mauritius or who holds a permanent residence permit from his employment with the Liaison Office located in Mauritius, of the Bank referred to in the International Financial Organisations Act.
43. Emoluments derived by a seafarer from his employment on a vessel registered in Mauritius or on a foreign vessel.
44. Social contribution income allowance received by a person under the Social Contribution and Social Benefits Act 2021.

## Tax Loss

Where a company satisfies the MRA that it has in an income year incurred a loss, it may deduct the loss in computing its net income for that income year.

Where the amount of loss cannot be fully relieved, the company may claim that the amount of unrelieved loss be carried forward and set off against its net income derived in the following 5 income years, provided that not less than 50% of the shares of the company were held by or on behalf of the same person at the end of each of those income years.

Manufacturing companies having more than 50% of change in shareholding may carry forward unrelieved tax losses provided that the change in shareholding is in the public interest and conditions relating to safeguard of employment are met as approved by the Minister.

Any amount of loss that is attributable to annual allowance claimed in respect of capital expenditure on or after 1 July 2006 can be carried forward indefinitely.

## Emoluments Payable to Homeworkers

A deduction of 200% of the emoluments payable to a homemaker is allowed for the first two years, if during the period 1 July 2018 to 30 June 2020 a person employs a full-time homemaker.

An annual tax credit of 5% is allowed to employers on investments made on information technology systems for the purpose of employing homeworkers.

## Contributions to COVID-19 Solidarity Fund

Tax deduction is available for contributions made to COVID-19 Solidarity Fund by individuals and companies during the income year commencing on 1 July 2019 or 1 July 2020. In the case of individuals, the tax deduction is provided after deduction of IET, interest relief, relief for medical or health insurance premium and deduction for household employees. Any unrelieved amount can be used to be set off against the net income for the two subsequent income years.

## Annual Allowance

Capital Expenditure incurred on -	Rate of annual allowance Percentage of	
	Base Value	Cost
1. Industrial premises excluding hotels	-	5%
2. Commercial premises	-	5%
3. Hotels	30%	-
4. Plant or Machinery -		
a. costing or having a base value of Rs 60,000 or less	-	100%
b. costing more than Rs 60,000 -		
i. ships or aircrafts	20%	-
ii. aircrafts and aircraft simulators leased by a company engaged in aircraft leasing	-	100%
iii. motor vehicles (Restricted to Rs 3,000,000)	25%	-
iv. electronic and high precision machinery or equipment, computer hardware and peripherals and computer software	50%	-
v. furniture and fittings	20%	-
vi. other	35%	-
5. Improvement on agricultural land for agricultural purposes	25%	-
6. Research and development, including innovation, improvement or development of a process, product or service		50%
7. Golf courses	15%	-
7A. Acquisition of patents	25%	-
7B. Green technology equipment	-	50%
7C. Landscaping and other earth works for embellishment purposes	-	50%
7D. Acquisition of a solar energy unit	-	100%
8. Acquisition or improvement of any other item of a capital nature which is subject to depreciation under the normal accounting principles	-	5%

## Investment in Creches

Where a company incurs capital expenditure on a crèche for the benefit of its employees, it may be allowed a deduction of twice the amount of this expenditure but will not be eligible for annual allowance in respect of the crèche.

## Trusts and Foundations

Until 30 June 2021, Trusts and Foundations which made a declaration of non-residence were exempt from income tax. The FA 2021 abolished such exemption subject to grandfathering provisions. Trusts and Foundations set up before 30 June 2021 are grandfathered up until the year of assessment 2024-2025 and can still benefit from the income tax exemption, subject to renewing their declaration of non-residence, if required. The grandfathering provisions will not apply on income derived by a Trust or Foundation from certain intellectual property assets or such specific assets or projects.

A resident trust, means a trust:

- administered in Mauritius and has a majority of the trustees resident in Mauritius; or
- where the settlor of the trust was resident in Mauritius at the time the instrument creating the trust was executed.

A resident foundation, means a foundation which:

- is registered in Mauritius; or
- has its central management and control in Mauritius.

On 24 August 2021, through its SOP, the MRA clarified that a trust or a foundation which has its central management and control outside Mauritius would be considered as non-resident.

## Advance Payment System

APS is a system whereby every company is required to submit electronically quarterly APS statements and pay tax in accordance thereof.

APS is applicable to companies, unit trust schemes, collective investment schemes, trusts (other than non-resident trusts), non-resident Sociétés, cells of a protected cell company, foundations, ACs, and any Société holding a GBL which has opted to be liable to income tax.

A company is not required to submit an APS statement in respect of an APS quarter where in the accounting year immediately preceding the commencement of that APS quarter, the company's gross income did not exceed Rs 10M or it had no chargeable income.

A company having a return date of 30 June and having submitted an APS statement for the first three quarters may opt to submit an APS statement for the fourth quarter and this has to be submitted by 30 September following the end of the quarter.

## Corporate Social Responsibility

Companies are required to set up every year a CSR Fund equivalent to 2% of their chargeable income of the preceding year. CSR, however, does not apply to a company holding a GBC, an IRS company, a non-resident Société, a Foundation, a Trust or a trustee of a Unit Trust Scheme, a bank in respect of its income derived from its banking transaction with non-residents or GBCs, a company holding a certificate of Freeport operator or private Freeport developer and a company electing to pay presumptive tax.

CSR applies to a resident Société, other than a Société holding a GBL, as it applies to a company. The net income of the Société is deemed to be its chargeable income.

The table below shows the percentage of the CSR Fund which a company is required to remit to the MRA:

	To be remitted to the DG	To implement CSR program
CSR Fund set up on or after 1 January 2017 up to 31 December 2018	50%	50%
CSR Fund set up on or after 1 January 2019	75%	25%

Companies may continue to contribute 50% of CSR (instead of 75%) to the MRA provided they receive approval from the National CSR Foundation.

Companies benefiting from tax holidays are required to contribute to CSR.

Companies are not allowed to offset any unused tax credit against any amount of CSR payable.

The amount required to be remitted to the MRA is payable as follows:

- a. In the case of a company required to submit an APS statement.
  - i. For the first three quarters, 25% of each of the quarters together with the APS Statement.
  - ii. For the last quarter, 25% at the time the company submits its annual return.
- b. In the case of a company which is not required to submit an APS Statement, 100% payable together with its annual return.

## COVID-19 Levy

Employers who have benefitted from the Government Wage Assistance Scheme ("GWAS") must pay the COVID-19 Levy when submitting their income tax return for the years of assessment 2020-2021, 2021-2022 or 2022-2023, as the case may be.

For the first applicable year of assessment, the Levy is paid on the lower of:

- The amount received under the GWAS; and
- 15% of the tax adjusted profit for the year before deducting any tax loss brought forward.

For the second applicable year of assessment, the Levy is payable on the lower of:

- The amount received under the GWAS less the COVID-19 Levy paid for the first year of assessment; and
- 15% of the tax adjusted profit for the year before deducting any tax loss brought forward.

COVID-19 Levy payable in a year of assessment may be claimed as a tax deduction when calculating the chargeable income for levy purposes for the following year of assessment.

## Basis of Assessment on Commencement of Business

The first annual income tax return can cover a period of up to 18 months ending with the financial year end of the company.

## Resident Société

Every resident Société deriving gross income is required to submit its annual return of income not later than 30 September of each year.

The Société is also required to give to each associate a statement showing the share of income accruing to him, in respect of the preceding income year and at the same time submit to the MRA, in electronic form, a statement giving, in respect of the preceding income year, the particulars of the share of income accruing to each associate.

## Limited Partnership/ Limited Liability Partnership

A limited partnership/limited liability partnership is subject to the same provisions of the ITA that apply to a Société. Hence, a limited partnership/limited liability partnership is not liable to income tax but the general partner and limited partner are liable to income tax on their share of income, whether distributed or not, from the limited partnership/limited liability partnership.

A limited partnership/limited liability partnership holding a GBL may, by notice in writing given simultaneously to the MRA and the FSC, opt to be liable to income tax at the rate of 15%. Distributions from such limited partnership/limited liability partnership are exempt from income tax.

Where a limited partnership/limited liability partnership holding a GBL has not opted to be liable to income tax, every partner of that partnership is liable to income tax on his share of income at the rate of 15%. A non-resident partner of a limited partnership/limited liability partnership is not liable to income tax on his share of foreign source income derived by the limited partnership/limited liability partnership.

## Alternative Tax Dispute Resolution

The ATDR panel deals with applications for review made by any person who has been assessed to income tax, VAT or Gaming Tax and who has objected to the assessment or lodged representations to the ARC or appealed to the Supreme Court or to the Judicial Committee of the Privy Council. The amount of tax claimed in the assessment should exceed Rs 10M.

The law has been amended to include assessments raised under the GRA whereby the MRA is bound to determine an objection within the statutory time limit of 4 months notwithstanding that an application for review before the ATDR panel is outstanding for this same assessment.

## 5% Payment on lodging Representations to Assessment Review Committee

Any person who makes representations to the ARC against a determination of objection in respect of an income tax assessment, a VAT assessment or a GRA assessment is required, as from 1 September 2018, to pay 5% of the amount of tax determined on lodging the representations.

Where the chairperson of the ARC is satisfied that any non-payment of the 5% is due to a reasonable cause, he may direct that the representations shall be accepted.

## Social Contribution

The contributions payable under the Social Contribution are as follows:

Participant	Monthly Remuneration	Employee contribution on remuneration	Employer contribution on remuneration
A.i Other than public sector	≤ Rs 50,000	1.5%	3%
A.ii employee	> Rs 50,000	3%	6%
B.i Public sector employee	≤ Rs 50,000	N/A	4.5%
B.ii	> Rs 50,000	N/A	9%
C. Employee in the domestic service <sup>1</sup>	≤ Rs 3,000 in total from one or more employers	N/A	3%
D.i Self-employed	net income ≤ Rs 10,000	Rs 150 monthly	
D.ii Self-employed	Rs 10,000 < net income ≤ Rs 50,000	1.35% of net income or Rs 150, whichever is higher	
D.iii Self-employed	net income > Rs 50,000	2.7% of net income	
E. Employee + Self-employed	Same as under A or B (as applicable) and D		

Where an end of year bonus is paid to an employee, the employee and the employer shall, in respect of that additional month, pay the social contribution as per above table.

## Contribution to the National Savings Fund

The minimum and maximum basic wage on which contributions to the NSF are payable with effect from 1 July 2022 are as follows:

Pay Period	Minimum Wage	Maximum Insurable Wage	
	Rs	For Private Household Employees	For other Employees
Daily	80	127	832
Weekly	482	760	4,947
Fortnightly	965	1,521	9,893
Half Monthly	1,045	1,648	10,718
Monthly	2,090	3,295	21,435

The NSF contributory rates are 1% and 2.5% for an employee and an employer respectively.

<sup>1</sup> "domestic service" means employment in a private household and includes employment as a cook, driver, gardener, garde malade or maid.

## Portable Retirement Gratuity Fund

The PRGF aims to provide for the payment of a gratuity to a worker/self-employed on his retirement or to the legal heirs of a worker/self-employed on his demise irrespective of the number of employers with whom the worker may have been in employment.

Every employer is required to pay PRGF contributions at the rate of 4.5% of the monthly remuneration of each worker. However, SMEs are required to pay PRGF at a lower rate for the first three years starting January 2022, the difference being financed by Government from a seed capital earmarked for that purpose. The employer contributory rates are as follows:

Type of Employer	Rate			
Employers and Self-employed other than SMEs	4.5%			
	<b>Last year's Turnover</b>			
	Calendar Year	≤ Rs 2M	> Rs 2M ≤ Rs 10M	> Rs 10M ≤ Rs 50M
SMEs	2022	2.1%	3.5%	3.5%
	2023	2.9%	3.7%	4.0%
	2024	3.7%	4.2%	4.2%

A self-employed may also contribute to the PRGF for himself. The minimum monthly contribution payable by the self-employed is Rs 500 and the maximum contribution payable is Rs 2,500.

No PRGF contribution is payable in respect of:

- A worker who has not attained the age of 16
- A public officer or a local government officer
- A worker who draws a monthly basic wage or salary of more than Rs 200,000
- A worker for whom the employer is contributing to a private pension scheme approved by the FSC
- A worker whose retirement benefits are payable under the Statutory Bodies Pension Funds Act or the Sugar Industry Pension Fund Act
- A person under a contract of apprenticeship regulated under the Mauritius Institute of Training and Development Act
- A person taking part in a training scheme set up by the Government or under a joint public-private initiative with a view to facilitating the placement of jobseekers in gainful employment
- A non-Mauritian citizen worker or a migrant worker

## Human Resource Development Council Training Levy

Every employer is required to pay training levy at the rate of 1.5% of the total basic wage or salary of its employees other than a household worker.

# REGISTRATION DUTIES

## Payable by Transferee

Description of Transfer/Deed	Rate
Transfer of immovable property	5%
Transfer of shares in a company or issue of shares by a company or any acquisition by a company of its own shares where such acquisition results in an effective change in ownership of that company or transfer of a <i>part sociale</i> in a <i>Société</i> which gives rise to a right to the ownership, occupation or usage of an immovable property or any part thereof to a person	5%
Deed containing creation of a mortgage or privilege or instrument containing creation of fixed or floating charge or Lease Agreement (other than any deed witnessing a loan contracted by a citizen of Mauritius for the purchase, construction or renovation of his house)	
a. Not exceeding Rs 300,000	Nil
b. Exceeding Rs 300,000 but not exceeding Rs 500,000	Nil
c. Exceeding Rs 500,000 but not exceeding Rs 1,000,000	Nil
d. Exceeding Rs 1,000,000 but not exceeding Rs 5,000,000	Rs 30,000
e. Exceeding Rs 5,000,000	Rs 50,000

## Registration Duties On Passenger Motor Vehicles

New Motor Vehicles	Reg. Duties Rs	New Electric Motor Vehicles	Reg. Duties Rs
Not exceeding 1,000 cc	16,300	Not exceeding 70.0 kW	8,100
From 1,001 cc to 1,250 cc	32,500	From 70.01 kW to 95.0 kW	16,300
From 1,251 cc to 1,500 cc	52,000	From 95.1 kW to 125.0 kW	26,000
From 1,501 cc to 1,600 cc	65,000	From 125.1 kW to 150.0 kW	32,500
From 1,601 cc to 1,750 cc	78,000	From 150.1 kW to 180.0 kW	39,000
From 1,751 cc to 2,000 cc	117,000	Exceeding 180.0 kW	97,500
From 2,001 cc to 2,500 cc	156,000		
Exceeding 2,500 cc	195,000		

## Excise Duties on Motor Vehicles (New and Second Hand)

Engine Capacity	Conventional motor cars	Hybrid motor cars	Hybrid motor cars: capable of being charged by plugging to external source of electric power	Electric cars
	Excise Duty %			
Up to 550 cc	0		0	
From 551 cc to 1000 cc	45		0	
Up to 1600 cc		0		
From 1001 cc to 1600 cc	50		0	
From 1601 cc to 2000 cc	75	0	0	
Above 2000 cc	100	0		
From 2001 cc to 3000 cc			0	
Above 3000 cc			0	
Up to 180 kW				0
Above 180 kW				0

Extract from MRA's website: <https://www.mra.mu/index.php/customs1/motor-vehicles>

The below excise duty concession is applicable provided the motor car is cleared on or before 30 June 2023:

Engine Capacity	Excise Duty
Not exceeding 1,000 cc	55%
Exceeding 1,000 cc	45%

## Claim on Electric Motor Vehicle or Car

An individual who has, during the period starting on 1 July 2022 and ending on 30 June 2023, purchased an imported electric motor car or electric motor vehicle for the transport of goods of specific H.S. Codes may make a claim for an amount to be paid to him in the sum of 10% of the value at importation or Rs 200,000, whichever is lesser, subject to conditions.

# LAND DUTIES AND TAXES

Transfer	Duty/Rate
a. Transfer at a nominal price of one rupee to an "association foncière" set up in accordance with articles 664-123 and 664-138 of the Code Civil Mauricien, in respect of an area occupied by common amenities in a morcellement	<b>Rs 50 in respect of every lot in the morcellement</b>
b. Direct or indirect transfer of immovable property, including on the following, other than under paragraph a above: <ul style="list-style-type: none"> <li>Transfer of shares by a company which gives right of ownership, occupation or usage in an immovable property or any part thereof. Transfer in relation to shares in a company includes (i) any issue of new shares to any person, or conversion of debentures into shares by a company to any person which results in a change of control of that company; and (ii) any acquisition by a company of its own shares, by way of redemption, share buy-back or any other manner where such acquisition results in an effective change in ownership of that company.</li> <li>Transfer or issue of part social in a societe which right of ownership, occupation, usage in an immovable property or any part thereof.</li> </ul>	5%
c. Tax on transfer of leasehold rights in state land - the tax is payable in equal proportion by the buyer and the seller.	<b>20% (the rate is reduced to 10% in the case of a transfer of a built-up hotel on such state land)</b>

The Eighth Schedule to the Land (Duties and Taxes) Act provides certain instances where tax under the Land (Duties and Taxes) Act and duty under the Registration Duty Act on the registration of deed of transfer witnessing the transfer of immovable property does not apply. Among these instances, the following are included:

- Transfer of assets or shares between the companies forming part of a group of companies
- Transfer of shares, where the transfer takes place between companies having the same shareholders for the purpose of achieving a merger
- Transfer of undertaking by a partnership or societe to a company where the partners or the associates of the partnership or societe and the shareholders of the company are the same

# VALUE ADDED TAX

## Scope of VAT

VAT is a tax on the value-added generated at each stage of the production-distribution chain. VAT is charged at a standard rate of 15% on the supply of taxable goods or services and imports. However, there are certain goods or services which are in all respect treated as taxable supplies except that the rate applicable is 0%. These are referred to as zero-rated supplies. Supplies of goods or services made in Mauritius are subject to VAT if these supplies are made by a taxable person in the course or furtherance of any business, provided these supplies are not specifically exempted.

## Registration

A person making taxable supplies of goods and/or services cannot charge VAT unless being registered. Registration is compulsory if the turnover of taxable supplies exceeds Rs 6M per annum. Persons engaged in certain specified businesses or professions are also compulsorily required to register for VAT, irrespective of their turnover of taxable supplies.

## Supplies

A supply of goods means the transfer for a consideration of the right to dispose of the goods as the owner. A supply of services means the performance of services for a consideration. Anything which is not a supply of goods, but is done for consideration is a supply of services.

## Value of Taxable Supplies

The value of taxable supplies shall be expressed in Mauritius currency and is determined as follows or as the DG may determine:

Consideration	Value of taxable supplies
Monetary	Consideration amount
Non-monetary	Open market value
A mix of monetary and non-monetary	Open market value
Not made in the course of an arm's length transaction	Open market value

Where a taxable supply is not the only matter to which a consideration in money relates, the supply shall be deemed to be for such part of the consideration as is properly attributable to it.

## Digital and Electronic Services

Non-residents providing digital and electronic services through internet for consumption in Mauritius are subject to VAT.

Digital or electronic services are services which are supplied by a foreign supplier over the internet or an electronic network which is reliant on the internet or supplied by a foreign supplier and the supply is dependent on information technology.

A foreign supplier includes a person having no permanent establishment in Mauritius and who supplies (in the course of his business) digital or electronic services to a person in Mauritius.

## Reverse Charge

Where a person who does not belong in Mauritius and is not VAT registered, makes a taxable supply of services which are performed or utilised in Mauritius, to a registered person, then all the same consequences shall follow as if the registered person had himself supplied the services in Mauritius and that supply were a taxable supply. The registered person may claim the tax on the supply of those services as input tax.

Input tax refers to VAT charged on the supply to a taxable person of any taxable goods or taxable services, as well as VAT paid on any taxable goods.

Output tax means VAT on the taxable supplies made in the course or furtherance of a taxable person's business.

A taxable person may take as a credit against his output tax the amount of input tax allowable to him in any taxable period provided VAT invoices issued by suppliers legally authorised to charge VAT are made available. However, no input tax will be allowed as credit for certain goods and services used in the production of an exempt supply. Credit for input tax can be claimed within a period of 36 months from the date the input tax ought to have been taken.

Items for which input tax cannot be claimed include the following:

1. Goods and services used to make an exempt supply;
2. Motor cars and other motor vehicles for the transport of not more than 9 persons including the driver, motorcycles and mopeds, for own use or consumption, and their spare parts and accessories;
3. Maintenance or repair of motor cars and other vehicles specified above;
4. Petroleum oils (except those for resale and except gas oils & fuel oils for use in stationary engines and boilers);
5. Petroleum gas used for the running of motor cars and other vehicles specified in point 2 above; and
6. Accommodation or lodging, catering services, receptions, entertainment and rental or lease of vehicles specified in point 2 above.

## Credit for Input VAT

Input VAT is allowed on quad bikes, golf cars and similar vehicles, motor vehicles/motor cars of less than 9 persons used for business.

Where the supplies of the business are accommodation or lodging, catering services, receptions and entertainment and input tax is incurred on accommodation or lodging, catering services, receptions and entertainment, the input VAT incurred is allowed as credit.

## Tax Liability Prior to Date of Registration

Where a person was required to register for VAT prior to the date of his registration, he must, not later than 30 days after the date of his registration, submit a return to the MRA for the period he ought to have been registered and the date of his registration provided that this period does not exceed 4 years.

## Charge to VAT

VAT on any taxable supply is a liability of the person making the supply and becomes due at the time of supply.

A supply of goods or services shall be deemed to take place at the earlier of:

- i. the time an invoice or a VAT invoice in respect of that supply is issued by the supplier; or
- ii. at the time payment for that supply is received by the supplier.

Where services are provided to a Ministry, government department, local authority or the Rodrigues Regional Assembly under a construction works contract, the supply shall be deemed to take place at the time payment is received.

## VAT Invoice

A registered person is required to issue VAT invoices to customers who are VAT registered as well as those who are non-VAT registered.

A VAT invoice issued by a registered person shall specify the information as prescribed under the VAT Act.

## Excess

Any unclaimed input tax can be carried forward to be set off against future output tax.

## Exempt Bodies or Persons

The below bodies or persons are exempted from the payment of VAT in respect of goods and services specified in the Ninth Schedule:

- Disabled persons and the blind
- Benevolent and charitable institutions affiliated with the Mauritius Council of Social Services or receiving a subsidy from Government
- Any religious body approved by the DG
- The International Federation of Red Cross and Red Crescent Societies, the Mauritius Red Cross Society, the St John's Ambulance (Mauritius), Mauritius Scouts Association, Mauritius Girl Guides Association and any other society, association or organisation approved by the DG
- Airlines
- Any non-citizen serving in Mauritius under a Bilateral or Multilateral Agreement with the Government of Mauritius
- Diplomatic missions and agents
- Any company engaged wholly and exclusively in the provision of e-commerce services to persons residing outside Mauritius or the registration and processing in Mauritius of bets placed on overseas sporting events by persons residing outside Mauritius
- Any holder of a road service licence for the transport of the general public by bus
- National Housing Development Company Ltd; Housing development trust or other non-profit vehicle, carrying on the construction of social housing, registered with the National Empowerment Foundation; National Empowerment Foundation; New Social Living Development Ltd

- Any person engaged in a biofarming project duly approved by the Food and Agricultural Research and Extension Institute or by the Commission responsible for the subject of agriculture of the Rodrigues Regional Assembly
- Any person, approved by the Minister, engaged in the implementation of a project, funded by a foreign State to the extent of at least 50% of the estimated project value from grant or concessionary financing, as the Minister may approve
- Any person who holds an Investment Certificate issued by the EDB
- Any person engaged in the construction of a purpose-built building to be leased exclusively to a person who holds an Investment Certificate issued by the EDB
- Any person who holds an Investment Certificate issued by the EDB and engaged in the provision of tertiary education
- Any person engaged in the construction of a purpose-built building for the provision of tertiary education to be leased exclusively to a person engaged in the provision of tertiary education, who holds an Investment Certificate issued by the EDB
- Any person operating a museum for motor vehicles and holding an Investment Certificate issued by the EDB

## Exempt Goods and Services

Exempted goods and services include, among others:

Perishables	staple food item (e.g., wheat, cereal flours, vegetable oils, etc.), live animals used as, or yielding or producing, food for human consumption other than live poultry, common salt produced outside of Mauritius.
Financial	services provided by an insurance agent, insurance broker, certain financial services, services provided by a subsidiary of the Bank of Mauritius.
Import/Postal	re-imported goods in respect of which no refund was made on exportation, goods imported under transshipment procedure, postal services, goods amounting up to Rs 3,000 imported by post.
Medical	medical, hospital and dental services, certain medical equipment, anti-smoking items.
Telecommunication	the renting of fixed telephone lines, internet services up to Rs 100, certain subscription fees.
Transportation	buses and chassis for use as public transport, aircrafts, aircraft leasing, fishing vessels, factory ships and other vessels for processing or preserving fishery products, works of arts and other collectibles, certain cargo handling services, motor car or double space cabin vehicles for use as taxi.
Property	the sale or transfer of an immovable property, residential renting for a continuous period exceeding 90 days, building or part of a building, apartment, flat or tenement, assignment or surrender of any interest in or right over land or of any licence to occupy land.

Personal belongings	passenger baggage, ships transporting persons and/or goods, household and personal effects.
Education	educational and training services, journals, periodicals
Entertainment	cinema/concert/shows/sports event entrance fees, and cinematographic films, including royalties.
Others	various agricultural inputs and equipment, burial, cremation services and coffin, certain precious metals, stones and pearls.

## Zero rated Goods and Services

Zero rated goods and services will be subject to VAT at zero rate. As opposed to exempted goods and services however, this will enable registered persons to claim deduction of the relevant input tax.

The zero rate applies to the following unexhaustive list of goods and services

1. Exported goods and services
2. Duty free goods supplied by a duty free shop situated at the port or airport
3. Goods and services supplied to a licensee in the Freeport zone
4. Services supplied by offshore management companies to offshore banks and companies GBCs
5. Meat, fish, bread, milk, buttermilk, margarine, butter, edible oils, ghee, cheese and curd, honey, soya bean, tea, spices, sugar, sugar case, molasses, bagasse, vegetable burgers and sausages, fertilisers and rice
6. Animal feeding products other than prepared pet foods
7. Pharmaceutical products
8. Photovoltaic panels
9. Chilled deep sea water used for the provision of air conditioning services
10. Fees payable for examination of vehicles up to 30 June 2020
11. Burglar alarm systems, CCTV camera systems
12. Sanitary towels and tampons
13. Production of films for export
14. Sewing equipment and material
15. Printed books, booklets, brochures, pamphlet etc
16. Kerosene including kerosene jet type fuel
17. Common salt produced in Mauritius
18. Electricity and water supplied by the Central Electricity Board and Central Water Authority respectively, including the renting out of a meter
19. Transport of passengers by light rail
20. Transport of passengers and goods by sea or air
21. Breathing appliances and personal protective masks excluding those having neither mechanical parts nor replaceable filters
22. Hand sanitisers

23. Cooking gas in cylinders of up to 12 kg for domestic use
24. Live animals for training or breeding purposes
25. Dumplings made up of meat, fish, chicken, molluscs, crustaceans, vegetables or milk to be consumed boiled or steamed

### Deferred Payment of VAT at Importation

Where capital goods, being plant and machinery, are imported by a VAT registered person, the payment of VAT at importation may be deferred.

The deferred VAT is payable on submission of the VAT return for the taxable period in which the VAT is deferred.

Where deferred VAT is not paid on submission of the VAT return, the deferred VAT together with applicable penalties, shall become due and payable under the Customs Act.

### Electronic Fiscal Device and e-Invoicing System

The DG may require any person to use an electronic fiscal device or e-invoicing system to record transactions which may affect liability to tax.

Heavy penalties, including terms of imprisonment are provided for non-use of the electronic fiscal device/e-invoicing system, tampering with the device/e-invoicing system, or causing the device/e-invoicing system to work improperly.

Where a person is dissatisfied with any claim of penalties, he may object by stating the full grounds of objection.

### Accounting for VAT on a Cash Basis

A business is classified as "small enterprise" if its annual turnover does not exceed Rs 10M.

A small enterprise may apply to the MRA to operate the VAT accounting system on either the accrual basis or cash basis.

Under the cash basis, a supply is considered to have been made when payment for the supply is received.

A small enterprise may operate the VAAS.

### Repayment of VAT

A registered person may, where his return shows an excess amount, make a claim for repayment:

- i. in respect of input tax paid on capital goods and amounting to more than Rs 100,000; or
- ii. of the whole or part of the excess amount if he is mainly engaged in making zero-rated supplies; e.g. export of taxable supplies.

Repayment shall be made within 45 days from the date the documents requested by the MRA are submitted.

### Refund of VAT to Persons on Residential Building, House or Apartment

Any person may make an application for a refund of VAT on the construction of a residential building, or the purchase of a residential apartment or house from a property developer up to a maximum of Rs 300,000. To qualify for the scheme, the floor area of the residential building, or house or apartment should not exceed 1,800 square feet and the construction of the residential building, house or residential apartment should start in 2014 and should be completed by 2024 and in the period of 6 months ending 30 June 2025. The scheme will only apply to household whose annual net income does not exceed Rs 1M and is applicable on the construction or acquisition of a first residence only.

### Refund of VAT to Event Organisers

An event organiser registered with the EDB may make an application for refund of VAT in respect of accommodation costs incurred by visitors attending a qualifying event, subject to conditions.

### Deduction of Amount from VAT by Public Sector Agency

Where a public sector agency makes a payment to a VAT registered person in respect of goods and services listed in the table below, it shall, at the time of payment, deduct, from the amount of VAT chargeable on the goods and services, an amount representing the appropriate rate of deduction specified in the corresponding second column of the below table:

Goods and services	Rate of deduction
Goods and services procured under a single contract and where the payment, exclusive of VAT, exceeds Rs 300,000	40%
Goods procured under a contract and where the payment, exclusive of VAT, exceeds Rs 100,000	30%
Services procured under a contract and where the payment, exclusive of VAT, exceeds Rs 30,000	60%

# TAX DEADLINES

## Companies

Description	Deadline
Submission of annual returns and Payment of Tax Exception: Year ended 31 December Year ended 30 June (With tax payable) Year ended 30 June (No tax payable)	6 months after accounting year end  2 working days before 30 June 2 working days before 31 December 15 January
APS Returns Exception: Quarter ended 30 September Quarter ended 31 March	3 months after end of the month in which the APS quarter ends  2 working days before 30 June 2 working days before 31 December
Annual return of income for resident société Annual return of income of a deceased person's estate (succession)	30 September
Return of Dividends	15 August
Statement for Purchases of Goods & Services for the income year ending 30 June	31 August

## Individuals

Description	Deadline
Submission of annual returns and Payment of Tax	15 October
Simplified return for Self-employed	15 October
CPS Returns Exceptions: Quarter ended 30 September Quarter ended 31 March	3 months after end of the month in which the CPS quarter ends  2 working days before 31 December 2 working days before 30 June

## Employment Tax

Description	Deadline
PAYE/Social Contribution/NSF/HRDC Levy	End of each month
Annual Contribution Return by self-employed Annual Contribution Return Category Private Household	31 July
Submission of ROE to MRA Statement of Emoluments to employees	15 August

## TDS

Description	Deadline
Monthly return/Monthly remittance of TDS	End of each month
Statement Of Amount Paid And Tax Deducted to Payee Annual TDS Return to MRA	15 August

## VAT

Description	Deadline
Monthly VAT return (Annual Turnover of Taxable Supplies > Rs 10M)	End of each month
Quarterly VAT return (Annual Turnover of Taxable Supplies ≤ Rs 10M)	1 month after end of quarter

## Other Returns

Description	Deadline
Passenger Fee/Passenger Solidarity Levy	End of each month
Environment Protection Fee Electronic Gaming Return, Amusement Machines, Tax on Winnings	20 <sup>th</sup> of each month
VAT Special Levy on Banks	5 months from the end of the accounting period
Payment of Advertising Structure Fee	15 days after end of quarter
National Lottery and Loterie Vert	7 days after end of quarter
Payment of Rum and Liquor Licence	15 January
Statement of Life Insurance Premium Statement of Donation by approved charitable institutions	15 August
Statement of Financial Transactions Statement of Foreign Currency Transactions	30 September

Where the date for submission of any return and Payment of Tax falls on Saturday, Sunday or public holiday, the return and the payment may be made on the following working day.

The above due dates may be subject to legislative changes or exceptional extensions granted in extraordinary circumstances at the discretion of the MRA.

# HIGHLIGHTS OF MAURITIUS TAX TREATIES

## Maximum tax rates applicable in the Source State

Country	Dividends	Interest(i)	Royalties
1 Australia (Partial)	-	-	-
2 Barbados	5%	5%	5%
3 Belgium	5% & 10%	10%	Exempt
4 Botswana	5% & 10%	12%	12.5%
5 Cabo Verde	5%	10%	7.5%
6 China	5%	10%	10%
7 Congo	0% & 5%	5%	Exempt
8 Croatia	Exempt	Exempt	Exempt
9 Cyprus	Exempt	Exempt	Exempt
10 Egypt	5% & 10%	10%	12%
11 Estonia	0% & 7%	0% & 7%	0% & 5%
12 France	5% & 15%	same rate as under domestic law	15%
13 Germany (new)	5% & 15%	Exempt	10%
14 Ghana	7%	7%	8%
15 Guernsey	Exempt	Exempt	Exempt
16 India	5% & 15%	7.5%	15%
17 Italy	5% & 15%	same rate as under domestic law	15%
18 Jersey	Exempt	Exempt	Exempt
19 Kuwait	Exempt	Exempt	10%
20 Lesotho	10%	10%	10%
21 Luxembourg	5% & 10%	Exempt	Exempt
22 Madagascar	5% & 10%	10%	5%
23 Malaysia	5% & 15%	15%	15%
24 Malta	Exempt	Exempt	Exempt
25 Monaco	Exempt	Exempt	Exempt
26 Mozambique	8%, 10% & 15%	8%	5%
27 Namibia	5% & 10%	10%	5%

## Maximum tax rates applicable in the Source State

Country	Dividends	Interest(i)	Royalties
28 Nepal	5%, 10% & 15%	10% & 15%	15%
29 Oman	Exempt	Exempt	Exempt
30 Pakistan	10%	10%	12.5%
31 Rwanda	10%	10%	10%
32 People's Republic of Bangladesh	10%	normal rate	normal rate
33 Seychelles	Exempt	Exempt	Exempt
34 Singapore	Exempt	Exempt	Exempt
35 South Africa	5% & 10%	10%	5%
36 Sri Lanka	10% & 15%	10%	10%
37 State of Qatar	Exempt	Exempt	5%
38 Eswatini (Previously known as "Swaziland")	7.5%	5%	7.5%
39 Sweden (New)	0% & 15%	Exempt	Exempt
40 Thailand	10%	10% & 15%	5% & 15%
41 Tunisia	Exempt	2.5%	2.5%
42 Uganda	10%	10%	10%
43 United Arab Emirates	Exempt	Exempt	Exempt
44 United Kingdom	Exempt & 15%	Same rate as under domestic law	15%
45 Zimbabwe	10% & 20 %	10%	15%

*\*The above table has been extracted from the MRA's website on 05th August 2021.*

- i. where interest is taxable at rate provided in the domestic law of the State of source or at reduced treaty rate, provision is usually made in the treaty to exempt interest receivable by a Contracting State itself, its local authorities, its Central Bank/all banks carrying on bona fide banking business and any other financial institutions as may be agreed upon by both Contracting States.
- ii. within any 12-month period
- iii. within any 24-month period
- iv. no specific provision made in respect of furnishing of services.



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FATCA & CRS  
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## Our Core Values



### Best-In-Class

We aim to be the benchmark for quality in our industry and the standard by which other firms are measured.



### Stewardship

We hire the best and the brightest and we invest in our people to ensure that legacy.



### Seamless

Our firm is constructed as a global firm. We share an interest in providing the highest level of client services regardless of location.



### Independence

Our platform allows us to objectively serve as our client's advocate; the only advice and solutions we offer are those that are in the best interest of our client.



### Transparency

We value open communication, information sharing and inclusive decision making.

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