

Notes - How to fill in your Statement of Income

- (1) A CPS Statement of Income should be submitted to the Director General, MRA by every individual deriving business income (including income from profession, vocation or occupation) and rental income in a CPS quarter and who
- (i) derives gross income which exceeds the CPS threshold, whether or not he has a chargeable income for that CPS quarter;
 - (ii) has a chargeable income, whether or not his gross income exceeds the CPS threshold.

- (2) The CPS threshold for a CPS quarter in the income year ending 31 December 2009 is as follows:

Turnover	...	...	...	...	Rs 500,000
Gross income from profession, vocation or occupation	...	...	...	...	Rs 100,000
Rent	...	...	...	...	Rs 25,000 per month

- (3) An individual whose gross income exceeds the CPS threshold in any one quarter in an income year has to submit a Statement of Income for each of the remaining quarters in that income year, whether or not his gross income exceeds the CPS threshold.

- (4) You may opt to calculate your net income for a CPS quarter based on either **Method 1** or **Method 2**.

Method 1 - Net income for the quarter is taken as being 25% of net business/rental income derived during the **preceding** income year uplifted by 10%;

Method 2 - Compute the gross income derived in the CPS quarter and deduct therefrom the expenses incurred in the production of that gross income.

If you opt for **Method 1**, do not fill in section 2 of the Statement of Income. If you opt for **Method 2**, do not fill in section 1.

You can opt to calculate your net income based on **Method 1** only if -

- (i) a return has been furnished for the preceding income year and the net result for that year is not a loss; and
- (ii) business/rental income for the CPS quarter was derived from the same sources as in the preceding income year.

(5) Business expenses

Expenses incurred exclusively in the production of gross income are deductible. Expenses of a private nature and expenses incurred in the production of exempt income are not allowable.

Where in respect of certain items of expenditure the amount is not known at the time of making the Statement of Income, an estimate of the expenditure for the quarter may be included in the Statement of Income.

Depreciation is not an allowable deduction. You may, instead deduct 25% of the annual allowance on capital expenditure incurred, calculated at the rates shown below -

Capital expenditure incurred on -

	Rate of annual allowance	
	Percentage of	
	Base Value	Cost
Industrial premises excluding hotels.....	-	5
Commercial premises	-	5
Hotels	30	-
Plant or Machinery -		
(a) costing 30,000 rupees or less	-	100
(b) costing more than 30,000 rupees -		
(i) ships or aircrafts	20	-
(ii) aircrafts and aircrafts simulators leased by a company engaged in aircraft leasing	-	100
(iii) motor vehicles	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	-
Improvement on agricultural land for agricultural purposes.....	25	-
Scientific research	25	-
Golf courses	15	-
Acquisition or improvement of any other item of a capital nature which is subject to depreciation under normal accounting principles	-	5

Note:-

No annual allowance is allowable unless proper books of accounts and records are kept.

(6) Losses

Any loss incurred in the previous income year/quarter in the production of gross income falling under CPS that remained unrelieved may be carried forward and be set off against gross income falling under CPS for the following quarter.

Losses incurred in a year may be carried forward for set off against the net income of 5 succeeding income years. Any amount unrelieved after 5 income years shall lapse unless the loss relates to annual allowances on assets acquired on or after 1 July 2006.

(7) Entitlement to Income Exemption Threshold

An individual who is resident in Mauritius in the income year ending 31 December 2009 is entitled to claim an Income Exemption Threshold (IET) in respect of Category A, B, C or D.

Do not claim an IET under this section if you have already claimed an IET in your Employee Declaration Form (EDF) for PAYE purposes.

You should deduct only 25% of your IET in each quarter.

Sharing of dependents between you and your spouse is not allowed. In case your spouse has claimed an IET in respect of Category B, C or D, you may claim an IET in respect of Category A only.

An individual is not entitled to claim for the quarter ending 30 September 2009 an IET in respect of

- (a) Category B, if the net income and exempt income of his dependent in that quarter exceeds 29,615 rupees;
- (b) Category C, if the net income and exempt income of his second dependent in that quarter exceeds 16,155 rupees;
- (c) Category D, if the net income and exempt income of his third dependent in that quarter exceeds 10,770 rupees.

"Dependent" means either a spouse, child under the age of 18 or a child over the age of 18 and who is pursuing full-time course at an educational institution or a training institution or who cannot earn a living because of a physical or mental disability.

"Child" means

- (a) an unmarried child, stepchild or adopted child of a person;
- (b) an unmarried child whose guardianship or custody is entrusted to the person by virtue of any other enactment or of an order of a court of competent jurisdiction;
- (c) an unmarried child placed in foster care of the person by virtue of an order of a court of competent jurisdiction.

(8) Chargeable Income

The chargeable income is the difference between your net income at Section 1.4 or 2.8 as applicable and your IET entitlement at Section 3.5.

(9) Calculation of Tax

The chargeable income of a quarter is taxed at the rate of 15 %.

(10) Tax Deducted at Source

If tax has been deducted at source from the gross income derived by you during the preceding CPS quarter, you may claim a credit in respect of the tax deducted during that quarter by the payer.

(11) Penalty and Interest

- (i) Where a Statement of Income is submitted after the due date, a penalty of Rs 2,000 per month or part of the month, up to a maximum of Rs 6,000 is payable.
- (ii) Late payment of tax carries a penalty of 5% of the amount of tax unpaid and interest at the rate of 1% per month.

(12) Due date for submission of Statement of Income and payment of tax –

<i>In respect of quarter</i>	<i>Due Date</i>
1 July to 30 September	31 December 2009.

If you need further information, you may consult the CPS Guide on the website of the MRA or contact the Mauritius Revenue Authority, Eham Court, Cnr Mgr Gonin & Sir Virgil Naz Streets, Port Louis.

Tel. No.: 207-6000

Fax No.: 211-8099

Hotline: 207-6010

Website: <http://mra.gov.mu>

Forms can also be downloaded from the Mauritius Revenue Authority website.