

19 July 2019

To: ALL EMPLOYERS

**INCOME TAX – PAY AS YOU EARN (PAYE)**  
**INCOME YEAR 2019-2020**

Employers are informed of the following changes in the operation of the PAYE system.

**1. Income Exemption Threshold (IET)**

The amount of deduction in respect of IET has increased as per table below:

Category	2018-19	2019-20
A. Individual with no dependent	305,000	310,000
B. Individual with one dependent	415,000	420,000
C. Individual with two dependents	480,000	500,000
D. Individual with three dependents	525,000	550,000
E. Individual with four dependents	555,000	600,000

**2. Retired Person/Disabled person**

A retired person or a disabled person shall, irrespective of his IET category, be entitled to an additional deduction of Rs 50,000. The retired person shall not be entitled to the additional deduction of Rs 50,000 where he derives income from employment exceeding Rs 50,000 or he derives income from business.

A retired person or a disabled person may choose categories A to E. Categories F and G no longer exist.

**3. Additional Exemption in respect of dependent child pursuing undergraduate course**

The above additional exemption is henceforth available to an individual in respect of his fourth dependent also.

**4. Relief for Medical or Health Insurance Premium**

An individual shall henceforth, be entitled to deduct from his net income the premium paid in respect of a medical or health insurance policy for his fourth dependent also. The **maximum** relief allowable in respect of himself and his first dependent is Rs 15,000 each and that in respect of his second, third and fourth dependent is Rs 10,000 each.

**5. Tax rate applicable for PAYE**

Employees whose average cumulative monthly salary (ACMS) does not exceed Rs50,000 are taxable at the rate of 10% whereas employees whose ACMS in a month exceeds Rs 50,000 are taxable at the rate of 15%.

Where, for the month of July, the basic salary, including compensation, of an employee does not exceed Rs50,000, the tax rate applicable under PAYE system for that month and subsequent

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months of the income year is 10% provided the ACMS of the employee does not exceed Rs 53,846.

#### 6. Fast charger for electric car investment allowance

Where an individual has in an income year acquired a fast charger for his electric car, he shall be entitled to deduct from his net income, the expenditure incurred for the acquisition of the charger.

#### 7. Employee Declaration Form (EDF)

EDF for the income year 2019/20 is available on MRA website for download.

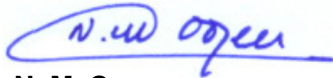
#### 8. Return of Employees (ROE)

**ALL employers** are required to submit a ROE electronically, on or before **15 August 2019**, and include in the ROE the details of **ALL their employees**. Employers are not required to insert the Tax Account Number (TAN) of their employees in the ROE. They should instead insert the NIC number of the employee or in case of non-Mauritian citizen, the non-Citizen ID number (NCID) issued by the Immigration officer.

Household employers are not required to submit a ROE in respect of the employees in their domestic service.

For any additional information, please phone **207 6000** or call in person at the MRA Customer Service Centre, Ground Floor, Eham Court, Cnr Mgr Gonin & Sir Virgil Naz Streets, Port Louis.

Yours faithfully



**N. M. Oozeer**  
**F/Ag. Director-General**

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