

FAQs

Frequently Asked Questions

VAT Refund Scheme *on Residential Building or Apartment*



1. *What this scheme is about?*
2. *Who can apply for a refund of VAT under this scheme?*
3. *What are the other conditions to be met to be able to apply for the refund?*
4. *If the cost of the construction of the residential building or the purchase price of the residential apartment exceeds 4 million rupees can an application still be made for the refund of VAT on the first 4 million rupees?*
5. *What is the maximum amount of VAT that an applicant can claim for the construction of a residential building or the purchase of a residential apartment or house?*
6. *How and when to apply for a refund of VAT under the scheme?*
7. *Can a claim for refund be made in respect of any amount of VAT paid during a quarter?*
8. *What documents should be submitted with an application for refund under the scheme?*
9. *How much time does it take for an application for refund to be approved by the MRA?*
10. *How to calculate the deemed VAT that can be claimed for refund upon the purchase of a residential apartment or house from a property developer?*
11. *Where can the application form, VAT 7C, be obtained?*

1. *What this scheme is about?*

Under this scheme a person may apply 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.

2. *Who can apply for a refund of VAT under this scheme?*

Any person who is a citizen of Mauritius of 18 years of age or over and whose annual net income for income tax purposes and that of his spouse does not, in the aggregate, exceed 2 million rupees.

3. *What are the other conditions to be met to be able to apply for the refund?*

- i. The construction of the residential building, house or residential apartment must be started and completed in the years 2014 to 2019 and in the period of 6 months ending 30 June 2020;
- ii. The applicant or his spouse must be the owner or co-owner of the residential building or residential apartment; and
- iii. The cost of the construction of the residential building or the purchase price of the residential apartment or house must not exceed 4 million rupees;
- iv. The claim for refund shall not be in relation to a property on:
 - a. Pas Geometriques;
 - b. Real State under the Investment Promotion (Real State Development Scheme) Regulations 2007;
 - c. Property Development under the Investment Promotion (Property Development Scheme) Regulations 2015;
 - d. Invest Hotel under the Investment Promotion (Invest Hotel Scheme) Regulations 2015;
 - e. Smart City under the Investment Promotion (Smart City Scheme) Regulations 2015.

4. *If the cost of the construction of the residential building or the purchase price of the residential apartment exceeds 4 million rupees can an application still be made for the refund of VAT on the first 4 million rupees?*

No. An application for refund of VAT would be entertained only where the cost of the construction of the residential building or the purchase price of the residential apartment or house does not exceed 4 million rupees.

5. *What is the maximum amount of VAT that an applicant can claim for the construction of a residential building or the purchase of a residential apartment or house?*

Any refund of VAT to the applicant and his spouse must not in the aggregate, exceed 500,000 rupees.

6. *How and when to apply for a refund of VAT under the scheme?*

An application for refund must be made on form VAT 7 C within 30 days from the end of every quarter during which the VAT has been paid.

An application will not be entertained where it is made more than 12 months from the date of payment of the final amount of VAT or from the date of final payment to the property developer.

7. *Can a claim for refund be made in respect of any amount of VAT paid during a quarter?*

An application must be made only if the amount refundable in respect of a quarter exceeds 25,000 rupees. If the amount refundable does not exceed Rs 25,000 in respect of a quarter, it may be claimed in the subsequent quarter provided the total amount claimed in the application exceeds Rs 25, 000. This would not apply in respect of the final application.

8. *What documents should be submitted with an application for refund under the scheme?*

The following documents must be submitted with the first application for refund in respect of the construction of a residential building or purchase of a residential apartment or house:

- i. VAT invoices issued under section 20, in respect of the construction of a residential building.
- ii. Receipts issued under section 19(2)(c), in respect of the purchase of a residential apartment or house from a property developer.
- iii. Contract/agreement between applicant and building contractor or deed of sale between applicant and property developer.
- iv. Building permit in the name of applicant from district council/municipality.
- v. Deed of purchase of land (in case of construction).
- vi. Evidence of income, e.g payslip for employee or income statements for self-employed.

For subsequent claims VAT invoices or receipts, as applicable, must be submitted.

9. *How much time does it take for an application for refund to be approved by the MRA?*

The MRA will proceed with the refund within 30 days from the date of receipt of the application, provided all conditions are satisfied and relevant documents submitted.

10. *How to calculate the deemed VAT that can be claimed for refund upon the purchase of a residential apartment or house from a property developer?*

The deemed VAT can be calculated as follows:

Purchase Price x 0.104

What about payment by instalment?

Where the payment is made by instalment, the amount to be claimed in a particular quarter is to be calculated as follows-

Amount paid x 0.104,


provided the total amount claimed does not exceed purchase price x 0.104

11. *Where can the application form, VAT 7C, be obtained?*

Application form (VAT 7C) may be downloaded from the **MRA's website:**

<http://www.mra.mu>



PRIVATE & CONFIDENTIAL	All Correspondences should be addressed to The Director General, Mauritius Revenue Authority, Efram Court, Cnr Mgr Gonin & Sir Virgil Naz Streets, Port Louis	VAT 7C
 <p>VALUE ADDED TAX - APPLICATION FOR REFUND OF VAT ON RESIDENTIAL BUILDING/APARTMENT OR HOUSE The Value Added Tax Act – Section 65C</p>		FOR USE BY MRA OFFICE Date received
Quarter ending		
1. Particulars of Applicant		
1.1 Name of Applicant 1.2 NID No 1.3 Name of Spouse 1.4 NID No 1.5 Date of Civil Marriage 1.6 Address 1.7 Tel. Number 1.8 Fax Number 1.9 E.mail		
2. Particulars of Income		
2.1 Employer's Name if employed (i) Self (ii) Spouse 2.2 Tax Account No (i) Self (ii) Spouse 2.3 Annual Net Income (i) Self (ii) Spouse 2.4 Aggregate Annual Net Income (self & spouse)		
3. Particulars of Building Contractor/Property Developer		
3.1 Name of Building Contractor/Property Developer 3.2 BRN..... NID No.....		
4. Particulars of Residential building/apartment or house		
4.1 Cost as per contract/Agreement 4.2 Date of Purchase (applicable to purchase of residential apartment or house)..... 4.3 Date of start Date of completion		

5. Particulars of Claim for Refund

5.1 VAT Refund Account

4.1.2 VAT already claimed in previous quarter(s) Rs

4.1.2 VAT claimed in current quarter Rs

4.1.3 Total VAT claimed as at date Rs

5.2 Details of invoices/receipts in respect of current claim

SN	5.2.1	5.2.2	5.2.3	5.2.4	5.2.5
	Vat Invoice / Receipt No	Date	VAT Paid (Rs)	Date of Payment	Vat Refundable (Rs)

DECLARATION

I, Mr / Mrs *.....

- a) Confirm that the particulars and statements in this return are true and complete.
- b) Confirm that no previous claim has been made for a refund of VAT paid at 5.2.4 above and no other claim will be made in respect thereof; and
- c) Request:
 - i. Refund of the sum (in words).....
 - ii. Mode of payment cheque/bank transfer*

In the case of bank transfer please provide:

- i. Name of Bank (in Mauritius).....
- ii. Branch.....
- iii. Account No.....

Date..... Signature.....

Capacity in which acting

* Delete as appropriate

FOR USE BY MRA OFFICE

Recommended: Rs..... Signature.....Date.....

Approved: Rs..... Signature..... Date.....

P.V. No..... Refund Code.....

VALUE ADDED TAX - APPLICATION FOR REFUND OF VAT ON RESIDENTIAL BUILDING/APARTMENT OR HOUSE

The Value Added Tax Act – Section 65C

NOTES

Particulars of Applicant

A person is eligible to apply for a refund of VAT under the scheme if –

- i. He is a citizen of Mauritius;
- ii. He is of 18 years of age or over
- iii. He or his spouse must be the owner or co-owners of the residential building or apartment

Particulars of Income

Applicant’s annual income and that of his spouse does not, in the aggregate exceed Rs 2,000,000.

Particulars of Residential building, house or apartment

- i. The cost of the construction or the purchase price must not exceed Rs 4 M
- ii. The construction must be started and completed in the years 2014 to2019 and in the period of 6 months ending 30 June 2020.

Particulars of Claim for Refund

- 1. Claims for refund must be made within 30 days from the end of every quarter during which the VAT has been paid.
- 2. A claim for refund can be made only if the amount refundable in a quarter (except for the last quarter) exceeds Rs 25,000. Where it does not exceed Rs 25,000, it may be claimed in the next quarter.
- 3. The total refund of VAT in respect of a residential building/apartment or house must not exceed Rs 500,000.
- 4. The First Application for refund must be accompanied by contract/agreement with building contractor/property developer, building permit, deed of purchase of land, evidence of income, VAT invoices (in case of construction) and receipts. Subsequent applications must be accompanied by invoices (where applicable) and receipts only.
- 5. Claim for repayment must be made within 12 months from the date of payment of the final amount of VAT or the date of final payment to the property developer.

NOTE: In case of incomplete and incorrect information, the application for refund may be delayed.

For any further information, please contact MRA Head Office
Tel: +230 207 6000 Fax: +230 211 8099 Hotline:+230 207 6010
Email: headoffice@mra.mu

