MAURITIUS REVENUE AUTHORITY

# GUIDELINES FOR VAT REPAYMENT CLAIMS

September 2025

## 1. Introduction

These guidelines have been developed with the aim of helping Value Added Tax (VAT) registered persons to understand the procedures for making a VAT repayment claim. The provisions of the law on VAT repayment and the steps taken to make a correct claim to facilitate processing and avoid penalty for making wrong claims are also explained.

The guidelines are for information only. For the legal provisions, you may consult the Value Added Tax (VAT) Legislations.

## 2. Eligibility for repayment

A VAT registered person may make a claim for repayment of VAT where his VAT return shows an excess and:

a. he incurs capital expenditure;

b. he makes zero rated supplies;

c. he proves to the satisfaction of the Director-General that the excess amount in his return is unlikely to be offset against future output tax;

d. The excess is due to allowable input tax.

## 3. Conditions to be fulfilled for Repayment entitlement

### i. Capital goods

A VAT registered person may make a claim for repayment in respect of capital goods where the excess in the return includes allowable input tax amounting to more than Rs. 100,000 on:

a. Capital Goods being buildings or structure (including extension and renovation), plant, machinery and equipment of a capital nature.

b. Intangible assets of a capital nature being goodwill on acquisition of a business or part of a business, computer software, patents, franchise agreements.

### ii. Zero-rated supplies

Where a person is mainly engaged in making zero-rated supplies and his return shows an excess amount, he may make a claim for repayment of the whole excess amount. A person is considered as mainly engaged in making Zero-rated supplies where 80% of his annual turnover relates to zero-rated supplies.

Where a VAT registered person is not mainly engaged in making zero-rated supplies he may make a claim, in addition to any amount repayable in respect of capital goods as described at 3(i) above, of input tax in respect of other goods and services. In this case, the repayment is limited to that part of the excess in respect of goods other than capital goods, which corresponds to the proportion of the value of zero-rated supplies to the total value of taxable supplies in that taxable period.

### iii. Excess amount unlikely to be offset against output tax

Where the excess amount in the return is unlikely to be offset against subsequent output tax, a claim for repayment of the whole or part of the excess amount may be made. The claim will be entertained if the excess amount arises as a result of allowable input tax attributable to:

a. taxable supplies already declared in a return for a previous taxable period;

b. taxable supplies made to exempt persons or bodies; or

c. taxable goods that are proved to the satisfaction of the Director-General to be obsolete, defective, damaged or unfit for human consumption and are destroyed or re-exported, as the case may be, provided that the excess amount exceeds 100,000 rupees and is unlikely to be set off against subsequent output tax during the following 12 months.

## 4. How to make a claim for repayment?

A claim for repayment is made at part 15 on the VAT return itself.

## 5. Requirement not to carry forward amount claimed as repayment.

Where a claim for repayment is made for a particular taxable period, the amount claimed should not be carried forward onto the return for the following period.

## 6. Time limit for effecting repayment

Where the Director-General is satisfied with a claim for repayment, he has to effect the repayment within 45 days from the date of receipt of the claim. However, where the MRA has requested a registered person to submit invoices, documents or information about a claim for repayment, the time limit will start as from the date of submission of the invoices, documents or information requested.

## 7. Setting off of outstanding amount repayable against outstanding tax

Where a person entitled to a VAT repayment has an outstanding tax liability with MRA, the amount repayable may be set off against the outstanding debt and only the remaining balance is repaid.

## 8. Penalty for repayment over-claimed

Where it is found that a person has over-claimed an amount, a penalty representing 20 per cent of the amount over-claimed subject to a maximum of **Rs. 200,000**, is charged to the taxpayer.

The penalty becomes payable within 28 days of the date of notification. It may also be offset against any amount repayable to the VAT registered person.

No claim will be made for penalty not exceeding Rs. 250.

## 9. How to avoid penalty on claims for repayment

Necessary steps should be taken to ensure that no claim for repayment submitted to this Office is excessive for any reason whatsoever, including the following:

a. Under-declared output tax.

b. Credit taken in respect of disallowed input tax.

c. Credit not taken in the correct proportion in respect of input tax suffered on taxable goods and services used to make both taxable supplies and exempt supplies.

d. Credit for input tax not supported by proper VAT invoices/ Customs import declarations.

e. Repayment claimed in respect of input tax already used to set off output tax.

f. The same input tax accounted for in more than one claim for repayment.

g. Input tax for an amount of less than Rs 100,000 in respect of capital expenditure claimed by VAT Registered persons not mainly engaged in making zero-rated supplies.

## 10. Mode of repayment

A repayment is made through bank transfer and the VAT registered person has to submit details of the bank account to which the repayment is to be credited. A letter duly signed by the director with the company's seal, and a copy of the latest bank statement must also be sent.

**For any additional information, taxpayers may visit MRA website: www.mra.mu, contact us via mail on headoffice@mra.mu, phone on MRA's helpdesk: 207 6000 or call in person at the MRA Customer Service Centre, Ground Floor, Ehram Court, Cnr. Mgr. Gonin & Sir Virgil Naz Streets, Port Louis**

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