

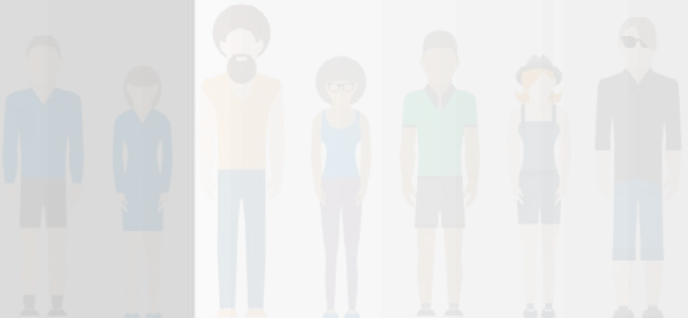
NEGATIVE

INCOME

TAX



2018



What is NIT ?

The **Negative Income Tax (NIT)** is a system where, instead of paying taxes, employees deriving basic salary not exceeding Rs 9,900 per month, receive financial support from Government.

The NIT system, introduced by the Government in its budget 2017/18, is effective as from 1st July 2017.

Who is eligible?

- A Mauritian Citizen.
- An employee whose basic salary is less than or equal to Rs 9,900 per month, provided that his total earnings (excluding travelling) in that month does not exceed Rs 20,000.
- The net income of the individual or his spouse, excluding dividend and interest in the current year, does not exceed Rs 390,000.
- An employee who works for a minimum of 24 hours in a week, over at least 3 days.
- An employee whose employer has paid contributions on his behalf to the NPF and the NSF in respect of the month for which NIT is being claimed.

All conditions should be fulfilled

What amounts are included in the earnings of an individual?

The monthly earnings of an individual includes all salaries, wages, overtime pay, leave pay and other allowances in money or money's worth derived from employment but excludes travelling allowance and end of year bonus. Any annuity, pension and basic retirement pension received should also be included.

What is the amount of NIT allowance payable ?

The allowance payable per month is as follows:

Basic Salary of Employee	Monthly Allowance
Less than or equal to Rs 5000	Rs 1,000
Between Rs 5001 and Rs 7000	Rs 800
Between Rs 7001 and Rs 9000	Rs 500
Between Rs 9001 and Rs 9750	Rs 250
Between Rs 9751 and Rs 9900	Rs 100

What should an individual do to start benefiting from NIT?

Nothing, except to give his bank account details to his employer, if he has not already done so. The MRA will effect payment of NIT based on information provided by the employer.

When will payment be effected?

Negative Income Tax will be paid on a **MONTHLY BASIS**.

What if an employee does not receive his NIT payment?

He may call the MRA on **207 6000** to inquire and if need be, fill an NIT application form online on MRA website:

www.mra.mu

What happens if a person has wrongly benefitted from NIT?

Where an individual has benefitted from NIT but was not entitled to same, or the allowance received was in excess of his entitlement, he should inform the MRA immediately.

The Director-General of the MRA will issue a claim to the individual for repayment of the excess allowance paid, and in case of non-payment, the Director-General shall recover the amount by way of enforcement actions as provided in the Income Tax Act.





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