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An Outline of
**MAURITIUS
INCOME TAX
SYSTEM**

2016

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Introduction

This leaflet gives an outline of the Mauritius income tax system as it stands at the date the leaflet is published. It will be updated following any amendments brought to the Income Tax through the Finance Act.

For a more in-depth insight of the principles highlighted in this leaflet, reference is made to the sections of the Income Tax Act which deal with the relevant subjects.

A copy of this outline is available on the MRA website www.mra.mu

The contents of this leaflet have no force of law.



Chapter 1

General Principles

Basis of taxation (sections 4 and 5)

Mauritius runs a self-assessment system. A resident of Mauritius is taxable on worldwide income, except an individual whose foreign source income is taxable only if it is remitted to Mauritius. A resident company is chargeable to tax in respect of its worldwide income, whether its foreign source income is remitted or not to Mauritius.

A non-resident is taxable in respect of the Mauritius-source income. **Section 74** gives a non-exhaustive list of items of income considered to be derived from Mauritius.

“Resident” is defined in the Income Tax Act (**section 73**).

An individual is resident in Mauritius if he has his domicile in Mauritius unless his permanent place of abode is outside Mauritius, or has been present in Mauritius for a period of 183 days or more in an income year or has been present in Mauritius for an aggregate period of 270 days in an income year and the 2 preceding income years.

A company is resident in Mauritius if it is incorporated in Mauritius or has its central management and control in Mauritius.

The term “resident” as applied to a société, trust, Foundation or any other association or body of persons is also defined in **section 73**.

Tax year

A person is taxable in a **year of assessment** in respect of income derived in the preceding year (**income year**) (**section 4**).

The income year starts from 1 July to end on 30 June, but a person is entitled to have an accounting year ending on a date other than 30 June.

Tax rate - (First Schedule)

Both individuals and companies (including any other taxable body corporate) are taxable at a single rate of 15%.



Due date for submission of income declaration and payment of tax

Individuals are required to submit their return of income and pay tax according to the return by 30 September following the income year for which the return is made (**section 112**).

Companies and other taxable entities have to submit their return of income and pay tax within 6 months from the end of the month in which their accounting year ends. However, where the accounting year ends in the month of June and no tax is payable, or a loss is declared, the return may be submitted on or before 15 January of the following year (**section 116**).

Where the accounting year of a company ends in the month of June and the company has submitted an APS statement in respect of the fourth quarter, the due date for submission of return and payment of tax is 31 January of the following year (**section 116**).

Taxable income - (section 10)

Income that is taxable includes –

- (a) emoluments including fees, allowances etc. in money or money's worth;
- (b) business profits, including professional income;
- (c) rent, royalty, premium, or other income derived from property;
- (d) dividends, interest, charges, annuity;
- (e) basic retirement pension;
- (f) any other income.

Exempt income

Certain bodies of persons are exempt from income tax in respect of all their income (**Part I of the Second Schedule**).

Categories of income exempt from tax is listed in **Part II of the Second Schedule** - this includes dividends payable by resident companies to its shareholders, whether resident or not resident in Mauritius.

Allowable deductions (sections 17, 18, and 19)

(a) In connection with employment -

An expenditure must be wholly, exclusively and necessarily incurred in the performance of duties to be deductible from employment income.

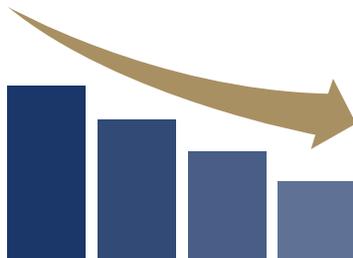
(b) In the production of other income (including trade profits) -

An expenditure or loss (including interest) is deductible from gross income to the extent it is exclusively incurred in the production of that gross income.

Losses (section 20)

Loss cannot be deducted from employment income. Any unrelieved loss can be carried forward for a maximum of 5 years.

However, there is no time limit to carry forward loss attributable to annual allowance.



Annual allowance (section 24)

Annual allowance is granted in lieu of depreciation.

The rates of annual allowance on different types of capital items are prescribed in the Act - **Second Schedule in the Income Tax Regulations**.

Accelerated annual allowance ranging from 50% to 100% in respect of certain types of capital expenditure incurred during the period 1 January 2013 to 30 June 2018 is available (**section 161A(14A)**).

Where a capital item on which annual allowance has been claimed is subsequently disposed of, a balancing charge or allowance may arise.

Unauthorised deductions (section 26)

Certain items of expenditure are not deductible for income tax purposes. These include expenditure of a capital or private nature reserves or provisions of any kind, business entertainment or gift, income tax or foreign tax, any expenditure to the extent to which it is incurred in the production of exempt income, etc.

Where an expenditure is incurred to produce both taxable and exempt income, that expenditure must be apportioned to determine the amount attributable to the production of exempt income for disallowance purposes.

The formula for apportionment is:

$$\frac{\text{Exempt income}}{\text{Total Gross income (including exempt income)}} \times \text{Expenditure or Loss}$$

Where the proportion of exempt income to total gross income is 10% or less, no apportionment of expenditure or loss is required, i.e. the whole amount of expenditure or loss is allowable.

Chapter 2

Personal Taxation

Taxation of married women (section 9)

A married woman is taxed separately from her husband in respect of income derived by her.

The couple may opt to be taxed in any proportion in respect of their joint income.

Income Exemption Threshold and other reliefs (sections 27, 27 A, 27B and 27C)

An individual is taxable at the flat rate of 15% of his chargeable income.

Chargeable income is arrived at by deducting the sum of (the income exemption threshold + education expenses for children + interest paid on housing loans + premium paid on medical or health insurance policy + contribution to approved provident fund to provide for medical expenses + solar energy investment allowance) from the total income of the individual.

The income exemption threshold is prescribed in the **Third Schedule** and varies with the number of dependents the taxpayer has. It ranges from Rs285,000 to Rs495,000.



Current Payment System (CPS) (sections 105 to 111)

Every individual deriving business income and rental income is required to submit a CPS Statement and pay tax according to that Statement at quarterly intervals as follows -

| In respect of CPS quarter | Due date for submission of CPS Statement and payment of tax |
|---------------------------|---|
| 1 July to 30 September | 2 days, excluding Saturdays and public holidays, before the end of December |
| 1 October to 31 December | 31 March |
| 1 January to 31 March | 2 days, excluding Saturdays and public holidays, before the end of June |

The obligation to submit CPS Statement does not apply in respect of income derived from cultivation of sugarcane or growing of tobacco.

Furthermore, an individual is not required to submit CPS Statement if his turnover of the preceding income year did not exceed Rs4 million or his tax liability for the quarter does not exceed Rs500.

An individual may choose to calculate his tax for a quarter either on basis of chargeable income of the preceding income year or the current quarter.

Section 107 provides for the method for the calculation of the chargeable income - either on preceding income year or current quarter basis.

Section 108 provides for the calculation of the tax payable under CPS.

Penalties are provided for late submission of CPS Statement and late payment of tax under CPS (**sections 109 and 110**).

Chapter 3

Corporate Taxation

Corporate tax (sections 44 to 47)

Unit trust schemes, collective investment schemes, trusts and Foundations are taxable as companies at the rate of 15%. Any dividends paid or distributions made by all these bodies corporate resident in Mauritius are exempt from tax.

A société (partnership) is not a taxable entity; the partners are taxable on their share of income from the société, whether the income is distributed or not. A limited partnership falls under the definition of "société" and its income is liable to tax in the hands of its partners, as a société.

Special levy on banks and solidarity levy on telephony service providers (sections 50G to 50J).

Banks are required to pay a special levy calculated by reference to their book profit, operating income or chargeable income, as the case may be, at rates specified in the Act as follows -

| Year of assessment commencing on | Rates |
|----------------------------------|---|
| (a)(i) 1 July 2009 | 3.4% on book profit, and 1.0% on operating income |
| (ii) 1 January 2010 | 3.4% on book profit; and 1.0% on operating income |
| (iii) 1 January 2011 | 3.4% on book profit; and 1.0% on operating income |
| (iv) 1 January 2012 | 3.4% on book profit; and 1.0% on operating income |
| (b) 1 January 2013 | 3.4% on book profit; and 1.0% on operating income |

| Year of assessment commencing on | Rates |
|---|---|
| (c) 1 January 2014 | <p>(i) with regard to its income derived from banking transactions with non-residents and corporations holding a Global Business Licence under the Financial Services Act - 3.4% on book profit, and 1.0% on operating income;</p> <p>(ii) with regard to its income derived from sources other than from transactions referred in subparagraph (i) above - 10% on chargeable income;</p> |
| (d) 1 January 2015 | <p>(i) with regard to its income derived from banking transactions with non-residents and corporations holding a Global Business Licence under the Financial Services Act - 3.4% on book profit, and 1.0% on operating income;</p> <p>(ii) with regard to its income derived from sources other than from transactions referred in subparagraph (i) above - 10% on chargeable income;</p> |
| (e) 1 July 2015, 1 July 2016 and 1 July 2017 | <p>(i) with regard to its income derived from banking transactions with non-residents and corporations holding a Global Business Licence under the Financial Services Act - 3.4% on book profit, and 1.0% on operating income;</p> <p>(ii) with regard to its income derived from sources other than from transactions referred in subparagraph (i) above - 10% on chargeable income;</p> |
| (f) 1 July 2018 and in respect of every subsequent year of assessment | 1.70% on book profit, and 0.50% on operating income |

Providers of public fixed or mobile telecommunications networks and services are required to pay a solidarity levy calculated by reference to their book profit and turnover at specific rates provided in the Act as follows -

- 5% of book profit, and
- 1.5% of turnover,

in respect of each of the year of assessment commencing on 1 July 2009, 1 January 2010, 1 January 2011, 1 January 2012, 1 January 2013, 1 January 2014, 1 January 2015, 1 July 2015, 1 July 2016 and 1 July 2017.

Quarterly payments of tax (sections 50A to 50F)

Companies are required to make quarterly payments of tax as interim payments under the Advance Payment System (APS) in accordance with the provisions in sections 50A to 50F.

A company with a turnover of less than Rs10 million or with no chargeable income in respect of the preceding income year is not required to submit APS Statements.

Corporate social responsibility (sections 50K and 50L)

Every company is required to create a CSR Fund equivalent to 2% of its chargeable income of the preceding year to implement a CSR programme in accordance with its own CSR framework.

A company shall submit as an annex to its return of income a statement showing the amount of CSR spent and the details of CSR projects implemented by the company during the income year.

A resident société too is required to create a CSR fund which should be equivalent to 2% of its net income.

Any amount remaining unspent after the amount available for carry forward in accordance with section 50L at the end of the accounting year on CSR activities out of the Fund must be remitted to MRA as tax.

CSR is not applicable to -

any body corporate holding a Global Business licence issued under the Financial Services Act;

a bank holding a banking licence under the Banking Act, in respect of its income derived from its banking transactions with

- (i) non-residents; or
- (ii) corporations holding a Global Business Licence under the Financial Services Act;

an IRS Company referred to in the Investment Promotion (Real Estate Development Scheme) Regulations 2007; and

a non-resident société, a Foundation, a trust or a trustee of a unit trust scheme.



Chapter 4

Tax Withholding

PAYE (sections 92 to 104)

Employers are required to operate a cumulative system of PAYE whereby tax withheld from emoluments has to be remitted to MRA within 20 days.

The employee makes a declaration of his income exemption threshold and other allowable reliefs to the employer. Details for the operation of the PAYE system are given in the Income Tax Regulations 1996 (regulation 22).

Deduction of tax at source (sections 111A to 111K)

Payers are required to deduct tax from payments in respect of -

- (i) interest, royalties, or rent;
- (ii) work done by contractors and sub-contractors;
- (iii) specified services;
- (iv) services provided in Mauritius by non-residents;
- (v) procurement of goods and services by Ministries / Departments etc.
- (vi) rental or other payments for board and lodging made to owners of immoveable properties (except hotels) by tour operators, travel agents, etc.

The withholding rates are provided in Part I of the Sixth Schedule and are as follows -

| | |
|--|-------|
| Interest to any person, other than a company resident in Mauritius | 15% * |
| Royalties payable to - residents | 10% |
| - non-residents | 15%* |
| Rent | 5% |

| | |
|---|-------|
| Contractors/Sub-contractors | 0.75% |
| Specified service providers | 3% |
| Payments made for board and lodging to owners of immovable properties or their agents by tour-operators or travel agents or by other prescribed persons | 5% |
| Payments to non-residents for any services rendered in Mauritius | 10% |
| Payments made by Ministries / Departments, local authorities, statutory bodies for - (i) procurement of goods & services where payment exceeds Rs300,000 | 1% |
| (ii) procurement of goods where payment exceeds Rs100,000 | 1% |
| (iii) procurement of services where payment exceeds Rs30,000 | 3% |

* Where a tax treaty is applicable, the lower of the prescribed rates and treaty rates will be used for tax deduction purposes.

Non-residents subject to deduction of tax at source in respect of interest and royalties do not have to submit an annual return of income in respect of such income as the tax deductions are final.

No obligation to deduct tax (sections 111A and 111C)

The term "payer" is defined in section 111A. It does not include an individual nor a company which has an annual turnover not exceeding Rs6 million, meaning to say that the individual or such a company is not required to deduct tax at source.

No income tax is to be deducted by a payer where the tax to be deducted is less than Rs500.

Chapter 5

Submission of Annual Return of Income

Submission of return by individuals (section 112)

An individual is required to submit his return of income to the MRA and pay his tax not later than 30 September following the income year.

Where an individual submits his return of income electronically and pays tax through internet banking, the due date for the submission of return and payment of tax is 15 October (instead of 30 September) following the income year.

Submission of return by companies (section 116)

A company should submit its return of income and pay tax within 6 months from the end of the month in which its accounting year ends, except for a company with an accounting year ending in the month of June and with no tax to pay in accordance with the return. Such latter company has up to 15 January of the following year to submit its return of income.

A company that derives gross income and exempt income exceeding Rs10 million or is an employer submitting PAYE return and remitting tax withheld electronically or is a corporation holding a Category 1 Global Business Licence is required to submit its return and pay tax electronically.

A small enterprise having an annual turnover not exceeding Rs10 million may apply to submit its return of income on cash basis instead of accrual basis (**section 122E**).

Penalties and interest

Penalties and interest are provided in the Act for failure to submit return of income and pay tax in time (**sections 121, 122, 122C and 122D**).

Where a person fails to submit the annual return of income, the penalty is Rs2000 per month or part of the month up to a maximum of Rs20,000. The penalty applicable to a small enterprise having an annual turnover not exceeding Rs10 million is a maximum of Rs5,000 (**section 121**).

Where a person fails to pay any tax by the due date, the penalty is 5% of the amount of tax due. The penalty for a small enterprise having an annual turnover not exceeding Rs10 million is 2% (**section 122**).

Interest on unpaid tax by employers and payers is 1% per month or part of the month whereas interest payable on tax due in all other cases is 0.5% per month or part of the month

Chapter 6

Assessments, Objections & Appeals

Assessments (sections 129 to 131)

Where the MRA is not satisfied with the return of income of a taxpayer or the taxpayer has not declared his income, the MRA may issue an assessment.

The MRA can also make an assessment where an employer or a payer has not remitted or paid the appropriate amount of tax under PAYE or TDS.

The taxpayer, employer or payer, as the case may be, has 28 days to pay the tax unless he objects against the assessment.

The MRA cannot in principle make an assessment in respect of a year which goes beyond 3 years. The MRA cannot also amend an assessment after 3 years of assessment from the year of assessment to which the assessment relates.

Objection against assessments and claims (sections 131A to 131C)

Where a taxpayer, employer or payer, as the case may be, is not satisfied with an assessment, he may object against it within a period of 28 days by stating his grounds of objection and satisfying other conditions stated in the Act.

The taxpayer, employer or payer also has to pay 10% of the tax claimed for his objection to be considered as valid – this requirement does not apply to an objection against assessment in respect of emoluments or personal reliefs and deductions.

The right to object is also given to a person who has been issued with a claim for failure to submit a Return of Employees, a Statement to payee and to MRA under TDS or a Statement giving details of purchase of goods and services exceeding Rs100,000 in a year.

The objection is dealt with by an independent department at the MRA, i.e. by officers who were not involved in the audit and issue of the assessment. The MRA has set up a specific department to deal with all objections and appeals.

The MRA has 4 months to determine an objection, otherwise the objection is deemed to have been allowed.

Appeal (section 134)

Where a taxpayer, employer or payer is aggrieved with the determination of his objection by the MRA, he may lodge written representations to the Assessment Review Committee (ARC).

The ARC is an independent quasi-judiciary institution to deal with representations on tax and VAT matters. It consists of a Chairman with legal qualifications and other members.

If the taxpayer, employer or payer is still not satisfied with the determination of the ARC, he may appeal to the Supreme Court on questions of law. If he is still not satisfied, he may finally appeal to the Privy Council in London.

Chapter 7

Enforcement and Collection of Taxes

Recovery of tax (sections 136 to 144)

Where a taxpayer does not pay the tax which has become final, the MRA may have recourse to enforcement actions to recover the arrears, as provided in the Act.

Enforcement tools

The enforcement tools are -

- (a) by notice to employer to deduct tax from emoluments (**section 137**);
- (b) by attachment (**section 138**);
- (c) by sale of goods and personal effects of the debtor (**section 139**);
- (d) by sale of immovable property through a court order (contrainte) (**section 140**).

The MRA may also proceed to the temporary closure of the debtor's business, order the furnishing of a security or inscribe the immovable properties of the debtor.

The MRA may order a person to furnish security for the purposes of securing payment of any tax due (section 143).

Chapter 8

Powers, Anti-avoidance Provisions and Offences

General Powers of the Director-General

The Act gives wide powers to the Director-General to enable him to administer the tax law efficiently and effectively.

These powers are -

- (a) power to require information (**section 123**);
- (b) power to require a company with turnover exceeding Rs100 million to submit a statement giving details of purchases of goods and services exceeding Rs100,000 (**section 123B**);
- (c) power to ask for information for assessment or collection of tax purposes or for exchange of information with treaty partners (**section 124**);
- (d) power to require production of books and records; (**section 125**);
- (e) power to enter business premises and inspect books and other records (**section 126**);
- (f) power to access computers and other electronic devices (**section 126A**);
- (g) power to waive penalty or interest (**section 128**).

The power to require any information, statement or return or to make an assessment is restricted to 3 years of assessment preceding the year of assessment in which the requirement is made. The Director-General has to obtain the authorization of the Independent Tax Panel of the ARC in respect of any period beyond the 3 years mentioned above (section 123A).

Anti-avoidance provisions

The Act provides against tax avoidance schemes or arrangements.

These are -

- (a) application of arm's length test (**section 75**);
- (b) interest on debentures issued by reference to shares (**section 84**);
- (c) excess of remuneration or share of profits (**section 85**);
- (d) excessive remuneration to shareholder or director (**section 86**);
- (e) benefit to shareholder (**section 86A**);
- (f) excessive management expenses (**section 87**);
- (g) leases for other than adequate rent (**section 88**);
- (h) rights over income retained (**section 89**);
- (i) transactions designed to avoid liability to income tax (**section 90**).

Offences (sections 145 to 150)

Various acts of non-compliance with the requirements of the Act constitute offences for which penalties are also provided in the Act.

The types of offences provided in the Act are -

- (a) offences relating to PAYE (**section 145**);
- (b) offences relating to CPS (**section 146**);
- (c) offences relating to deduction of tax at source (**section 146A**);
- (d) offences relating to returns, books and records (**section 147**);
- (e) other offences (**section 148**).

The MRA has power to compound any offence provided that the taxpayer satisfies certain conditions as provided under the Act (**section 149**).

Chapter 9

International Tax Treaties

Tax Treaties (sections 76 and 76A)

The Act gives power to the Minister to enter into a tax agreement with any foreign country to eliminate double taxation, for exchange of information or for assistance in the recovery of foreign tax.

There are as at todate 43 tax treaties (DTAs) and 7 Tax Information Exchange Agreements (TIEAs) in force. Details of the DTAs and TIEAs as well as treaties awaiting ratification or being negotiated are available on the MRA website.

Mauritius has also signed the Convention on Mutual Administrative Assistance in Tax Matters. The Convention is effective in Mauritius as from 1 December 2015.

A company holding a Category 2 Global Business Licence is not covered under any treaty (i.e. it cannot avail itself of any treaty benefits) as it is not considered to be resident in Mauritius under section 73A for treaty purposes.

Credit for foreign tax (section 77)

Provision is made in the Act for unilateral relief to relieve double taxation on foreign source income of residents of Mauritius. Double taxation is eliminated through the credit mechanism that includes both underlying tax credit and tax sparing credit, as provided in the **Income Tax (Foreign Tax Credit) Regulations 1996**.

A company holding a Category 1 Global Business Licence is taxable at 15%, but is entitled to foreign tax credit in respect of actual tax paid abroad or to a presumed tax credit equivalent to 80% of the Mauritius tax before credit, as per regulation 8 of the **Income Tax (Foreign Tax Credit) Regulations 1996**.

Chapter 10

Taxation of Global Business Companies

A company operating in the global business sector is licensed by the Financial Services Commission (FSC).

A global business company can hold either a Category 1 Global Business Licence or a Category 2 Global Business Licence or can be a special purpose fund.

Global Business Category 1 Companies (GBC1s)

(a) Tax rate

GBC1s are taxable at the rate of 15% and are eligible to claim credit in respect of foreign tax paid.

Where written evidence is not presented to support claim for foreign tax paid, the GBC1 may claim a presumed tax credit equal to 80% of the Mauritius tax payable on the income of the company.

A GBC1 may carry on business both in Mauritius with residents and outside Mauritius with non-residents. The law requires such a company to submit with its return of income a certificate from a qualified auditor certifying that any expenditure or loss which is not directly attributable to its Mauritius source income or its foreign source income has been apportioned in a fair and reasonable manner (**section 18(5)**).

(b) Exempt income

A GBC1 is exempt from tax in respect of -

- Dividends received from any global business company or resident company;
- Bank interest received on call and deposit accounts held in Mauritius;

- Gains or profits derived from sale of units or securities;
- Gains or profits derived from sale of gold, silver or platinum held for a continuous period of at least 6 months.

(c) Exempt income payable by GBC1s

- Dividends payable by a GBC1 is exempt from tax
- Interest payable by a GBC1 to a non-resident not carrying on any business in Mauritius is exempt from tax
- Royalty payable by a GBC1 out of its foreign source income to a non-resident is exempt from tax
- Gains or profits derived by a non-resident from sale of shares, debt obligations or other securities of a GBC1 are exempt from tax.

Global Business Category 2 Companies (GBC2s)

(a) Exempt companies

GBC2s are exempt from income tax – (item 19, Part I, Second Schedule).

(b) Exempt income payable by GBC2s

The following types of income payable by a GBC2 to a non-resident are exempt from tax -

- (i) interest, rents, royalties, compensations and other amounts (item 6, Sub-Part B, Part II, Second Schedule).
- (ii) gains or profits derived from sale of shares, debt obligations or other securities of a GBC2 (item 8, Sub-Part B, Part II, Second Schedule).

(c) Residential status

A GBC2 is not considered resident in Mauritius for the purposes of tax treaties (**section 73A**).

Thus, a GBC2 cannot avail itself of any treaty benefits although it may be subject to exchange of information where the treaty so provides.

Special Purpose Fund

A special purpose fund established under the Financial Services Act is exempt from tax (**item 16, Part I, Second Schedule**).

Such a fund is not considered resident in Mauritius for treaty purposes (**section 73A**). It is therefore not covered under tax treaties in the same way as a GBC2.

Banking Sector

Banks operating both onshore and offshore hold a single banking licence issued by the Bank of Mauritius Ltd.

(a) Tax rate

Total profits of banks are taxable at the rate of 15%. However, banks are entitled to claim credit for foreign tax paid in respect of their foreign source income. Where a bank is unable to produce written evidence in respect of foreign tax paid, it may claim a presumed credit equivalent to 80% of the Mauritius tax.

(b) Exempt income payable by banks out of foreign source income

- Interest paid to a non-resident not carrying on any business in Mauritius by a bank out of its income derived from banking transactions with non-residents and global business companies is exempt from tax.
- Royalty payable to a non-resident by a bank out of its income derived from banking transactions with non-residents and global business companies is also exempt from tax.

Chapter 11

Miscellaneous

Refund of excess tax (sections 152 and 152A)

Any person who has paid tax in excess may claim a refund subject to his satisfying the conditions laid in the Act.

A claim for refund should be made within 3 years of assessment after the end of the year of assessment in respect of which the tax was overpaid.

The MRA has to effect the refund within a period of 3 months to employees and 6 months in all other cases.

Where a person has benefitted from an erroneous refund, he should pay back to the MRA the amount erroneously refunded to him. If he does not effect the refund within the due date, interest at the rate of 0.5% per month will be applied.

Keeping of books and records (section 153)

The Act requires every person deriving business income to keep in English or French language proper books and records for a period of at least 5 years.

Secrecy (section 154)

Except for purposes as provided in the Act, no officer is authorized to communicate to any person about matters coming to his knowledge during the course of his duties.

Rulings (section 159)

Any person may apply for a ruling from the MRA about the taxation of any income derived or that may be derived in the future.

The MRA has 30 days to give a ruling which should be published.

A ruling is binding on the MRA.

Statement of Practice (section 159A)

The MRA is required to publish Statements of Practice in relation to specific provisions of the Act.

Islamic Finance (section 151A)

The Act has made specific provisions for the application of Islamic financing arrangements.

Regulations (section 160)

The Minister has power to make regulations for the administration of the Act and to amend certain Schedules to the Act.