

**YEAR OF ASSESSMENT 2007-2008 (INCOME YEAR ENDED 30 JUNE 2007)
NOTES - HOW TO FILL IN YOUR RETURN (I.T FORM 1A)**

These notes are intended to assist in the completion of the return. If further information is required, please contact the Mauritius Revenue Authority, Efram Court, Cnr Mgr Gonin & Sir Virgil Naz Streets, Port Louis.

Tel. No: 207-6000

Hotline: 207-6010

Fax No. : 211-8099

Website: <http://mra.gov.mu>

Note 1 (Section 4)

Emoluments

The PAYE Employer Registration Number, total emoluments, exempt income, emoluments net of exempt income, tax withheld under PAYE as appearing in your Statement/s of Emoluments and Tax Deduction should be inserted at section 4. The total emoluments net of exempt income should be inserted at section 4.1 and then at 4.3 after deducting expenditure incurred wholly and exclusively in the performance of the duties of the office if any. If you derived emoluments from more than 5 sources, give details on a separate sheet.

Note 2 (Section 5)

Income of Dependents

If you have claimed Income Exemption Threshold of Category B, C or D at section 7, any net income derived by the dependent/s during the year is deemed to be your income and should be included at section 5 of your tax return. Conditions for entitlement to IET Category B, C and D are given in note 3 below.

Note 3 (Section 7)

Income Exemption Threshold (IET)

An individual who was resident in Mauritius in the income year ended 30 June 2007 is entitled, for the purpose of calculating his chargeable income, to claim a deduction in respect of Income Exemption Threshold - Category A, B, C or D as applicable to him.

If you make a claim under either Category B, C or D then your spouse shall be entitled to a claim under Category A only.

IET - Category A - No dependent

If you were resident and had no dependent (spouse or child), you should claim IET Category A.

IET - Category B - one dependent

A claim under Category B shall be allowable if the net income and exempt income of your first dependent did not exceed Rs 110,000 in the income year ended 30 June 2007.

IET - Category C - two dependents

A claim under Category C shall be allowable if the net income and exempt income of your second dependent did not exceed Rs 60,000 in the income year ended 30 June 2007.

IET - Category D - three dependents

A claim under Category D shall be allowable if the net income and exempt income of your third dependent did not exceed Rs 40,000 in the income year ended 30 June 2007.

“*Dependent*” means a spouse, a child under the age of 18; or a child over the age of 18 and who is pursuing full time education or training or who cannot earn a living because of a physical or mental disability.

“*Child*” means

- (a) an unmarried child, stepchild or adopted child of a person;
- (b) an unmarried child whose guardianship or custody is entrusted to the person by virtue of any other enactment or of an order of a court of competent jurisdiction;
- (c) an unmarried child placed in foster care of the person by virtue of an order of a court of competent jurisdiction.

“*Resident*” means an individual who has been present in Mauritius during the income year for a period of or an aggregate period of 183 days or more; or who has been present in Mauritius during the income year and the 2 preceding income years for an aggregate period of 270 days or more; or who has his domicile in Mauritius unless his permanent place of abode is outside Mauritius.

“*Exempt income*” includes:

- (a) Any rent allowance payable to a person appointed to an office in the Police Force/the Fire Services/the Forests Division of the Ministry of Agriculture and Natural Resources/the Prisons and Industrial School Service/the Ministry of Fisheries/the Department of Civil Aviation/the Fire Unit of the Mauritius Marine Authority.
- (b) Any housing allowance not exceeding 100 rupees per month payable by an employer to an employee under any enactment or by virtue of an award made under an enactment.
- (c) Any transport allowance payable by an employer by virtue of the terms and conditions of service equivalent to -
 - (i) the return bus fare between residence and place of work;
 - (ii) petrol allowance, commuted travelling allowance and travel grant payable by the Government of Mauritius and the local authority to their employees; or
 - (iii) the actual petrol or travelling allowance paid or 25 per cent of the monthly basic salary up to a maximum of 7,375 rupees, whichever is the lesser, provided that the employee makes use of a private car registered in his own name for attending duty and for the performance of the duties of his office or employment.
- (d) Passage benefits provided under a contract of employment not exceeding 6 per cent of the basic salary.
- (e) Dividends -
 - (i) paid by a company resident in Mauritius; or
 - (ii) paid by a co-operative society registered under the Co-operative Societies Act.
- (f) Income derived by any person in the form of maintenance allowance or other benefit provided in respect of his attendance at a university, college, school or other educational institution in terms of a scholarship, bursary, exhibition or other education award.

Note 4 (Section 8)

Chargeable Income / Excess of Income Exemption Threshold over Total Net Income

The chargeable income is arrived at by deducting from the total net income at section 6, the Income Exemption Threshold at section 7.5.

In case the Income Exemption Threshold exceeds the total net income, the excess amount may be transferred to section 10.4 on page 3 to be set off against interest income.

Note 5 (Section 9)**Tax on Emoluments**

The tax is calculated at the rate of 15% on the first Rs 500,000 of the chargeable income (A) and 22.5% on the remainder.

Note 6 (Section 10)**Tax on Interest Income**

Enter at section 10.1 all interest income received by you and your dependents during the income year from banks and financial institutions. Other interest income should be included at section 10.2. Where interest income is derived jointly by a couple, such income may be declared in any proportion by each spouse.

The tax on interest income is calculated at the flat rate of 15% of chargeable income (B).

Note 7 (Section 11)**National Residential Property Tax (NRPT)**

NRPT is payable by every owner of a residential property. However, if you were resident in Mauritius and derived total income (net income and exempt dividend) not exceeding Rs 385,000 during the income year ended 30 June 2007, you are not liable to the tax.

Non resident owners are liable to NRPT irrespective of whether or not they derive any income.

“Owner” includes the owner of a residential property on any leased land or the person who receives or is entitled to receive any rent therefrom.

“Residential Property” means any immovable property including any building, apartment, flat, tenement, campement or bungalow, used or available for use as residence. It includes any tourist residence i.e. any premises, other than a hotel or a guesthouse, which offers sleeping accommodation to tourists, with or without meals, for a fee as defined in the Tourism Authority Act 2006. No NRPT is payable on bare land i.e. a plot of land on which there is no residential building.

NRPT is calculated in case of apartment, flat or tenement with reference to its floor area as specified in the title deed or contract and the rate is Rs 30 per square metre. In the case of any other residential property i.e. building, campement, bungalow etc., the tax is calculated with reference to the surface area of the land at the rate of Rs 10 per square metre.

Conversion Rate

One Toise is approximately equal to 3.8 square metres.

One Perche is approximately equal to 42.21 square metres.

10.76 Square feet is approximately equal to 1 square metre.

Period of ownership - Insert in the relevant column the number of month/s during which you owned the property in the income year ended 30 June 2007.

Where a residential property is acquired, sold or transferred during the income year, the property tax should be pro-rated based on the number of months of ownership during the year as follows:

$$\text{NRPT} \times \frac{1}{12} \times \text{no. of months of ownership during the year}$$

NRPT is limited to 5% of the total net income and exempt income of the owner.

Any tax paid under Local Government Act in respect of a residential property is deductible from the NRPT payable in respect of that property.

Where the owner is married, and the total income of each spouse exceeds Rs 385,000, the property tax shall, at their option be deemed to be payable by them in equal proportion or by one spouse in full.

Where total income of only one spouse exceeds Rs 385,000, the full NRPT shall be paid by the spouse whose total income exceeds Rs 385,000.

Where the owner is a minor, the residential property of the minor shall be included in that of the legal administrator. In case there is no legal administrator, the legal guardian shall be liable to pay the property tax provided the total income of the minor exceeds Rs 385,000.

Where a residential property has been acquired by inheritance or legacy and no division in kind has been effected or the property is owned by 2 or more individuals, the property tax shall be paid by each of the heirs, legatees or co-owners, as the case may be, on his share of the property, provided his total income in the income year exceeds Rs 385,000.

Where a building used as residence is located on a portion of land used for agriculture and the gross income derived therefrom is declared by the owner in his return of income or the building is located on a portion of land outside a residential area, the owner is liable to NRPT with reference to the surface area of land on which stands the building, garage and related structures as well as on the surface area of the background, grounds and garden up to a maximum area of 1A25 (0.5276 hectare).

Where a building is used for both business and residential purposes, or where the residential part is located above that on which stands the non-residential part, the NRPT is payable on the whole surface area of land.

Where a residential building is constructed on top of an existing building by virtue of a ‘droit de surélévation’, it is deemed to be a flat and property tax is payable based on the floor area of the building.

Note 8 (Section 13)**Tax Credits**

Enter foreign tax paid or the amount of Mauritius tax attributable to the foreign income, whichever is the lesser.

Note 9 (Section 15)**Specified Mauritian / Expatriate Staff Relief**

This relief applies to an expatriate employee or a specified Mauritian whose entitlement to the 50% tax exemption continues to apply beyond 30 June 2006.

Note 10 (Section 17)**Tax Withheld under PAYE and TDS**

Enter amount withheld under PAYE as per Statement of Emoluments and Tax Deduction.

Enter amount deducted at source on interest as per Statement of Tax Deduction.

Attach an additional sheet in case you derive interest from more than 3 sources.

Note 11 (Section 19)**Penalty and Interest****Penalty for late submission of return**

Every person who is required to submit a return as per page 1 of the return and who fails to do so, shall be liable to pay a monthly penalty of Rs 2,000 up to a maximum of Rs 20,000.

Penalty for late payment of tax

In case of late payment, enter 5% of the balance of tax payable at section 18.

Interest on late payment of tax

In case of late payment, enter 1% of the balance of tax payable at section 18 for each month or part of the month during which the tax remains unpaid after 30 September 2007.

INCOME					Rupees only		
4	EMOLUMENTS (See Note 1) <i>Original of Statement of Emoluments and Tax Deduction should be attached</i>						
	PAYE Employer Registration Number	Total Emoluments	Exempt Income	Emoluments net of exempt income	Tax withheld under PAYE		
4.1	Emoluments net of exempt income (TOTAL) ➤						
4.2	Less: Expenditure incurred wholly and exclusively in the performance of the duties of the office (<i>attach details</i>)						
4.3	NET EMOLUMENTS (4.1 less 4.2) ➤						
5	INCOME OF DEPENDENTS (See Note 2)						
	<i>(Attach details of income)</i>						
	5.1	Net income and exempt income (Rs)	1 st Dependent	2 nd Dependent		3 rd Dependent	Total
	5.2	Less: Exempt income (Rs)					
	5.3	Less: Interest income (Rs) (<i>transferred to section 10</i>)					
5.4	Balance				➤		
6	TOTAL NET INCOME (SELF AND DEPENDENTS) ➤						
7	INCOME EXEMPTION THRESHOLD (See Note 3)						
						Tick (✓) only one box	
	7.1	Category A	- no dependent	- Rs. 215,000		<input type="checkbox"/>	
	7.2	Category B	- one dependent	- Rs. 325,000		<input type="checkbox"/>	
	7.3	Category C	- two dependents	- Rs. 385,000		<input type="checkbox"/>	
	7.4	Category D	- three dependents	- Rs. 425,000		<input type="checkbox"/>	
	7.5	Deduct Income Exemption Threshold ➤					
	7.6	Particulars of Dependents					
		Name	Date of Birth	Relationship	Total Income (including exempt income)		
7.6.1	1st						
7.6.2	2nd						
7.6.3	3rd						
7.7	Has your spouse claimed Income Exemption Threshold in respect of category B, C or D?						
	Yes	<input type="checkbox"/>	No	<input type="checkbox"/>	Not Applicable	<input type="checkbox"/>	
8	Chargeable Income (A) / Excess of Income Exemption Threshold over Total Net Income ➤						
<i>(See Note 4)</i>							
9	TAX ON EMOLUMENTS (See Note 5)						
	Chargeable Income (A)	Rs only	Rate %	Tax (Rs only)			
	First Rs 500,000		15				
	Remainder		22.5				
					TOTAL TAX (A) ➤		

10	TAX ON INTEREST INCOME (See Note 6) (Attach details)	Rupees only																																																														
10.1	Interest received by self and dependent/s from banks and financial institutions																																																															
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13	TAX CREDITS (See Note 8) Attach receipts and certificates.																																																															
13.1	Deduct foreign tax credit	➤																																																														
14	BALANCE AFTER TAX CREDITS	➤																																																														
15	SPECIFIED MAURITIAN/EXPATRIATE STAFF RELIEF (See Note 9)																																																															
15.1	Deduct 50% of tax on qualifying emoluments	➤																																																														
16	BALANCE AFTER RELIEF AT 15.1	➤																																																														
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