

## **TR 159**

### **Facts**

Mr. X is a French national qualified as a Barrister-at-law in France. The latter proposes to establish a fixed place of business in Mauritius to conduct professional services of an independent character as a “professional introducer”. For this purpose, Mr. X will apply for an occupational permit with the Board of Investment under the Scheme “Self-Employed” and shall have an office space in Mauritius from where he will conduct his professional activity. Mr. X will derive income from the conduct of his professional services from Mauritius only.

### **Points at issue**

- 1) Whether the income generated from the professional services of an independent character will be taxed in Mauritius at the rate of 15% on the basis of section 5 (1)(a) of the Income Tax Act 1995.
  
- 2) Whether on the basis of Article 14 of the Double Taxation Avoidance Convention between the Republic of France and Mauritius, the income which is attributable to the fixed base from which the income shall be derived may be taxed in Mauritius despite the fact that Mr. X is a resident of France.

### **Ruling**

In accordance with paragraph 1 of Article 14 of the Double Taxation Avoidance Convention between the Republic of France and Mauritius, the income which is attributable to the fixed base in Mauritius will be taxable in Mauritius at the rate of 15% on the basis of section 5(1)(a) of the Income Tax Act 1995 despite the fact that Mr. X is a resident of France.