



**INCOME TAX**

(The Income Tax Act 1995)

**Year of assessment 2007-2008**

(Income for the year 1 July 2006 to 30 June 2007)

**ANNUAL RETURN - TRUST**

Applicable to a trust recognised under the laws of Mauritius

This return duly filled in should be submitted to the Director General, Mauritius Revenue Authority by every trust, whether or not it has a chargeable income. The latest date for submission of the return and for payment of tax, if any, is –

- **30 September 2007** where the trust has an approved return date; and
- **31 January 2008** where the trust closes its accounts on 30 June.

Where a trust does not attach to the return its Profit and Loss Account and Balance Sheet, or any other appropriate statement of account, it shall be deemed **NOT** to have submitted a return.

A trust failing to submit a return is liable to pay a penalty of Rs 2,000 per month or part of the month until the time the return is submitted. The total penalty is limited to Rs 20,000.

*Please read the notes on pages 3 and 4 before filling in this return.*

|           |   |   |
|-----------|---|---|
| Section 1 | <b>TRUST IDENTIFICATION</b>   |   |
| 1.1       | Full name of trust  |   |
| 1.2       | Address of registered office  |   |
| 1.3       | Address of principal place of business  |   |
| 1.4       | Address for correspondence  |   |
| 1.5       | Email Address   |   |
| 1.6       | Main business activity  |   |
| 1.7       | Category of trust (see note 2 of the "Notes")   |   |
| 1.8       | Closing date of accounts  | (Use DD.MMM) <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/>  |
| 1.9       | PAYE Employer Registration Number   | <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> |
| 1.10      | Was trust in operation during the year?   | Please tick (✓) appropriate box. Yes <input type="checkbox"/> No <input type="checkbox"/>   |
| 1.11      | State –<br>(i) place of setting-up of trust<br>(ii) place of central management and control |   |
| 1.12      | Full Name of Contact Person   |   |
| 1.13      | Telephone Number of Contact Person  |   |

**2 DECLARATION** Complete this section after filling in sections 3 to 13 on pages 2 and 3.

I, .....  
 (full name of trustee in BLOCK LETTERS)

do hereby declare that the income, deductions, tax credits and other particulars in this return and in the annexes are true and correct.  
 I hereby tender the sum of Rs ..... being the tax payable in accordance with section 13 of this return.  
 Date : ..... Signature : .....

*Cheque should be crossed and made payable to the Director General, Mauritius Revenue Authority. Write full name and Tax Account No. of the trust on verso of the cheque.*

**FOR OFFICE USE**

|             |         |           |  |              |           |
|-------------|---------|-----------|--|--------------|-----------|
| Tax payable |         | Exam      |  | Char. Income |           |
| Penalty     |         | Edited by |  | Revised Tax  |           |
| Tax paid    |         |           |  | Officer      | Code      |
| Receipt No. |         |           |  | Asst No      | Vetted on |
| Date        | Cashier |           |  | Supervisor   | Code      |

| 3     | <b>COMPUTATION OF CHARGEABLE INCOME</b>   |        |                | Rs    |
|-------|---|--------|----------------|-------|
| 3.1   | Turnover/Sales/Gross income from all activities .....   |        |                | ..... |
| 3.2   | Gross profit from all activities .....  |        |                | ..... |
| 3.3   | Net income/loss before distribution to beneficiaries .....  |        |                | ..... |
| 3.4   | <b>Add: Unauthorised deductions :-</b>  |        | Rs             |       |
| 3.4.1 | Expenditure incurred in the production of exempt income .....   |        | .....          | ..... |
| 3.4.2 | Depreciation charged in accounts .....  |        | .....          | ..... |
| 3.4.3 | Expenditure of a capital nature .....   |        | .....          | ..... |
| 3.4.4 | Entertainment expenses and gifts .....  |        | .....          | ..... |
| 3.4.5 | Expenditure/loss recoverable under a contract of insurance or indemnity .....   |        | .....          | ..... |
| 3.4.6 | Income tax or foreign tax .....   |        | .....          | ..... |
| 3.4.7 | Penalties and fines .....   |        | .....          | ..... |
| 3.4.8 | Other non-allowable expenditure or loss included in general expenses or elsewhere .....   |        | .....          | ..... |
| 3.5   | Income not included in accounts .....   |        | .....          | ..... |
| 3.6   |   |        | <b>Total</b> ➤ | ..... |
| 3.7   | <b>Deduct:</b> Dividends receivable from resident companies .....   |        |                | ..... |
| 3.8   | Other exempt income .....   |        |                | ..... |
| 3.9   | Investment allowance (see note 4) .....   |        |                | ..... |
| 3.10  | Annual allowance (see note 1) .....   |        |                | ..... |
| 3.11  | Overseas marketing and promotional expenses .....   |        |                | ..... |
| 3.12  | Other authorised items (specify.....) ..  |        |                | ..... |
| 3.13  | Net income/loss as adjusted for tax purposes (see note 5) .....   |        |                | ..... |
| 3.14  | <b>Deduct:</b> Losses brought forward from previous year (see note 6) .....   |        |                | ..... |
|       | Loss attributable to annual allowance in respect of capital expenditure incurred during the income year forming the basis of the year of assessment 2007-08. .... |        |                | ..... |
| 4     | <b>Chargeable Income/(Loss carried forward)</b> ➤   |        |                | ..... |
| 4.1   | Exchange rate (See Note 7)  |        |                | ..... |
| 4.2   | <b>Chargeable income in Mauritian rupees</b> ➤  |        |                | ..... |
| 5     | <b>CALCULATION OF TAX</b> (Rates applicable - See note 8 of the "Notes")  |        |                |       |
|       | Chargeable Income   | Rate % | Tax            |       |
|       |   |        |                |       |
|       |   |        |                |       |
|       | <b>Total tax</b> ➤  |        |                | ..... |
| 6     | <b>TAX CREDITS</b>  |        |                |       |
| 6.1   | <b>Deduct:</b> Investment tax credit (see note 9) ➤   |        |                | ..... |
| 6.2   | Balance (should not be less than 15% of chargeable income) ➤  |        |                | ..... |
| 6.3   | <b>Deduct:</b> Special tax credit (see note 10) ➤   |        |                | ..... |
| 6.4   | Normal tax payable (A) ➤  |        |                | ..... |
| 6.5   | Alternative Minimum Tax (B) (Pg 3, Schedule A) ➤  |        |                | ..... |
| 6.6   | Tax Payable (higher of A and B) ➤   |        |                | ..... |
| 6.7   | <b>Deduct:</b> Foreign tax credit ➤   |        |                | ..... |
| 7     | <b>BALANCE AFTERTAX CREDIT</b> ➤  |        |                | ..... |

|           |   |   |              |                                      |                   |                           |  |  |   |                 |
|-----------|---|---|--------------|--------------------------------------|-------------------|---------------------------|--|--|---|-----------------|
| <b>8</b>  | <b>National Residential Property Tax (NRPT)</b> (see Note 12) |   |              |                                      |                   |                           |  |  |   |                 |
|           | Address<br>Town/Village                                       | Tick as appropriate<br>Apartment<br>flat or<br>tenement |              | Any other<br>residential<br>property | Area<br>(sq. mt.) | Tax Rate<br>(per sq. mt.) | No. of months<br>of ownership<br>during the year | NRPT   | Less tax paid<br>under Local<br>Govt. Act | NRPT<br>payable |
| 8.1       |   |   |              |                                      |                   |                           |  |  |   |                 |
| 8.2       |   |   |              |                                      |                   |                           |  |  |   |                 |
| 8.3       |   |   |              |                                      |                   |                           |  |  |   |                 |
| 8.4       | <b>Total NRPT payable</b> ➤                                   |   |              |                                      |                   |                           |  |  |   |                 |
| <b>9</b>  | <b>BALANCE (7 + 8.4)</b> ➤                                    |   |              |                                      |                   |                           |  |  |   |                 |
| <b>10</b> | <b>DEDUCTION OF TAX AT SOURCE</b> (see Note 13)               |   |              |                                      |                   |                           |  |  |   |                 |
|           |   | TAN of Payer  | TAN of Payee | Amount deducted (Rs only)            |                   |                           |  | Tax deducted at<br>source (TDS)<br>(Rs only) |   |                 |
|           |   |   |              | Rent                                 | Royalties         | Contract                  | Services   |  |   |                 |
| 10.1      |   |   |              |                                      |                   |                           |  |  |   |                 |
| 10.2      |   |   |              |                                      |                   |                           |  |  |   |                 |
| 10.3      |   |   |              |                                      |                   |                           |  |  |   |                 |
| 10.4      |   |   |              |                                      |                   |                           |  |  |   |                 |
| 10.5      | <b>Total</b> ➤  |   |              |                                      |                   |                           |  |  |   |                 |
| <b>11</b> | <b>BALANCE</b> ➤  |   |              |                                      |                   |                           |  |  |   |                 |
| <b>12</b> | <b>PENALTIES AND INTEREST</b>                                 |   |              |                                      |                   |                           |  |  |   |                 |
| 12.1      | Late submission of return                                     | -   | From .....   | To .....                             | (Note 14(i))      |                           |  |  |   |                 |
| 12.2      | Late payment of tax   | -   | From .....   | To .....                             | (Note 14(ii))     |                           |  |  |   |                 |
| 12.3      | Interest on unpaid tax (Note 14(iii))                         |   |              |                                      |                   |                           |  |  |   |                 |
| 12.4      | <b>Enter total</b> ➤  |   |              |                                      |                   |                           |  |  |   |                 |
| <b>13</b> | <b>TAX PAYABLE</b> ➤  |   |              |                                      |                   |                           |  |  |   |                 |

|  |   |        |      |                |
|--|---|--------|------|----------------|
| <b>SCHEDULE A CALCULATION OF ALTERNATIVE MINIMUM TAX</b> (see Note 11) |   |        |      |                |
| <b>1</b>   | <b>Calculation of "book profit"</b>   |        |      | Rs             |
| 1.1  | Net income/loss as per item 3.3 on Page 2 .....   |        |      |                |
|  | <b>Add</b>  |        |      |                |
| 1.2  | Expenditure attributable to the production of dividend, profits or gains from the sale/revaluation of fixed assets/securities ..... |        |      |                |
| 1.3  | Loss on disposal/revaluation of fixed assets/securities .....   |        |      |                |
|  | <b>Less</b>   |        |      |                |
| 1.4  | Dividends receivable from resident companies .....  |        |      |                |
| 1.5  | Profits or gains on sale/revaluation of fixed assets/securities .....   |        |      |                |
| 1.6  | <b>Book profit</b> .....  |        |      |                |
| <b>2</b>   | <b>Calculation of Alternative Minimum Tax</b>   |        |      |                |
|  |   | Amount | Rate | Rs             |
| 2.1  | Book profit (as calculated above)   | _____  | 7.5% | _____ (X)      |
| 2.2  | Dividends and amount distributed by way of shares in lieu of dividends  | _____  | 10%  | _____ (Y)      |
| 2.3  | Alternative Minimum Tax (lesser of (X) and (Y)) .....   |        |      | ➤ Rs _____ (B) |

## NOTES

**Year of assessment 2007-2008**  
**(Income for the year ended 30 June 2007)**

*These notes are intended to assist in the completion of the return. If further information is required please contact the Mauritius Revenue Authority (MRA), Efram Court, Ground Floor, Cnr Mgr Gonin & Sir V. Naz Streets, Port Louis, Tel 211-8620.*

Every trustee of a trust is deemed to be the agent of the trust. This form must be filled in by the trustee and returned to the Director General, Mauritius Revenue Authority within the time limit, whether or not the trust has a chargeable income.

However, a trust satisfying the conditions specified under section 46(2) of the *Income Tax Act 1995* and which has deposited with the Director General, Mauritius Revenue Authority a declaration of non-residence under section 46(3) of the Act within 3 months after the expiry of the income year is exempt from tax in respect of that income year.

**1. IMPORTANT : A trust is REQUIRED to furnish together with the return, where applicable, the following -**

(a) **ACCOUNTS**

The trust's Trading and Profit and Loss Accounts and Balance Sheet or any other appropriate statement of account duly dated and signed.

(b) **ANNUAL ALLOWANCE**

A statement showing -

(i) cost and base value of each asset (plant and machinery, industrial building etc.) at the beginning of the income/

- accounting year;
- (ii) particulars (including cost) of every new asset acquired during the income/accounting year;
- (iii) particulars of each asset disposed of during the income/accounting year including cost, date of purchase, base value and sale price;
- (iv) amount of allowance claimed and rates (see table below);
- (v) amount of balancing charge/allowance arising on disposal of qualifying assets.

Rates applicable are as follows -

#### **Annual Allowance**

You may claim annual allowance in respect of capital expenditure specified hereunder as follows:

| Capital Expenditure incurred on —   | Rate of Annual Allowance |      |
|---|--------------------------|------|
|   | Percentage of Base Value | Cost |
| Industrial premises   | -                        | 5    |
| Commercial premises   | -                        | 5    |
| Hotels  | 30                       | -    |
| Plant or Machinery-   |                          |      |
| (a) costing 30,000 rupees or less   | -                        | 100  |
| (b) costing more than 30,000 rupees-  |                          |      |
| (i) ships or aircrafts  | 20                       | -    |
| (ii) aircrafts and aircraft simulators leased by a company engaged in aircraft leasing  | -                        | 100  |
| (iii) motor vehicles  | 25                       | -    |
| (iv) Electronic and high precision machinery or equipment, computer hardware and peripherals and computer software                        | 50                       | -    |
| (v) furniture and fittings  | 20                       | -    |
| (vi) other  | 35                       | -    |
| Improvement on agricultural land for agricultural purposes  | 25                       | -    |
| Scientific research   | 25                       | -    |
| Golf courses  | 15                       | -    |
| Acquisition or improvement of any other item of a capital nature which is subject to depreciation under the normal accounting principles- | 5                        | -    |

No other deduction is however allowable in respect of the same expenditure.

**No annual allowance is allowable unless proper books of accounts and records are kept.**

#### **(c) OVERSEAS TRAVELLING**

A statement showing -

- (i) full name of person/s for whom expenses were incurred;
- (ii) position held;
- (iii) date of trip and mode of travel;
- (iv) countries visited and purpose of trip; and
- (v) cost incurred analysed into fares, accommodation, entertainment and non-business expenditure. Give details of calculation of non-business expenditure.

#### **(d) TAX CREDITS**

A statement showing -  
For foreign tax credit -

- (i) gross foreign income receivable during the year; and
- (ii) foreign tax paid thereon.

For investment tax credit -

- (i) name of companies in which shares were subscribed;
- (ii) number and value of shares subscribed;
- (iii) date of subscription; and
- (iv) amount actually paid.

#### **2. Category of trust**

- (i) A trust holding a Category 1 Global Business Licence T 2
- (ii) Other T 3

#### **3. Approved Return Date**

Where the trust closes its accounts on a date other than 30 June but falling in the income year ended 30 June 2007, a return furnished for the period of 12 months ending on that date shall, subject to the approval of the Director General, be deemed to have been made in relation to the income year ended 30 June 2007.

#### **4 Investment allowance**

Investment allowance may be claimed by trusts satisfying the conditions specified in the transitional provisions under section 161A of the Income Tax Act.

#### **5. Net income/(Loss) as Adjusted for Tax Purposes**

(i) Section 59 of the Income Tax Act provides for the carry forward of losses to be set-off against net income of the following 5 income years.

(ii) The time limit of 5 years is not applicable for the carry forward of the loss attributable to annual allowances in respect of capital expenditure incurred during the income year forming the basis for the year of assessment 2007-08.

#### **6. Loss brought forward from previous year**

Any unrelieved loss as at 30 June 2006 (including loss attributable to capital allowances) may be carried forward for a maximum period of 5 years.

#### **7. Exchange rate**

All transactions should be expressed in Mauritius currency except those declared by a corporation holding a Category 1 Global Business Licence or a Category 2 Banking Licence which are required to convert their net income into Mauritius currency at the exchange rate in force at the date on which the return is submitted to the Director General.

#### **8. Tax rates**

The rates applicable are as follows:-

- (i) Trust falling under 2 (i) above 15%
- (ii) Trust falling under 2 (ii) above 22.5%

#### **9. Tax credits**

Where a trust has made investments in certain companies, it may claim tax credit in respect of those investments in accordance with section 161A of the Income Tax Act 1995.

However, section 161A of the *Income Tax Act 1995* limits the aggregate amount of tax credits to such an amount that would not reduce the tax payable after such tax credits, to less than 15 per cent of the chargeable income of the trust. The balance at 6.2 on page 2 should therefore be equal to or greater than 15% of the chargeable income.

#### **10. Special Tax Credit**

Section 161A provides for a special tax credit where a trust has in an income year subscribed to the stated capital of a spinning, weaving or dyeing company of an amount exceeding 60 million rupees or at least 20% of the stated capital, whichever is the higher.

#### **11. ALTERNATIVE MINIMUM TAX**

This is applicable where a trust's "normal tax payable" is less than 7.5% of its book profit. It is not applicable to a trust which is exempt from tax or where 10% of the aggregate amount of any dividend declared and any amount distributed by way of shares in lieu of dividend do not exceed the "normal tax payable".

"Normal tax payable" is the tax payable arrived at by multiplying the chargeable income of the trust by the applicable tax rate and after allowing for any tax credit except credit in respect of foreign.

#### **12. National Residential Property Tax (NRPT)**

National Residential Property Tax is payable on any residential property (excluding bare land) owned at any time during the year. NRPT should be calculated on a pro-rata basis if the property is acquired, sold or transferred during the year.

#### **13. Tax deducted at source**

Any tax deducted at source should be accompanied by a 'statement of tax deducted' providing particulars of income tax deductions.

#### **14. Penalties and interest**

Penalties are provided under the law for late submission of return and for late payment of tax.

(i) In the case of late submission of return, a penalty of Rs 2,000 per month or part of the month is payable until the time the return is submitted, whether or not the trust has a chargeable income. The total penalty payable is limited to Rs 20,000.

(ii) In the case of late payment of tax, penalty of 5 per cent of the amount of tax is payable on the amount of the remaining unpaid.

(iii) The law provides for payment of interest at the rate of 1 per cent per month or part of the month during which the tax remains unpaid.