

VOLUNTARY DISCLOSURE INCENTIVE SCHEME -FOREIGN ASSETS (VDIS-FA)



*September
2019*

1. Provision governing 'Voluntary Disclosure of Income Scheme - Foreign Assets' - (VDIS-FA)

The Voluntary Disclosure of Income Scheme - Foreign Assets (VDIS-FA) is governed by Section 161A (63) of the Income Tax Act.

2. Objective of VDIS-FA

The objective of the scheme is to provide an incentive to persons who have acquired assets abroad from undeclared or under-declared income derived from Mauritius to come forward with a voluntary disclosure to regularise their tax affairs.

Under this scheme, eligible declarants will be granted full waiver of penalties and interest on the tax paid on or before 31 March 2020.

3. Scope of VDIS-FA

The scheme covers the non-reporting or under-reporting of income derived from Mauritius but held offshore, either in bank accounts or in the form of assets. The offshore assets have to be duly supported by documentary evidence.

4. Who can avail of VDIS-FA?

Any person, other than those falling under paragraph 10, can avail himself of VDIS-FA.

5. Period covered under VDIS-FA

The disclosure is in respect of:-

- (i) Income derived by individuals for any income year up to and including income year ended 30 June 2018; and
- (ii) Income derived by companies for any year of assessment up to and including year of assessment 2018-2019.

6. Procedure

Any person wishing to avail himself of the scheme has to:

- (i) file electronically a declaration form to MRA (as per Annex 1) by using his credentials for e-services;
- (ii) compute tax at the rate of 15% on the undeclared income used for acquisition of assets abroad; and
- (iii) pay any amount due.

In case the person is not registered with MRA, he has to beforehand apply for a tax account number and credentials for e-services in order to proceed with the declaration.

7. Submission of documentary evidence

After the submission of his declaration, the declarant may be requested to submit documentary evidence regarding assets listed in the declaration.

8. Payment of tax

The tax due under VDIS-FA is payable at the time the disclosure is submitted.

Where the declarant satisfies the Director-General that he is unable to pay the total tax due by 31 March 2020, he shall make arrangements with the Director-General for the payment of the tax due.

Any amount of tax unpaid as at 31 March 2020, shall carry interest at the rate of 0.5% per month.

9. Amendment to declaration

Any amendment made after 31 March 2020 to a declaration under the scheme shall not benefit from any immunity.

10. Persons not covered by VDIS-FA

No incentive shall be given to a person

a. who has been convicted on or after 1 July 2001 of an offence relating to trafficking in dangerous drugs, arms trafficking, or an offence related to terrorism under the Prevention of Terrorism Act, money laundering under the Financial Intelligence and Anti Money Laundering Act or corruption under the Prevention of Corruption Act; or

b. against whom civil or criminal proceedings are pending or contemplated in relation to an act of trafficking in dangerous drugs, arms trafficking, or an offence related to terrorism under the Prevention of Terrorism Act, money laundering under the Financial Intelligence and Anti Money Laundering Act or corruption under the Prevention of Corruption Act; or

c. in relation to whom an enquiry is being conducted into an act of trafficking in dangerous drugs, arms trafficking, or an offence related to terrorism under the Prevention of Terrorism Act, money laundering under the Financial Intelligence and Anti Money Laundering Act or corruption under the Prevention of Corruption Act

11. Time limit for disclosure under VDIS-FA

The time limit for a person to make a disclosure under VDIS-FA is 31 March 2020.

12. Withdrawal of benefit

Where a declarant fails to comply with any conditions imposed under VDIS-FA, including the payment of tax, the benefits will be withdrawn.

13. Limitations of Immunity

Where it is found that a person has submitted a wrong declaration, he shall not benefit from any waiving of penalty and interest and may also be subject to prosecution under the relevant legislation.



Voluntary Disclosure of Income Scheme-Foreign Assets

Name : _____
 TAN : _____
 NID : _____
 BRN : _____
 Address : _____
 : _____
 : _____

| |
|--------------------------------------|
| For official Use |
| VDIS-FA Ref No: <input type="text"/> |

Phone no.: _____

Email add.: _____

Passport No. : _____

1. I acting in my own name / in my capacity as agent of company* bearing TAN/BRN hereby make a voluntary disclosure of income not declared or under declared for years of assessment up to and including year of assessment 2018/2019 and used to acquire foreign assets.

(*Delete as appropriate)

2. Total value at cost of assets held offshore as at 30 June 2018:

Rs

| Immovable property | | | |
|---|----------------|-------------|--|
| Description | Address | Extent/Area | |
| | | | |
| | | | |
| Bank accounts | | | |
| Name of Bank | Account Number | | |
| | | | |
| | | | |
| Cash | | | |
| Cash in hand/safe deposits/lockers..... | | | |

| | | |
|---|------------------|--|
| Amount invested in shares/securities/units, etc. | | |
| Name of company | Number of shares | |
| | | |
| | | |
| Other Assets | | |
| Description | | |
| | | |
| | | |
| Total | | |

3. Undeclared income derived from Mauritius used to finance the foreign assets disclosed at 2 above

| Source of income | Amount |
|---|---------------|
| Emoluments/ including commission | _____ |
| Business Income | _____ |
| Rent,Royalty, Premium or other income derived from property | _____ |
| Taxable Interest | _____ |
| Other (Please specify) | _____ |
| Total under-declared / undeclared income (A) | _____ |
| TAX PAYABLE [15% of (A)] | _____ |

4. I undertake to produce to the Mauritius Revenue Authority, when requested to do so, documentary evidence in respect of the assets held offshore.

5. I declare that I have not been convicted on or after 1 July 2001 of an offence; there are no pending or contemplated civil or criminal proceedings against me; and I am not the subject matter of an enquiry, relating to trafficking in dangerous drugs, arms trafficking, or terrorism under the Prevention of Terrorism Act, money laundering under the Financial Intelligence and Anti-Money Laundering Act or corruption under the prevention of Corruption Act.

6. I confirm that I have made a complete disclosure of my Income Tax liability for the years of assessment up to and including year of assessment 2018/2019. I undertake to pay the total tax liability by 31 March 2020.

Name of declarant :

Signature :

Date :

