



## **CONTRIBUTIONS NETWORK PROJECT (CNP)**

### **Instructions to CNP Users**

**Electronic submission of returns and payment of tax and contributions**

**for**

**VAT, PAYE, Corporate Tax, NPF & NSF Contributions and IVTB Levy**

**21 March 2007**



# **Contributions Network Project (CNP)**

## **Instructions to CNP Users**

### **Background**

The Contributions Network Project (CNP) is an initiative of the Ministry of Finance and Economic Development for the electronic submission of returns and payment of tax and contributions.

The CNP which is a complement to the TradeNet System at Customs (a 24-hour service for the electronic submission of bills of entry) consists of electronic submission of returns and payment of VAT, PAYE, Corporate Tax, NPF & NSF Contributions and IVTB Levy.

The system is available in both front-end version and web version.

### **PART I - GENERAL**

#### **2. Time limit for electronic submission of returns in respect of PAYE, corporate tax, VAT, NPF & NSF contributions and IVTB levy**

2.1 For those employers who submit their PAYE returns and their returns for NPF & NSF contributions and IVTB levy electronically, they are allowed to submit these returns and pay the tax, contributions and levy by the end of the month instead of 20<sup>th</sup> of the month as in the case for those not operating the CNP. For example, the returns for the month of February 2007 and payment of tax, contributions and levy may be made by 31 March 2007 instead of 20 March 2007.

2.2 Where an employer submits his return for NPF, NSF & IVTB levy electronically and his PAYE return manually, the time limit for the submission of the PAYE return and payment of tax will continue to be the 20<sup>th</sup> of the month.

2.3 Where an employer submits his return for NPF, NSF & IVTB manually or on diskette, the time limit for the submission of the return and payment of contributions and levy will continue to be 20<sup>th</sup> of the month.

2.4 The time limit to submit corporate tax returns and payment of tax, either by electronic means or otherwise, has remained unchanged. As from 1 January 2007, where a registered person submits his VAT return and makes payment electronically, the time limit is one month after the taxable period instead of the 20<sup>th</sup> of the month as for those who have not joined the CNP.

#### **3. Employers submitting their PAYE returns or their returns for NPF, NSF & IVTB levy and VAT registered persons their VAT returns manually.**

Employers who are at present submitting their PAYE returns or their returns for NPF, NSF & IVTB levy manually and VAT registered persons who are at present submitting their returns manually, are hereby requested to contact the Office of the Mauritius Revenue Authority (MRA) at Efram Court, Cnr. Mgr. Gonin & Sir V. Naz Streets, Port Louis, and the Ministry of Social Security, National Solidarity and Senior Citizen Welfare and Reform Institutions to complete the formalities to join the electronic system in order that they may benefit from the extension of the time limit for payment of tax/contributions and levy.

#### 4. The E-filing system

- 4.1 A potential user must not start electronic filing of returns unless he obtains a written authorisation from the MRA or the Ministry of Social Security, National Solidarity and Senior Citizens Welfare and Reform Institutions.
- 4.2 Once a CNP user starts e-filing of returns, the system will not allow, for obvious reasons to file paper returns thereafter.
- 4.3 At the time of filing, instructions to the banks for the payment of the tax / contributions and levy should be given, in due time, using the system provided by MNS.
- 4.4 The CNP system provides that at the time of filing a return, payment instructions to banks should be given to debit the account of the CNP user and to credit the appropriate account of the MRA and the National Pensions Fund with the Bank of Mauritius. At the time of filing the return, payment instructions can be given so as to be executed at a later date provided such date is on or before the last day on which the tax / contributions and levy is due to be paid.
- 4.5 Where the electronic return is filed and the payment instructions to banks is given **on the last day on which the tax is due to be paid**, the CNP user should ensure that **the payment instructions are received at the bank before 3.00 p.m.** to enable the accounts of the MRA and the National Pensions Fund to be credited on the same day. Where the accounts of the National Pensions Fund and of the MRA are credited after the date on which the tax is due to be paid, appropriate penalties will apply.

#### 5. Payer's User Manual

A Payer's User Manual has been provided to each CNP User by the Mauritius Network Services Ltd (MNS), the network service provider for the CNP. For any specific query regarding the operation of the system, please contact -

**MAURITIUS NETWORK SERVICES LTD**  
**Help Desk/Customer Service**  
**Tel. 211 2477 211 2525**  
**Fax. 211 2414**  
**Email: [customer.service@mns.intnet.mu](mailto:customer.service@mns.intnet.mu)**  
**Web: <http://mns.intnet.mu>**

### PART II – ELECTRONIC FILING OF PAYE RETURN

#### 6. Legal obligation on taxpayers to submit their PAYE returns electronically

Every employer who, at any time, has in his employment 50 or more employees is required to submit electronically to the MRA his return in respect of PAYE.

#### 7. PAYE Employer Registration Number and Tax Account Number

With the e-filing of return and payment of tax under PAYE, the MRA will, in relation to PAYE, maintain an account in respect of each employer remitting PAYE and a separate account for each of his employees in respect of whom tax is withheld under PAYE. For this purpose, the identification number of the employer is the PAYE Employer Registration Number whereas the identification number of the employee is the Tax Account Number (TAN). The PAYE Employer Registration Number will be the same number as the NPF Employer Registration Number.

## **8. The E-filing system for PAYE**

- 8.1 The electronic system does not allow an employer to file a PAYE return without his PAYE Employer Registration Number or the TAN of his employee.
- 8.2 It is therefore imperative that an employer ensures, in due time, that each of his employees in respect of whom tax is withheld under PAYE has his TAN and that it is the correct TAN allocated to him. In this connection, the MRA has set up a Help Desk for e-filing of PAYE Return to assist employers who will be using the electronic system for the first time.
- 8.3 As regards new employees coming on the payroll of the employer and falling under PAYE, the CNP user should, before the end of the month in respect of which tax is being withheld, communicate to the Help Desk the full name and where applicable, maiden name, the residential address and the National Identity Number, if any, of the new employee in order to obtain or confirm the TAN of the employee. The communication should be made either through the MNS Memo Text Service or by e-mail or fax. The Help Desk for e-filing of PAYE Return will ensure that the correct TAN number of the new employee is communicated to the employer within 2 days of the date of receipt of the communication from the employer.
- 8.4 The procedures to obtain a correct Tax Account Number (TAN) of an employee should be strictly followed. It would therefore not be a valid reason to contend that a return cannot be filed electronically on grounds that the TAN of an employee is not available.

## **9. Adjustment**

Where, in respect of a PAYE return already submitted, an adjustment or an amendment is required to be made to that return, the CNP user should enter the resulting figure representing the adjustment or amendment in the space provided for that purpose in the subsequent electronic PAYE return. At the same time, details of the adjustment or amendment should be communicated to the MRA either through the MNS Memo Text Service or by e-mail or fax.

## **10. Reconciliation statement**

The reconciliation statement to be submitted not later than 31 August in every year would no longer be required under the electronic system.

## **PART III – ELECTRONIC FILING OF CORPORATE TAX RETURNS**

### **11. Legal obligation on companies to submit their tax returns electronically**

Every company that is required to submit its PAYE return electronically is also required to submit its corporate tax returns electronically.

### **12. Time limit for electronic submission corporate tax return**

- 12.1 Where the closing date of the accounts of the company is 30 June, the return will have to be filed not later than 31 January following the income year. Where the company has an approved return date (i.e. the date of the closing of the accounts is a date other than 30 June), the return will have to be filed not later than 30 September following the income year.
- 12.2 Where a company has failed to submit a return by the due date, an electronic return can still be filed with appropriate penalty for late submission of return and late payment of tax.

### 13. Trading and Profit and Loss Account

- 13.1 For Items coded 5 to 8 (i.e. Dividends, Interest, Rent, Royalties) the gross amount receivable should be declared.
- 13.2 Item code 13 (Expenses per P & L account) has associated details screen that can be accessed by clicking on the special button provided. The amount of expenses not allowable for income tax purposes should be entered in the column “Disallowed” against the corresponding item of expenses shown in the “Expenses per accounts details entry screen (Items coded 13.1 to 13.21)”.

### 14. Computation of chargeable Income and Tax payable

- 14.1 The Chargeable income (item code 23) should be computed by taking the “Net Profit or loss per Profit and Loss Account” in line code 14 and making appropriate adjustments as shown under items coded 15 to 22.
- 14.2 Where a company’s income includes exempt income (e.g Dividends receivable from resident companies) any expenditure or loss incurred to produce such income is not allowable and should be added back under item coded 15.1 “Expenditure incurred in the production of exempt income”. This item has associated details screen that can be accessed by clicking on the special button provided. Where expenditure or loss is incurred in the production of both gross income and exempt income, that part of the expenditure or loss attributable to the production of exempt income must be calculated by using the following formula:

$$\frac{\text{Exempt income}}{\text{Total gross income (including exempt income)}} \times \text{expenditure or loss}$$

- 14.3 Where, in the above formula, the proportion of exempt income to total gross income including exempt income is 10% or less, only expenditure or loss exclusively incurred in the production of exempt income will be disallowed and therefore no entries will have to be made in the corresponding fields at items coded 15.1.8 and 15.1.9 in the “Expenditure incurred in the production of exempt income entry screen”.
- 14.4 The amount of overseas marketing and promotional expenses incurred for the income year should be entered under item code 18.5 as the company is entitled to a further deduction of the total expenditure incurred under such heading over and above the amount already claimed in its accounts.
- 14.5 Every company should calculate its “Normal tax payable” (item code 28) irrespective of whether Alternative Minimum Tax (AMT) applies. (see paragraphs 14.6 to 14.9 below). “Normal tax payable” is the tax payable arrived at by multiplying the chargeable income of the company by the applicable tax rate and after allowing for any tax credit except for credit in respect of foreign tax.
- 14.6 Alternative Minimum Tax (Item code 29). Alternative Minimum Tax (AMT) is applicable where a company’s “normal tax payable” is less than 5% of its “book profit”.
- 14.7 AMT is not applicable to a company 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 dividends do not exceed the “normal tax payable”.

- 14.8 Item code 29 has associated details screen that can be accessed by clicking on the special button provided. The AMT is calculated by following the appropriate steps as shown in the “Alternative Minimum Tax details entry screen (Items 29.1 to 29.2.3)”.
- 14.9 The tax payable (Item code 30) is the higher of “Normal tax payable” (Item code 28) and the “Alternative Minimum Tax” (Item code 29).

## **15. Information on transactions with related companies and individuals**

15.1 Related companies and individuals mean -

- (a) “Holding company”, “subsidiary company” and “related company” as defined in the Companies Act 2001;
- (b) directors of the company and the directors of its “holding company”;
- (c) a person (i.e. a company or an individual) owning or able to exercise control over 20 per cent or more of the voting rights of the company, whether directly or through nominees;
- (d) family members or members of the same household of any individual mentioned in (b) and (c) above;
- (e) an entity managing or managed by the company under a management contract.

15.2 Information should be provided for any transaction with related companies and/or individuals within the meaning at paragraph 16.1 which was undertaken not on an arm’s length basis.

## **16. Amendment to corporate tax return already submitted**

Where, in respect of a corporate tax return already submitted, an amendment is required to be made, the amendment is to be effected either through the MNS Memo Text Service or by e-mail or fax.

## **PART IV – ELECTRONIC FILING OF VAT RETURN**

### **17. Legal obligation to submit VAT returns electronically**

Every VAT registered person who is required to submit his PAYE return electronically will have to submit his VAT return electronically to the MRA.

### **18. Time limit for electronic submission of VAT returns**

Where a VAT return is required to be filed every month, the e-filing should be made not later than one month after the end of that month and where it is required to be filed every quarter, the e-filing should be made not later than one month after the end of the quarter to which it relates.

## **19. Adjustment in respect of previous taxable periods**

Where, in respect of a return already submitted, an adjustment or an amendment is required to be made to that return, the CNP user should enter the resulting figure representing the adjustment or amendment at line 11 of the next VAT return. At the same time, details of the adjustment or amendment should be communicated to the MRA either through the MNS Memo Text Service or by e-mail or fax.

## **20. Notes for completion of VAT Return (Form VAT3 or Form VAT3A)**

For a VAT registered person other than a bank, give effect to the notes mentioned in Annex I. For a bank which is VAT registered, give effect to the notes mentioned in Annex III.

## **21. Claim for repayment (Form VAT 4)**

The claim for repayment (Form VAT 4) to be submitted together with a VAT return is NOT required under the electronic system.

## **22. Solidarity levy**

An operator in the business of-

- (a) hotel;
- (b) hotel management; or
- (c) tour operator,

is required to file with his VAT return a form in relation to the solidarity levy (Form VAT 3 SL).

The operator is flagged as such in the CNP system to enable him to complete and file in the part of his VAT return relating to, and make payment of any amount of solidarity levy.

Notes for the completion of the solidarity levy form (VAT 3 SL) are in Annex II.

## **PART V – PENALTY AND INTEREST**

### **23. Penalties and interest with effect from:**

the Year of Assessment 2007-2008 for corporate tax;

period June 2006 for PAYE; and

taxable period October 2006 for Value Added Tax.

#### **23.1 Penalty for late submission of return**

A penalty of 2,000 rupees per month or part of the month is payable until the time the return is submitted whether or not the entity has a chargeable income for Income Tax purposes, and in the case of a VAT registered person whether or not the VAT Return is a nil return or shows an excess amount of tax.. The total penalty payable is limited to 20,000 rupees.



### 23.2 **Penalty and interest for late payment of tax**

Penalty at the rate of 5 per cent of the amount of tax (excluding the penalty for late submission of return and the penalty at the rate of 5 per cent and interest at the rate of one per cent of the tax) and interest at the rate of one per cent of the tax is payable for each month or part of the month during which the tax remains unpaid.

### 23.3 **Penalty for failure to submit return and make payment electronically**

Every employer or VAT registered person who fails to submit his PAYE or VAT Return electronically after written notice has been given to him shall be liable to pay, on his failure within a period of 7 days to justify the failure to join the electronic system, a penalty of 5,000 rupees, for every month or part of a month, up to a maximum of 50,000 rupees, up to the month immediately preceding the month in which the PAYE or VAT Return is submitted.

Every company which fails to submit its return electronically and after written notice given to it, fails to justify its failure to do so within 7 days thereof, shall be liable to pay a penalty of 20 per cent of the tax payable up to a maximum amount of 100,000 rupees.

## 24. **Communication**

For any communication regarding e-filing and payment of PAYE, corporate tax and VAT please contact -

**MAURITIUS REVENUE AUTHORITY, EHRAM COURT, PORT LOUIS**

**Help Desk for e-filing of returns**

**Tel. : 207 6000 Ext 2116, 2117**

**Fax : 207 6048**

**Email : [m.r.authority@intnet.mu](mailto:m.r.authority@intnet.mu)**

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

## **PART VI – MINISTRY OF SOCIAL SECURITY, NATIONAL SOLIDARITY & SENIOR CITIZEN WELFARE AND REFORM INSTITUTIONS**

### 25. **Legal obligation on certain employers to submit their returns electronically**

Every employer who, at any time, has in his employment 50 or more insured persons is required to submit electronically to the **National Pensions Fund** his returns in respect of NPF & NSF contributions and IVTB levy.

### 26. **NPF Employer Registration Number and National Identity Number**

With the e-filing and payment of NPF & NSF contributions & IVTB levy, the Ministry of Social Security will maintain an account in respect of each employer remitting the contributions and the levy and a separate account for each of his employees in respect of whom payment of contributions is effected. For this purpose, the identification number of the employer will be the NPF Employer Registration Number whereas the identification number of the employee will be the National Identity Number. Where an employee who is an expatriate is not eligible to have a National Identity Number, a Social Security Number made up of 14 characters will be allocated by the Ministry and that number will be used instead. It is to be noted that the PAYE Employer

Registration Number is the same as the NPF Employer Registration Number.

## **27. The E-filing system**

- 27.1 The electronic system does not allow an employer to file a return for NPF & NSF contributions and IVTB levy without his NPF Employer Registration Number or the National Identity Number of his employee.
- 27.2 It is therefore imperative that an employer ensures, in due time, that each of his employees in respect of whom contributions are payable has his National Identity Number and that it is the correct National Identity Number allocated to him. In this connection, the Ministry of Social Security has set up a Help Desk for e-filing of return to assist employers who will be using the electronic system for the first time.
- 27.3 As regards new employees coming on the payroll of the employer and in respect of whom contributions are payable, the CNP user should before the end of the month in respect of which contributions are payable –
- (a) send the employee details through the MNS system by using the menu “Send employee details to NPF”; and
  - (b) in case message “National ID is invalid” is displayed, communicate to the Help Desk the full name, date of birth and the invalid National Identity Number, either through the MNS Memo Text Service or by e-mail/fax/phone. The Help Desk will ensure that the correct National Identity Number of the new employee is communicated to the employer within 2 days of the date of receipt of the communication from the employer.
- 27.4 The procedures to obtain a correct National Identity Number of an employee should be strictly followed. It would therefore not be a valid reason to contend that a return cannot be filed electronically on grounds that the National Identity Number of an employee is not available or is incorrect.
- 27.5 The employer’s and employee’s contributions shall, in relation to NPF, be calculated separately for each employee by applying the appropriate percentage specified in the First Schedule to the Act and each amount so calculated shall be rounded to the next rupee except that any fraction of a rupee which is less than fifty cents shall be disregarded.
- 27.6 The contribution in respect of NSF for each employee shall be calculated in accordance with section 5(b) of the Act and the contribution so calculated shall be rounded to the next rupee except that any fraction of a rupee which is less than fifty cents shall be disregarded.
- 27.7 In relation to IVTB levy, the total amount of the basic wage or salary, or the total amount of levy shall exclude any fraction of a rupee.
- 27.8 The maximum remuneration, in respect of which contributions to the NPF and NSF are payable, is subject to revision in July each year.
- 27.9 Any surcharge payable either in respect of NPF or NSF contributions or IVTB levy shall exclude any fraction of a rupee.
- 27.10 An employer who files monthly returns shall not be required to submit an annual return at the end of the financial year in respect of the same period.

**28. Submission of additional return and adjustments to monthly returns already submitted**

Presently, the system allows the filing of only one electronic return for a month. Where an employer has to submit an additional return or to make adjustments in respect of a return already submitted, he/she will have to do so on Forms provided by the Ministry for this purpose and pay any contributions/surcharge due to the Cash Office.

**29. Cessation of business**

Where an employer becomes aware that he will cease to carry on any trade, business or occupation, whether voluntarily or otherwise, he shall forthwith give written notice to the Ministry and specify in the notice the date on which the cessation will, or is likely to have effect.

He shall, not later than 15 days, after the date of cessation

- (a) submit his monthly return; and
- (b) pay any contributions or surcharge payable.

**30. Communication**

For any communication regarding e-filing and payment of NPF & NSF contributions & IVTB levy, please contact -

**MINISTRY OF SOCIAL SECURITY, NATIONAL SOLIDARITY &  
SENIOR CITIZEN WELFARE AND REFORM INSTITUTIONS****Help Desk for e-filing of return****Tel. : 211 0447****Fax : 211 0442****E-mail : [msscnp@mail.gov.mu](mailto:msscnp@mail.gov.mu)****Website: <http://socialsecurity.gov.mu>**

## ANNEX I

### (Part IV – Para. 20)

#### NOTES FOR COMPLETION OF VAT RETURN (FORM VAT 3)

##### (Applicable to a VAT registered person other than a bank)

A NIL return should be submitted where supplies are neither made nor received.

#### **OUTPUT – Proportion of taxable supplies to total turnover**

Enter the percentage which should be based on the actual figures for the previous accounting year. In the case of a new business, the registered person should make an estimate to the best of his judgment and ability of the figures for the current accounting year and subsequently make an adjustment in the first VAT Return following the closing of annual accounts in respect of the overestimated or underestimated input tax. The value of taxable supplies should exclude the value of capital assets disposed of.

#### 1. Taxable supplies:

Enter value of –

- 1.1 export of taxable supplies, taxable goods shipped, supplies to duty-free shops at port/airport or elsewhere for sale, supplies to licensees in the freeport zone for use therein, VAT free supplies to visitors or travellers by approved registered persons and supplies by management companies holding a licence under the Financial Services Development Act 2001 to holders of a Global Business Licence.
- 1.2 zero-rated goods and services supplied on the local market.
- 1.3 taxable supplies made to bodies or persons exempted from payment of VAT.
- 1.4 supplies of taxable goods and services, including the disposal of taxable capital goods of the registered person, supplies for private use, donation, gifts, supplies of services received from abroad (reverse charge) but excluding zero-rated supplies and supplies to exempt bodies or persons accounted for in lines 1.1, 1.2 and 1.3.

- Note: (i) Value of supplies of liquified petroleum gas, bars of iron or steel and portland cement at the retail level should however exclude the retail margin.
- (ii) Value of supplies of motor spirits, gas oils and cigarettes at wholesale level should however include the retail margin.

#### 2. Enter value of exempt goods and services, whether supplied on the local market or exported.

#### **INPUT**

Where goods and services are used for both business and other purposes, the input should show only that part relating to the business.

#### 4. Taxable input on which input tax is allowed as a credit:

Enter value of-

- 4.1 importation of goods of a capital nature to the business.
- 4.2 importation of zero-rated goods.
- 4.3 importation of goods other than (i) goods of a capital nature (4.1) and (ii) zero-rated goods (4.2).
- 4.4 goods of a capital nature to the business and purchased locally.
- 4.5 zero-rated goods and services supplied to the business locally.
- 4.6 local supplies made to the business other than (i) goods of a capital nature (4.4) and (ii) zero-rated supplies (4.5).

5. Taxable input on which no input tax is allowed as a credit:

Enter value of –

- (a) import and purchases of goods in respect of which no credit is allowed by virtue of section 21(2) of the Act and
- (b) purchase from non VAT registered persons.

The value relating to (a) above should be inclusive of VAT.

6. Exempt input:

Enter value of-

- 6.1 exempt goods imported.
- 6.2 exempt goods and services supplied to the business.

8. Unless an alternative method of apportionment is approved by the Commissioner, the proportion of the input tax allowable as deduction is the same as the proportion of taxable supplies to total turnover, as calculated above.

Enter the input tax deductible arrived at by adding:-

- (a) input tax allowable in respect of taxable input at 4.1 to 4.6 used to make only taxable supplies, and
- (b) the amount arrived at by applying the proportion of credit allowable to the input tax allowable in respect of taxable inputs at 4.1 to 4.6 used to make both taxable and exempt supplies.

## VAT ACCOUNT

10 Enter the excess amount of VAT from the previous return, as applicable.

11 Enter the amount of VAT adjustment having -

- (a) an increasing effect, including VAT in respect of: (i) taxable supplies understated in previous periods, (ii) bad debts written off and subsequently recovered, (iii) clawback on buildings, (iv) adjustment of credit found to have been overestimated following

determination of proportion of taxable supplies to total annual turnover for the first accounting year of a new business and (v) goods forming part of the assets of the business of a person who has ceased operation and on which VAT is payable.

- (b) a decreasing effect, including input tax relating to the preceding 24 months and not claimed in previous VAT returns and that in respect of (i) bad debts written off, (ii) adjustment of credit found to have been underestimated following determination of proportion of taxable supplies to total annual turnover for the first accounting year of a new business and (iii) credit allowable on supplies of services received from abroad (input reverse charge).

A statement showing the details of the adjustment net figure should be communicated to the Office of the Mauritius Revenue Authority either through the MNS memo text service or by e-mail or fax.

13. Note that there cannot be claim for repayment of VAT if the excess amount at 12 does not qualify for repayment.

**ANNEX II****(Part IV – Para. 22)****NOTES FOR COMPLETION OF VAT RETURN (FORM VAT 3 SL)**

(Applicable to an operator in the business of hotel / hotel management / tour operator)

That part of the VAT return is to be submitted whether or not any Solidarity Levy is payable and irrespective of whether the VAT Account shows an amount of tax due and payable or excess amount of VAT, or is nil.

1. 18.2.1 (a) subject to paragraph (b), the turnover shall be the value of taxable supplies for the return excluding the value of taxable supplies in respect of capital goods;  
  
    (b) in the case of a hotel, any amount payable as management fee to a hotel management company in Mauritius is to be deducted from the turnover as calculated in (a) above.
2. 19.2 applicable where levy has not been paid since the beginning of the financial year and profit before tax in respect of the accounting year immediately preceding the end of the financial year is equal to or exceeds 5 per turnover;
3. 19.3 applicable where levy has been paid since the beginning of the financial year and profit before tax in respect of the accounting year immediately preceding the end of the financial year does not exceed 5 per cent of turnover.

## ANNEX III

### (Part IV – Para. 20)

#### NOTES FOR COMPLETION OF VAT RETURN (FORM VAT 3A)

#### (Applicable to a bank which is VAT registered)

A NIL return should be submitted where supplies are neither made nor received.

#### OUTPUT

1. Taxable supplies:

Enter value of-

1.1 taxable supplies made to non-residents and companies holding a Global Business Licence.

1.2 taxable supplies made to -

(i) persons providing e-commerce services to persons residing outside Mauritius; and

(ii) companies engaged wholly and exclusively in the registration and processing in Mauritius of bets placed on various sporting events by persons residing outside Mauritius.

1.3 each of the types of taxable supplies, as applicable, (1.3.1 to 1.3.4)

1.4 taxable supplies not covered by 1.1 to 1.3 above.

2. Enter value of exempt supplies including the value of all banking supplies exempt from VAT.

#### INPUT

4. Enter the amount of input tax charged on goods imported and local supplies to the company, (4.1 and 4.2).

5. Input tax allowable to be deducted as credit in respect of capital goods and other taxable supplies received is arrived at by excluding input tax not allowed as credit by virtue of section 21(2) of the Value Added Tax Act.

Enter -

5.1 amount of allowable input tax in respect of goods and services wholly used to make zero-rated supplies (1.1).

5.2 amount of allowable input tax in respect of goods and services wholly used to make other taxable supplies (1.4).



- 5.3 amount representing allowable proportion of input tax in respect of goods and services used to make both taxable supplies and exempt supplies. Unless an alternative method of apportionment is approved by the Commissioner, the allowable proportion is calculated as follows:

$$\frac{\text{Annual turnover of taxable supplies at 1.1 and 1.4}}{\text{Annual turnover of total supplies}} \times 100$$

The annual turnover figures to be used in the above formula should relate to the previous accounting year.

Note: Input tax relating to capital goods and that relating to other supplies are to be declared in col A and col B respectively.

#### **VAT ACCOUNT**

8. Enter the excess amount of VAT from the previous return, as applicable.
9. Enter any adjustment of tax relating to previous taxable periods which includes:
  - (i) amount of tax understated in previous periods (increase);
  - (ii) VAT on bad debts written off and subsequently recovered (increase); and
  - (iii) VAT on bad debts written off (decrease).

A statement showing the details of the net adjustment should be communicated to Office of the Mauritius Revenue Authority either through the MNS memo text service or by e-mail or fax.

11. Note that there cannot be claim for repayment of VAT if the excess amount at 10 does not qualify for repayment.

