

FAQs

Frequently Asked Questions

VAT Refund Scheme on Residential Building or Apartment

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1. *What this scheme is about?*

Under this scheme, a person may apply for a refund of VAT on the construction of a residential building or the purchase of a residential apartment or house from a property developer.

2. *Who can apply for a refund of VAT under this scheme?*

Any person who is a citizen of Mauritius of 18 years of age or over, and whose annual net income for income tax purposes and that of his spouse does not, in the aggregate, exceed 1 million rupees.

3. *What are the other conditions to be met to be able to apply for the refund?*

- i. The construction of the residential building, house or residential apartment must be started and completed in the years 2014 to 2024 and in the period of 6 months ending 30 June 2025;
- ii. The applicant or his spouse must be the owner or co-owner of the residential building or residential apartment; and
- iii. The cost of the construction of the residential building or the purchase price of the residential apartment or house must not exceed 3 million rupees;
- iv. The claim for refund shall not be in relation to a property on:
 - a. Pas Geometriques;
 - b. Real State under the Investment Promotion (Real State Development Scheme) Regulations 2007;
 - c. Property Development under the Investment Promotion (Property Development Scheme) Regulations 2015;
 - d. Invest Hotel under the Investment Promotion (Invest Hotel Scheme) Regulations 2015;
 - e. Smart City under the Investment Promotion (Smart City Scheme) Regulations 2015.
- v. The refund is applicable on the construction of a first residence only.

4. If the cost of the construction of the residential building or the purchase price of the residential apartment exceeds 3 million rupees, can an application still be made for the refund of VAT on the first 3 million rupees?

No. An application for refund of VAT would be entertained only where the cost of the construction of the residential building or the purchase price of the residential apartment or house does not exceed 3 million rupees.

5. What is the maximum amount of VAT that an applicant can claim for the construction of a residential building or the purchase of a residential apartment or house?

Any refund of VAT to the applicant and his spouse must not in the aggregate, exceed 300,000 rupees.

6. How and when to apply for a refund of VAT under the scheme?

Application for refund must be made electronically on the website of MRA: www.mra.mu within 30 days from the end of every quarter during which the VAT has been paid.

An application will not be entertained where it is made more than 12 months from the date of the VAT invoice or receipt.

7. Can a claim for refund be made in respect of any amount of VAT paid during a quarter?

An application must be made only if the amount refundable in respect of a quarter exceeds 25,000 rupees. If the amount refundable does not exceed Rs 25,000 in respect of a quarter, it may be claimed in the subsequent quarter provided the total amount claimed in the application exceeds Rs 25,000.

This threshold of Rs 25,000 would not apply;

- i. in respect of the final application; or
- ii. if the amount of VAT paid during a quarter and the three preceding quarters does not exceed Rs 25,000.

8. *What documents should be submitted with an application for refund under the scheme?*

For the first application only, applicants should provide hard copies of the following documents:

- a. In case of purchase of a house/apartment from a property developer:
 - The original receipt of payment issued under Section 19(2) (c) & details of the Transcription Volume of the property
- b. In case of construction with a building contractor:
 - The Building and Land Use Permit on the Applicant's Name;
 - The construction plan; and
 - The original VAT invoices issued under Section 20 of the VAT Act by the Contractor.
- c. The evidence of income such as payslip of the employee or Income Statements for self-employed individuals.
- d. Contract/Agreement with the Building Contractor/Property Developer (including the BRN or NID of Contractor, Builder, Property Developer)..

For subsequent applications, only original VAT invoices must be submitted in hardcopy for verification.

Applications should be made through the MRA website: www.mra.mu

9. *How much time does it take for an application for refund to be approved by the MRA?*

The MRA will proceed with the refund within 30 days from the date of receipt of the application, provided all conditions are satisfied and relevant documents submitted.

10. *How to calculate the deemed VAT that can be claimed for refund upon the purchase of a residential apartment or house from a property developer?*

The deemed VAT can be calculated as follows:

Purchase Price x 0.104

What about payment by instalment?

Where the payment is made by instalment, the amount to be claimed in a particular quarter is to be calculated as follows-

Amount paid x 0.104,

provided the total amount claimed does not exceed purchase price x 0.104

11. *Where can the application for VAT refund be made?*

Applications must be made electronically on the MRA website: www.mra.mu



