

To All Employers

6 August 2021

**PAYROLL TAXES
INCOME YEAR 2021/2022**

Employers are informed of the following changes in the operation of Payroll Taxes.

1. Reliefs and deductions

(a) Income Exemption Threshold (IET)

There is no change with respect to IET for the income year 2021/2022 -

Category	2021/2022
A. Individual with no dependent	Rs 325,000
B. Individual with one dependent	Rs 435,000
C. Individual with two dependents	Rs 515,000
D. Individual with three dependents	Rs 600,000
E. Individual with four dependents	Rs 680,000

(b) Dependents

When claiming IET category B,C,D or E in his EDF, an individual may claim as dependent, a bed-ridden next of kin who is under his care. In such case, the net income and exempt income of the bed-ridden next of kin shall not include the benefits derived by the bedridden next of kin under the National Pensions Act.

A “**Bedridden next of kin**” with respect to a person is the person’s bedridden father, mother, grand-father, grand-mother, brother or sister or of his spouse provided the bedridden next of kin is eligible to the carer’s allowance payable under the National Pensions Act.

(c) Relief for Medical Insurance premium or contribution

The maximum relief in respect of Medical Insurance premium or contribution has been increased by Rs 5,000 and is shown in the table below -

Category	2020/2021	2021/2022
A. Individual with no dependent	Rs 15,000	Rs 20,000
B. Individual with one dependent	Rs 15,000	Rs 20,000
C. Individual with two dependents	Rs 10,000	Rs 15,000
D. Individual with three dependents	Rs 10,000	Rs 15,000
E. Individual with four dependents	Rs 10,000	Rs 15,000

(d) Additional exemption in respect of dependent child pursuing undergraduate course

The additional exemption in respect of dependent child pursuing a non-sponsored full-time undergraduate course at a recognised institution in or outside Mauritius has been increased to Rs 225,000.

(e) Deduction for contribution made to National Covid-19 Vaccination Programme Fund

A person who has contributed to the Covid-19 Vaccination Programme Fund shall be entitled to deduct such amount from his net income.

(f) Deduction for donation to charitable institutions

A person who makes a donation to a charitable institution shall be entitled to deduct such amount, up to a maximum of Rs 30,000, from his net income.

(g) Deduction for contribution made to approved personal pension schemes

A person, who has contributed to an individual pension scheme approved by the Financial Services Commission for the provision of a pension for himself, shall be entitled to deduct such amount, up to a maximum of Rs 30,000, from his net income.

2. Employee Declaration Form (EDF)

The MRA is pursuing its go-green initiatives and, as last year, requests all employees to submit their EDFs electronically to their employer using the facility available on MRA website (www.mra.mu). The procedure for the electronic submission of the EDF is also available on MRA website.

Employers are required to use their Employer Registration Numbers (ERN) and password to access the facility available on the MRA website and download an excel file showing the reliefs and deductions claimed by their employees in their e-EDFs. Employers should download the file every month before processing their payroll so as to obtain the details of any new EDF submitted by their employees during the month.

Employers are kindly requested to communicate their ERN to employees and provide the necessary facilities to help and assist their employees to submit their EDF electronically.

MRA will not issue any EDF in paper form.

3. Exempt Person

An exempt person means an employee whose emoluments in a month do not exceed Rs 25,000 and is not subject to tax deductions under PAYE. However, it is to be noted that **any** fee paid by a company to its directors or by a statutory body to any member of its Board, Council, Commission or Committee, is subject to PAYE deduction at the rate of 15%.

4. Return of Employees (ROE)

ALL employers are required to submit a ROE electronically, on or before **16 August 2021**, and include in the ROE the details of **ALL their employees**.

Employers are not compulsorily required to insert the Tax Account Number (TAN) of their employees in the ROE. They should instead insert the National ID number of the employee or in case of non-Mauritian citizen, the non-Citizen ID number (NCID) issued by the Immigration Office. In case of non-resident employees an application for a Tax Account Number (TAN) should be made if not already available.

Commitment beyond Revenue

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Employers submitting their monthly PAYE return using the system made available by the Mauritius Network Services (MNS) should submit their ROE through that system. Other employers should submit their ROE through the system made available by MRA on its website.

Household employers are not required to submit a ROE in respect of the employees in their domestic service.

5. National Savings Fund (NSF)

NSF ceiling

The ceiling of basic wage or salary for NSF has been revised **with effect from 1 July 2021** as follows -

Pay Period	Minimum Wage		Maximum Wage
	For Private Household employees (only)	Employees in other sectors	For all employees
Daily	80	126	818
Weekly	478	753	4,905
Fortnightly	955	1,507	9,810
Half Monthly	1,035	1,633	10,628
Monthly	2,070	3,265	21,255

6. HRDC Training Levy

As from 01 July 2021, every employer shall, in respect of every employee, pay a training levy of 1.5% of the total basic wage or salary of its employees other than a household worker.

7. Statement of Emoluments and Tax Deduction (SOE)

ALL Employers are required to give a **SOE** to all their employees. The template of the **SOE** is available on the MRA website.

For any additional information, please visit MRA website or phone on our hotline **207 6000**.



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