

**YEAR OF ASSESSMENT 2011 (INCOME FOR THE PERIOD 1 JANUARY 2010 TO 31 DECEMBER 2010)
NOTES - HOW TO FILL IN YOUR RETURN (I.T FORM 1A)**

ELECTRONIC FILING

You may file your tax return electronically on MRA website <http://mra.gov.mu>

CHANGE IN PERSONAL DATA

In case there are changes in your personal data as printed on the return, kindly fill in a Personal Data Change Form (available on MRA website/Service Counter) and send it to MRA

DUE DATE

The return should be forwarded so as to reach the office of the Director-General at latest on 31 March 2011. Where the return is filed electronically and payment, if any, is effected through internet banking, the due date has been extended to 15 April 2011

Note 1 (Section 2)

Emoluments

The PAYE Employer Registration Number, emoluments net of exempt income, tax withheld under PAYE as appearing in your Statement/s of Emoluments and Tax Deduction should be inserted at section 2. The total emoluments net of exempt income should be inserted at section 2.11 and then at 2.13 after deducting expenditure incurred wholly and exclusively in the performance of the duties of the office, if any. If you derived emoluments from more than 10 sources, give details of the 9 main sources at 2.1 to 2.9. For the remaining sources, lump the emoluments and tax withheld, insert the word "Lump" in the first column and enter the corresponding amounts at 2.10.

Note 2 (Section 3)

Basic Retirement Pension (Old Age Pension)

Insert at 3.1 the total amount of basic retirement pension received during the year.

Note 3 (Section 4)

Interest Income

Interest earned as from 1 January 2010 on savings and fixed deposit accounts maintained with a bank or non-bank deposit taking institution, Government securities and Bank of Mauritius Bills are exempt.

However, all interests earned during period 1 July 2006 to 31 December 2009, which were paid to you in year 2010 are taxable.

Enter at section 4.1 any interest income, other than the above mentioned exempt interest, received by you and your dependents during the income year ended 31 December 2010, including interest relating to period 1 July 2006 to 31 December 2009 which were paid to you in that income year.

Note 4 (Section 6)

Income of Dependents

If you have claimed Income Exemption Threshold of Category B, C, D or F at section 8, any net income derived by the dependent/s during the year is deemed to be your income and should be included at section 6 of your tax return. Conditions for entitlement to IET Category B, C, D and F are given in note 5 below.

Note 5 (Section 8)

Income Exemption Threshold (IET)

An individual who was resident in Mauritius in the income year ended 31 December 2010 is entitled, for the purpose of calculating his chargeable income, to claim a deduction in respect of Income Exemption Threshold - Category A, B, C, D, E or F as applicable to him.

If you make a claim in respect of either Category B, C, D or F then your spouse is entitled to a claim in respect of Category A or E only in his/her tax return for the year.

IET - Category A - no dependent

If you were resident and had no dependent (spouse or child), you should claim IET Category A, unless you are entitled to claim IET Category E.

IET - Category B - one dependent

A claim under Category B shall be allowable if the net income and exempt income of your first dependent did not exceed Rs 110,000 in the income year ended 31 December 2010.

IET - Category C - two dependents

A claim under Category C shall be allowable if the net income and exempt income of your second dependent did not exceed Rs 60,000 in the income year ended 31 December 2010.

IET - Category D - three dependents

A claim under Category D shall be allowable if the net income and exempt income of your third dependent did not exceed Rs 40,000 in the income year ended 31 December 2010

IET - Category E - retired person - no dependent

A claim under Category E shall be allowable to a retired person who has attained the age of 60 at any time prior to 1 January 2010 and has not received any business income or emoluments other than retirement pension.

IET - Category F - Retired person - One dependent

A claim under Category F shall be allowable to a retired person who has attained the age of 60 at any time prior to 1 January 2010 and has not received any business income or emoluments other than retirement pension. The net income and exempt income of the dependent should not exceed Rs 110,000 in the income year ended 31 December 2010.

"*Dependent*" means a spouse, a child under the age of 18 or a child over the age of 18 who is pursuing full time education or training or who cannot earn a living because of a physical or mental disability.

"*Child*" means

- (a) an unmarried child, stepchild or adopted child of a person;
- (b) an unmarried child whose guardianship or custody is entrusted to the person by virtue of any other enactment or of an order of a court of competent jurisdiction;

- (c) an unmarried child placed in foster care of the person by virtue of an order of a court of competent jurisdiction.

“Resident” means an individual who has been present in Mauritius during the income year for a period of or an aggregate period of 183 days or more; or who has been present in Mauritius during the income year and the 2 preceding income years for an aggregate period of 270 days or more; or who has his domicile in Mauritius unless his permanent place of abode is outside Mauritius.

“Exempt income” includes:

- (a) Interest derived from a savings or fixed deposit account maintained with a bank or non-bank deposit taking institution, Government securities and Bank of Mauritius Bills.
- (b) Any rent allowance payable to a person appointed to an office in the Police Force/the Fire Services/the Forests Division of the Ministry of Agriculture and Natural Resources/the Prisons and Industrial School Service/the Ministry of Fisheries/the Department of Civil Aviation/ the Fire Unit of the Mauritius Marine Authority.
- (c) Any housing allowance not exceeding 100 rupees per month payable by an employer to an employee under any enactment or by virtue of an award made under an enactment.
- (d) Any transport allowance payable by an employer by virtue of the terms and conditions of service equivalent to -
- (i) the return bus fare between residence and place of work;
 - (ii) petrol allowance, commuted travelling allowance and travel grant payable by the Government of Mauritius and the local authority to their employees; or
 - (iii) the actual petrol or travelling allowance paid or 25 per cent of the monthly basic salary up to a maximum of 8,480 rupees, whichever is the lesser, provided that the employee makes use of a private car registered in his own name for attending duty and for the performance of the duties of his office or employment.
- (e) Passage benefits provided under a contract of employment not exceeding 6 per cent of the basic salary.
- (f) Dividends -
- (i) paid by a company resident in Mauritius; or
 - (ii) paid by a co-operative society registered under the Co-operative Societies Act.
- (g) Income derived by any person in the form of maintenance allowance or other benefit provided in

respect of his attendance at a university, college, school or other educational institution in terms of a scholarship, bursary, exhibition or other education award.

Note 6 (Section 9)

Chargeable Income

The chargeable income is arrived at by deducting from the total net income at section 7, the Income Exemption Threshold at section 8.7.

Note 7 (Section 10)

Calculation of Tax

The tax is calculated at a flat rate of 15% on the chargeable income.

Note 8 (Section 11)

Tax Credits

Enter foreign tax paid or the amount of Mauritius tax attributable to the foreign income, whichever is the lesser.

Note 9 (Section 13)

Tax Withheld under PAYE and TDS

Enter amount withheld under PAYE as per Statement of Emoluments and Tax Deduction.

Enter the amount of tax deducted at source in respect of any taxable interest income declared at section 4.

A relief in respect of tax deducted at source on exempt interest for period 1 January 2010 to 31 December 2010 can only be claimed in the tax return for Assessment Year 2012.

Note 10

The due date for submission of the return is 31 March 2011. However, where the return is filed electronically and payment of tax, if any, is effected through internet banking, the due date has been extended to 15 April 2011.

Note 11 (Section 15)

Penalty and Interest

Penalty for late submission of return

Every person who is required to submit a return and who fails to do so, shall be liable to pay a monthly penalty of Rs 2,000 up to a maximum of Rs 20,000.

Penalty for late payment of tax

In case of late payment, enter 5% of the balance of tax payable at section 14.

Interest on late payment of tax

In case of late payment, enter 1% of the balance of tax payable at section 14 for each month or part of the month during which the tax remains unpaid after the due date.

These notes are intended to assist in the completion of the return. If further information is required, please contact the Mauritius Revenue Authority, Eham Court, Cnr Mgr Gonin & Sir Virgil Naz Streets, Port Louis.

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Fax No. : 211-8099

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