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# **KEY TAX REGULATORY PROVISIONS OF THE FINANCE ACT 20250F MAURITIUS**

"From Abyss to Prosperity", the 2025-2026 Budget was driven towards rebuilding the bridge to the future, as announced on 5th June 2025. The Finance Bill 2025, which aims to implement the budgetary measures, was approved by the members of the National Assembly, assented by the President on 8<sup>th</sup> August 2025, and gazetted on 9<sup>th</sup> August 2025.

The key measures enacted under the Finance Bill 2025 notably revolving around the Financial Services Sector, Taxation, Social Contributions, Ease of Doing Business alongside Work and Live in Mauritius are set out below.

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# I. BANKING AND FINANCIAL SERVICES

# Set up of a dedicated licensing framework for Wealth Management and Family Offices. Introduction of Bullion Banking as a new authorised private banking activity. Introduction of a new legislation to recognise electronic bills of exchange and trade documents.



The Financial Services Commission (FSC) will deploy a unified e-licensing platform integrated with the Centralised KYC Repository and "Known to the Commission" features.

> The FSC will review its annual licence fees to reflect evolving market Conditions.

- FSC to conduct special investigations at the request of a foreign supervisory institution.
- The issuance or transfer of shares to existing shareholders, without requiring the approval of the FSC, if it does not result in a change in control.
- FSC to initiate an investigation against a person, who ought to have been licensed under the Financial Services Act or any other relevant Acts.
- Holders of Global Business License to always have at least two directors and the FSC to be kept informed of any change in directors within 7 days.

In view of the ESAAMLG Mutual Evaluation exercise for 2027, the following action will be initiated: Implementation of the National AML/CFT strategy action plan; Conduct thematic risk assessment; Introduction of a legislation to

address identified gaps; and Deployment of an advanced financial intelligence software by the Financial Intelligence

Unit to support real-time analysis and dissemination of suspicious transaction reports.

To empower the BOM to allow any KYC institution, licensed by the FSC, to become a participant in the Central KYC system or the Central Accounts Registry to enhance efficiency and improve financial transparency.

The Financial Services Act 2007 will be amended to enable the following:





# The Banking Act 2004

The regulatory scope of the BOM will be broadened by including foreign exchange swaps and other transactions which may be construed as the buying and selling of foreign currency under the activities of licensed foreign exchange dealers; and

The provisions of the Act will be aligned, relating to powers and duties of conservator and powers of receiver, to offer the assets or shares of the financial institution for sale without the consent of a financial institution or any of its shareholders.

Effective Date: Gazetted Date

# Companies Act 2001

Companies Act will be amended to simplify requirements for Debenture Holders' Representatives, reducing issuance costs and aligning with international best practices. Public interest entities are mandated to prepare annual reports, irrespective of their turnover, within 6 months after their balance sheet date.

Companies, partnerships, and foundations must obtain and maintain signed declarations from beneficial or ultimate beneficial owners, with updates required upon status changes. Existing entities have until 30th June 2026 to comply.

The Registrar gains discretion to include relevant information as deemed appropriate when issuing a certificate of current standing ("CCS") for a Company, Partnership or Foundation. Additionally, a person will not be able to request the Registrar for a CCS of a Limited Partnership holding a Global Business Licence, unless he is a partner, an officer of that entity or the Financial Services Commission



Applications for registration certificates of limited or limited liability partnerships can be made upon payment of a prescribed fee.

Only a partner, officer, management company, or registered agent of that entity may apply for a certificate for partnerships holding a Global Business Licence. Any other person, by paying the prescribed fee, can obtain limited public information such as the name and address of the partnership or its registered agent, the proof of registration, and legal form of the partnership.

Effective Date: Gazetted Date

## **Securities Act 2005**

Exempt licensees listed on securities exchanges, other than those in Mauritius, from the requirement to seek the approval of the FSC when there are transfer of shares which do not result in a change in control.

## Financial Crimes Commission Act 2023

Mandatory for the Financial Crimes Commission (FCC) to, manage, through its Asset Recovery and Management Division, the funds, or other assets of listed and designated parties.

## Financial Reporting Act 2004

Public interest entities are mandated to prepare annual reports, irrespective of their turnover, within 6 months after their balance sheet date.

# Business Registration Act (Act 40 of 2002)

Doubling of annual registration fees for companies, sociétés commerciales, partnerships, and foundations but excluding small private companies (with turnover & Rs 100 million) and charitable foundations.



# II. TAXATION

## Income Tax Act 1995

**EFFECTIVE DATE** 

Personal Income Tax Band

1st July 2025

Reduction of Income Tax Band rates from eleven to three (0%, 10% and 20%) as per the table below:

Annual Chargeable Income	Incremental change	Tax Rates
Up to MUR 500,000	MUR 500,000	0%
MUR 500, 001 to MUR 1,000,000	MUR 500,000	10%
Exceeding MUR 1,000,000	-	20%

Increase in emoluments for exempt persons from MUR 30,000 to MUR 38,462.

Fair Share Contribution

1<sup>st</sup> July 2025 to 30<sup>th</sup> June 2028

- Introduction of a Fair Share contribution, for three consecutive income years from 1st July 2025 to 30th June 2028, at the rate of 15% of the chargeable income of an individual earning annual net income exceeding MUR 12 million, inclusive of dividend income from domestic companies, but excluding dividends from Global Business Companies.
- The Fair Share Contribution shall apply on the excess amount over MUR 12 million.
- · The Fair Share Contribution will be withheld under the PAYE system.

Personal Reliefs and Deductions

1st July 2025

Removal of the following Personal Reliefs and Deductions:

- o Deduction of wage paid to a household employee;
- o Donation to charitable institutions;
- o Relief for adoption of animals; and
- o Angel investor allowance.





#### Alternative Minimum Tax (AMT)

- Hotels, insurance companies, companies engaged in financial intermediation activities, real estate activities and telecommunication companies will be subject to an Alternative Minimum Tax (AMT) where the normal tax payable is less than 10% of book profits.
- The tax payable will be equivalent to 10% of the book profits, instead of the normal tax.
- The book profits will exclude gains and losses on revaluation and disposal of assets/securities, dividends received from resident companies, any losses on disposal and revaluation of fixed assets/ securities.
- Exclusions from the AMT:GBL companies, exempt bodies and companies benefitting from tax holidays.
- No foreign tax credit is allowed to be set off against the AMT payable

As from YOA commencing 1st July 2026

#### Gazetted Date

#### Charitable Institutions

- Revocation of a charitable institution status by the MRA where the object and purposes are not met;
- The chargeable income shall become taxable as from the date of revocation.

#### Housing Loan Relief

- Housing Loan Relief Scheme ending on 30<sup>th</sup> June 2025 will be renewed and phased out over two years.
- The allowance will be as follows:

o 1,000 rupees for the months of July 2023 to June 2025; o 667 rupees for the months of July 2025 to June 2026; and o 333 rupees for the months of July 2026 to June 2027.

## Prime a l'Emploi Scheme

 The Prime a L'emploi scheme will end on 30<sup>th</sup> June 2025. However, the Prime a L'emploi allowance will continue to be paid for eligible employees approved by the MRA.

## Administrative Penalties and Payments

- Reduction in penalties on late payment such as under the Income Tax Return, Advanced Payment System, Current Payment System and other Statements from 5% to 2.5% of the amount of tax remaining unpaid.
- Reduction in penalty on late payment by small enterprises (annual turnover less than MUR 10 million) or by persons in business from 2% to 1%.
- Reduction in interests on unpaid tax from 0.5% to 0.25% and from 1% to 0.5%, as applicable.
- Reduction in penalty on loss overclaimed from 5% to 2.5%.
- Capping of penalties and interests to 100% of amounts due, except for non-filing of electronic Return of Income, non or late submissions of Return of Income, Statement of Income, TDS returns, and Penalty arising on Loss Overclaimed.
- Payment of taxes should be in foreign currencies where more than 50% the gross income of the entity is in such currencies.

1st July 2025



#### CSR Fund

Review of the percentage of CSR fund to be remitted to the MRA as follows:

On or after 1st January 2026

CSR Fund set up on or after 1 January 2017 up to 31 December 2018

At least 50%

CSR Fund set up on or after 1 January 2019 up to 31 December 2025

At least 75%

CSR Fund set up on or after 1 January 2026

At least 50%

Qualified Domestic Minimum Top-up Tax (QDMT Tax).

 Introduction of provisions to the Income Tax Act relating to Qualified Domestic Minimum Top-up Tax (QDMT Tax).

- Applicable to a member of a multinational enterprise (MNE) group
  which has an annual revenue of 750 million Euros or more in the
  consolidated financial statements of the ultimate parent entity in at
  least two of the four fiscal years immediately preceding the fiscal
  year of which the QDMT Tax is leviable.
- Applicable to covered persons defined as resident members of MNEs, ultimate and holding companies of MNEs resident in Mauritius or a joint venture of the MNE in Mauritius.
- Applicable where the combined effective tax rate of the covered persons is less than 15% in a fiscal year.
- Determination of the GloBE income or GloBE loss of a covered person, relating to its financial accounting net income or loss for the fiscal year, and the Substance-Based Income Exclusion, which includes payroll and tangible assets to compute the QDMT Tax.
- Introduction of a Special tax Credit to be set off against the QDMT Tax, subject to conditions prescribed.
- The calculation of the effective tax rate of an investment entity shall be separate from other members of the multinational enterprise group.
- A notification by the covered person is required not later than 6
  months from the end of the fiscal year in relation to the designated
  person responsible for the filing.
- Filing of the QDMT Tax return by the designated person and payment of the QDMT Tax should be made within 15 months from the end of the fiscal year.
- Applicable penalties of 5% of underpaid amount and an interest of 0.25% per month/part of the month.
- Amended QDMT Tax returns may be filed within 2 years post the first filing.

As from YOA commencing 1st July 2025



Arm's length principle

Gazetted Date

- Requirement has been included to maintain proper documents to justify transactions conducted under the arm's length principle.
- Definitions of connected persons and transactions within the context of arm's length principle have been added.

Special tax Credit

Where a company has not claimed a tax credit or relief to which it is eligible, a special tax credit may be applied, subject to prescribed conditions.

As from YOA commencing 1st July 2026

Tax Deduction at Source (TDS)

Payments to non-resident entertainers or sportspersons shall be subject to TDS, regardless of the annual turnover threshold of MUR 6 million.

As from YOA commencing 1st July 2026

Allowable deductions

Some allowable deductions for companies will be restricted to small and medium company (annual turnover not exceeding MUR 100 million) such

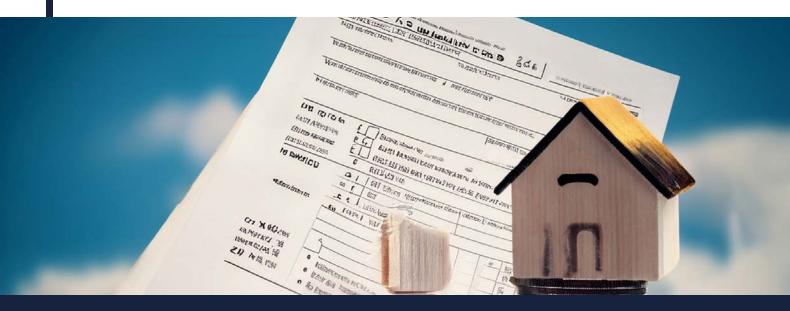
- o Expenditure in relation to artificial intelligence technologies (deduction limited to MUR 150,000);
- o Emoluments under the Prime a l'Emploi Scheme;
- o Expenditure relating to specialised software and systems and other expenditures regarding mediation, arbitration, patents and franchises.

As from YOA commencing 1st July 2025

Tax Assessment

Gazetted Date

Time limit for an assessment has been reduced from 3 years of assessment to only 2 years of assessment.





#### Basic Retirement Pension

- Introduction of Income Support of MUR 10,000 monthly to persons not eligible for Basic Retirement Pension, with a bonus in December.
- Deduction of certain benefits received from the income support, as per the prescribed provisions.

## Applicable to:

- Eligible citizen or non-citizen individual aged between 60 years to 64 years and deriving a net income not exceeding MUR 10,000 (single individual) or MUR 20,000 (couples) in September 2025;
- · Any other categories, as may be prescribed.

#### Exclusions are:

- Individuals benefitting from a widow's basic pension or an invalid's basic pension;
- Failure to satisfy residency requirements of National Pensions (Non-Contributory Benefits) Regulations 1977;
- Other conditions set out in relation to imprisonment, charitable institutions, medical emergencies amongst others.
- Application for income support to be made electronically to the MRA.
- Any change in status to be notified within 14 days of occurrence.

## Tax Credit

- Grant of an Investment Tax Credit of 5% over three years to a qualifying small business or service provider with annual turnover not exceeding MUR 10 million on acquisition of new equipment amounting to MUR 500,000 during the period 1st July 2025 to 30th June 2030 (excluding motor vehicles).
- Any unrelieved investment tax credit may be carried forward over five years.
- Inclusion of a Fourteenth Schedule to the Income Tax Act to define Qualifying small business or service provider such as architect, engineer, medical service provider amongst others.

As from 1st September 2025

1st July 2025 to 30th June 2030





#### Partial Exemption Regime

- Extension of the Partial Exemption Regime to include income derived by a Virtual Asset Service Provider, subject to complying with substance requirements.
- Partial Exemption Regime on foreign source dividend does not include banks.
- Clarification on the eligibility of Partial Exemption Regime of 80% on interest income under the second schedule to the Income Tax Act:
- The relevant activity producing the interest income should form part of the Core Income Generating Activities and satisfy the substance requirements.

#### Tax Holidays

Exclusion of small enterprise registered under the repealed Small and Medium Enterprises Development Authority Act or the Small and Medium Enterprises Act from benefitting from tax holidays in sectors such as:

o Information and communication technologies under the Information and Communication Technologies Act;

o Financial services under the Financial Services Act;

o Professional services specified under the Fifth Schedule to the Income Tax Act such as accountants, barristers, engineers, tax advisers, legal consultants, quantity surveyors amongst others;

- o Activities licensed under the Tourism Authority Act;
- o Training services.

## **Gazetted Date**

As from YOA commencing 1st July 2026





## Value Added Tax Act

## **Registration Threshold**

Annual threshold to register for VAT has been reduced from MUR 6 million to MUR 3 million.

Effective Date: 1 October 2025

## Supply of Digital or Electronic Services

- Introduction of VAT on supply of digital or electronic services by foreign suppliers to a person in Mauritius.
- Digital and Electronic services would include supply of softwares, images, texts, website, online magazines and others.
- Appointment of a tax representative in Mauritius to be responsible for the filing of the VAT return on behalf of the foreign suppliers.
- Supply is treated as being made to a person in Mauritius by foreign suppliers based on factors such as billing address, bank location, internet protocol, country code of recipient, amongst others.

Effective Date: 1st January 2026

## **VAT Payments**

Introduction of payment of VAT in foreign currencies where payments made to foreign suppliers are remitted in such currencies.

Effective Date: Gazetted Date

## Credit for Input Tax

No credit for input tax will be allowed on rented parking for motor cars (with not more than 9 passengers and for own consumption use) and other motor vehicles, except for those used in the furtherance of business.

Effective Date: Gazetted Date

No credit for input tax shall be allowed on supply on digital or electronic services.

Effective Date: 1st January 2026

# Administrative Penalties and Interests

 Penalties and interests limited to 100% of amount of tax due, except in cases of non-compliance with compulsory registration, non-issuance of fiscal invoices, misuse of or tampering e-invoicing systems, non-submission of returns by the due date, and failure to join the electronic system.

- The fine for the following offences will not exceed MUR 500,000 instead of double the amount of tax involved:
- o Incorrect return or statement relating to input and output tax. o Making incorrect claim for repayment in respect of capital goods. o Giving incorrect information in respect of tax liability.
- o A person claiming to be VAT registered when he is not.
- o Obstructing an officer of MRA in his functions.
- o Introduction of an additional amount payable limited to double of the amount of tax, in addition to the fine, upon conviction.
- The fine for the following offences is increased from MUR 50,000 to MUR 100,000:
- o Failure to keep records and produce books and records for the purpose of ascertaining the tax liability.
- o Failure to change taxable period from quarterly to monthly where annual turnover exceeds MUR 10 million.
- o Contravening any other provisions of the VAT Act/Regulations other than a person claiming to be VAT registered or obstructing an officer of MRA in his functions.
- Fine for failure to register and pay for VAT, submit a VAT return and evade tax through false returns, books and invoices, shall not exceed MUR 1 million instead of treble the amount of tax payable.



- Introduction of an additional amount payable limited to double of the amount of tax, in addition to the fine, upon conviction.
- Denying MRA access to computers and other electronic devices or obstructing MRA to ascertain the tax liability, will be an offence and conviction will lead to a fine not exceeding MUR 200,000 and to imprisonment not exceeding 5 years.

Effective Date: Gazetted Date

## **MRA Assessments**

- MRA can apply "best judgement" to make any assessments, and not restricted to available information.
- Time limit for an assessment has been reduced from 4 years of assessment to only 2 years of assessment, except in cases of non-declaration or under-declaration of supplies and overstatement of credit for input tax, where time limit will be between 2 years to 4 years.

Effective Date: Gazetted Date

## Special Levy for Banks

Removal of capping of Special Levy previously allowed to banks in operation as at 30 June 2018.

Effective Date: Gazetted Date

## **Appointed Persons**

- Administrators, executors, receivers, or liquidators shall be personally liable and responsible to pay the company's VAT debt, in order of payment priorities, as per the Insolvency Act.
- Failure to abide to the above will lead to an offence committed by the appointed person.

Effective Date: Gazetted Date

# Fair Share Contribution for Companies

 Companies with supplies and chargeable income above MUR 24 million will be subject to a Fair Share Contribution for three consecutive years (from 1st July 2025 to 30th June 2028) at the following rates:

o 5% of chargeable income where standard tax is 15%;

o 2% of chargeable income where reduced tax rate of 3% applies; o Exclusion: GBL companies, companies with tax holidays and exempted bodies;

o 5% of chargeable income in the case of a bank with an additional fair share contribution of 2.5% of its chargeable income arising from transactions with residents, other than from a global business entity.

o No foreign tax credit can be offset:

o Fair share contribution payable by a telecommunication company and a bank can be reduced in certain cases by other forms of taxes paid, limited to 35% of the chargeable income.

o Payable on a quarterly basis under Statement for Fair Share Contribution, based on similar methods available under the Advanced Payment System.

o Unpaid contribution shall carry penalties of 2.5% and interest of 0.25% per month/part of the month.

Effective Date: 1st July 2025 to 30th June 2028

# Zero-rated supply of services to non-residents

Zero-rated VAT is applied on the supply of services to a person who belongs in a country other than Mauritius and who is outside Mauritius at the time the services are performed, provided the services are not consumed in Mauritius.

Effective Date: Gazetted Date

## Compulsory registration

 Registration of holders of commercial Pleasure Craft Licenses (Tourism Authority), regardless of turnover.

Effective Date: 1st October 2025

 Compulsory registration for supply of digital or electronic services, regardless of turnover.

Effective Date: 1st January 2026





# The Mauritius Revenue Authority Act 2004

Effective Date: To be fixed by Proclamation

## Registered Tax Agents

- Introduction of new provisions for Registered Tax Agents such that no person shall be authorised to submit any returns or statements on behalf of, and represent, any other persons without being registered as a tax agent or a registered nominee of the latter.
- Set up of a new committee to approve, suspend or cancel the registration of the tax agent.
- Requirements to be appointed as a tax agent are:

## For Individuals:

- o Citizen of Mauritius; and
- o Member of Mauritius Institute of Professional Accountants; or
- o Law Practitioner;
- o With at least three years of experience or holder of a relevant degree.

## For Corporates:

- o Public Accountant registered with Mauritius Institute of Professional Accountants; or o Designated Individuals with above requirements.
- Registration as a tax agent should be valid for 5 years and may be renewed after.





# Tax Dispute Settlement Scheme (TDSS)

- Waiver of 100% of penalties and interests on outstanding tax amounts as at 5th June 2025, for cases which are presently under litigation before the Assessment Review Committee, Supreme Court and Privy Council, provided that:
- o Application is made to MRA on or before 31st December 2025;
- o Proceedings before the Assessment Review Committee, Supreme Court and Privy Council are withdrawn;
- o Outstanding tax amount is settled on or before 31st March 2026;
- o No offence has been committed by the taxpayer under the specified acts.
- o Only penalties and interests paid will be refunded for cases at Supreme Court where tax was already paid.

# Voluntary Disclosure Settlement Scheme (VDSS)

- Waiver of penalties and interests on Voluntary Disclosure of undeclared or underdeclared income, under the Income Tax Act and VAT Act, in relation to year of assessment 2024-2025 and prior years of assessment, and taxable supplies for taxable period of April 2025 and before respectively, provided that:
- o Assessment has been made after 5th June 2025; and
- o Objections, representations or appeals have been lodged and are still pending as at 31st March 2026;
- o Outstanding tax amount is settled on or before 31st March 2026;
- o No offence has been committed by the taxpayer under the specified acts.
- o Any unpaid tax after 31st March 2026 shall carry interests.

## Tax Arrears Settlement Scheme (TASS)

- Waiver of 100% penalties and interests on any tax arrears under the Income Tax Act, VAT Act and Gambling Regulatory Authority Act, and contributions arrears under the Social Contribution and Social Benefits Act 2021, which are outstanding as at 30th June 2025, provided that:
- o Application is made to the MRA by 30th November 2025;
- o All tax arrears outstanding are settled by 31st March 2026;
- o No offence has been committed by the taxpayer under the specified acts.



# III. SOCIAL MEASURES

# The Social Contribution and Social Benefits Act 2021

## Revenue Minimum Garantie and Equal Chance Allowance

The "Revenu Minimum Garantie" Allowance and Equal Chance Allowance which are ending on 30th June 2025 will be renewed for two years, i.e., up to 30th June 2027.

The amount of the allowance payable monthly will be as follows:

Effective Date: 1st July 2025 to 30th June 2027

Allowance	Monthly Allowance	
Allowance	July 2025 to June 2026	July 2026 to June 2027
"Revenue Minimum Garantie" Allowance	Maximum of MUR 890	Maximum of MUR 1,890
Equal Chance Allowance	MUR 2,000	MUR 2,000

## Allowances

The below allowances will be renewed and phased out over two years by 30th June 2027, except for members of household under the Social Register of Mauritius:

o CSG Income Allowance;

Monthly income derived by an individual	Monthly Allowance	
	July 2025 to June 2026	July 2026 to June 2027
Not exceeding MUR 20,000	MUR 2,000	MUR 1,000
Above MUR 20,000 but not exceeding MUR 25,000	MUR 1,667	MUR 833
Above MUR 25,000 but not exceeding MUR 30,000	MUR 1,333	MUR 667
Above MUR 30,000 but not exceeding MUR 50,000	MUR 1,000	MUR 500

Effective Date: 1st July 2025 to 30th June 2027



## Other Allowances

o CSG Child Allowance:

o CSG School Allowance;

o Pregnancy Care Allowance;

o Maternity Allowance.

Effective Date: 1st July 2025 to 30th June 2027

Allowances	Monthly Allowance		
	July 2025 to June 2026	July 2026 to June 2027	
CSG Child Allowance	MUR 1,667 per child	MUR 833 per child	
CSG School Allowance	MUR 1,333 per child	MUR 667 per child	
Maternity Allowance (9 months)	MUR 1,333	MUR 667	
	One-off Allowance		
Pregnancy Care Allowance	MUR 2,000	MUR 1,000	

## Filing deadlines

- Due date for remittance of social contributions has been reviewed to 15th October annually rather than monthly, for household employees;
- Annual return of social contributions shall be due on 15th October rather than on 31st August, for self-employed persons.

Effective Date: 1st July 2025 to 30th June 2027

# IV. FINANCIAL SUPPORT TO EMPLOYERS

# Income Tax Act 1995

## Salary Compensation 2025

A monthly financial support will be payable during the period from January 2025 to June 2025, subject to prescribed conditions, as follows:

Description	Amount Payable
(ii) Eligible employee of a charitable institution, a non-government organisation, a religious body, or a trade union	MUR 610 monthly
(iii) Eligible employee depending on the profitability of the enterprise:	A maximum of MUR 610 or MUR 305
(b) An SME, an Export -Oriented Enterprise, a bus operator or light rail operator providing public transport; and	
(b) An enterprise operating in the BPO, Security, Cleaning Services or Construction sectors, having a turnover not exceeding MUR 750 million in the year of assessment 2023-2024.	



## National Minimum Wage and Salary Compensation 2024

A monthly financial assistance will be provided to Export-Oriented Enterprises, irrespective of profitability, as follows:

Employees earning national minimum wage	Employees earning basic salary above the national minimum wage but not exceeding MUR 50,000 monthly
(a) MUR 2,333 per employee for the period	(a) Maximum of MUR 1,333 per employee for the period
January 2025 to December 2025, including a	January 2025 to December 2025, including a bonus in
bonus in December 2025; and	December 2025; and
(a) MUR 1,167 per employee for the period	(a) Maximum of MUR 667 per employee for the period
January 2026 to December 2026, including a	January 2026 to December 2026, including a bonus in
bonus in December 2026.	December 2026.

# V. EASE OF DOING BUSINESS

# Economic Development Board (Smart City Scheme) Regulations 2015

## Smart City Scheme

- The following fiscal incentives granted under the Smart City Scheme (with the registration certificate after 5th June 2025) are being waived, except where a letter of comfort has been issued:
- o Exemption from value added tax (VAT) on buildings and infrastructure;
- o 8-year income tax holiday on income derived from real estate activities within the Smart City;
- o Exemption from customs duty on import of machinery and materials for construction of buildings;
- o Exemption from registration duty and land transfer tax on the transfer of land into a Smart City Company;
- o Exemption from Morcellement fee; and
- o Exemption from land conversion tax.
- o Exemption from VAT repayments.
- Introduction of new provisions for a smart city company or a smart city developer involved in projects relating to construction of public transport/terminal, such as, tax exemption for 8 years.

Effective Date: 5th June 2025



# Economic Development Board Act 2017

#### **Permits**

- Split of Occupation Permits for highly qualified non-citizen professionals into ProPass (Professional Pass) and Expert Pass.
- Split of occupation permits for investors into two categories to attract higher value investors.
- Review of occupation permit for investors for innovative start-ups.
- Review the criteria of Occupation Permit for self-employed persons based on initial investment and specified turnover.
- Revision of the sum transferred for retired non-citizens for residence permits.
- Revision of the eligibility criteria for Permanent Residence Permits.
- Introduction of new schemes such as Innovative Mauritius Scheme, Heritage Stewardship Scheme, Land Repurposing Scheme and Waste to Wealth Scheme to attract investments.

Effective Date: Gazetted Date

# Immigration Act 2022

## Residence Permits

- · Introduction of an age limit of up to 24 years for dependent children for all categories of permit holders.
- · Issuance of a combined work and residence permit issued to a non-citizen residence permit holder.
- Reduction in Residence Permit for retired non-citizens from 20 years to 10 years.
- · Forbid a holder of retired non-citizen residence permit to be in employment or to engage in any business activity.
- Reduction in Permanent Residence Permit from 20 years to 10 years with review of eligibility criteria.
- Holders of a permanent residence as investor, professional or self employed may be issued with a permanent residence permit under the category of a retired non-citizens in replacement of their permanent residence permits for the remaining valid period, subject to a disposable annual income of USD 40,000 or its equivalent in any other hard convertible foreign currency.

Effective Date: To be fixed by Proclamation

Please stay tuned for our updated document on "Live, Work and Retire in Mauritius".



## Non-Citizens (Employment Restriction) Act 1973

## Employment for Non-Citizens

- Facilitation of the application or renewal of a permit to be made through the National Electronic Licensing System (NELS) or any such digital platform.
- Allow for a permit to be issued either electronically or on paper; and
- Issuance of a combined work and residence permit bearing a Unique Identification Number for a non-citizen.

Effective Date: Gazetted Date

# V. OTHER ACTS

## **Data Protection Act 2017**

The Data Protection Act will be amended to fully align its provisions with international and regional standards including that of the Council of Europe Convention for the Protection of Individuals about Automatic Processing of Personal Data and the European Union General Data Protection Regulation.

Effective Date: Gazetted Date

United Nations (Financial Prohibitions, Arms Embargo and Travel Ban) Sanctions Act 2019

- The National Sanction Committee (NSC) will be made into a body corporate.
- To allow FCC to apply, to a Designated Judge, for an order to realize the funds or other assets of a designated party; and
- Include an additional resolution issued by the United Nations Security Council relating to Haiti which falls under the purview of the UNSA.



# **Registration Duty Act 1804**

- Increase of registration duty from 5% to 10% on property under the EDB Property schemes or Non-Citizens (Property Restriction) Act.
- Increase in fees leviable on registration of deeds and documents, as follows:

o Fixed duty from MUR 300 to MUR 500; and o Minimum duty from MUR 200 to MUR 500.

- A fixed duty of MUR 500 will be levied on the addition of an immovable property to a trust property if it is being transferred from the settlor or a beneficiary of the trust.
- The Registrar-General will accept deeds or documents for registration, transcription or inscription originating from regulated entities where they have been signed by parties using a secure electronic signature, as per the Electronic Transactions Act.
- Home ownership scheme and Home Loan Payment Scheme ending on 30th June 2025 will not be renewed.

Effective Date: Gazetted Date

# Land (Duties and Taxes Act) 1984

- A land transfer tax increase from 5% to 10% on transfer of residential property of non-residents acquired under the EDB Property schemes or Non-Citizens (Property Restriction) Act.
- Penalties and interests on unpaid duties and taxes shall be waived if unpaid duties and taxes are settled by 31st March 2026, and any objections, representations and appeals are withdrawn before the authorities and courts.
- If in a deed for a transfer of both movable and immovable property, a valuation of each item of the movable property has not been made, land transfer tax of 5% will be levied on the aggregate value of all properties.
- The exemption from land duties and taxes granted on the transfer of land as equity investment in a company will only be allowed if ordinary shares of at least the value of the land are held in the company by the transferor.
- Waiver of Penalties and Interests:

o Full waiver of penalties and interests if payment under property valuation is made on or before 31st March 2026. It will apply to tax arrears due as at 31st May 2025.

o Any objection before the Registrar General, Representations before the Assessment Review Committee and Appeals before the Sureme Court and Privy Council should be withdrawn.

o No offence has been committed by the taxpayer under the specified acts.



# Limited Partnerships Act 2011

- Certificate (or copy) of registration under the Limited Partnerships Act shall not be issued to holders of a Global Business Licence unless the request is made by a partner, an officer, the management company of that limited partnership or the Commission.
- New requirement to maintain a written declaration from the beneficial owner or ultimate beneficial owner stating their ownerships.
- For existing partnerships, the written declaration should be available by 30th June 2026.
- Any change in status of beneficial or ultimate beneficial ownership should be notified to the limited partnership.
- Certificate of current standing under the Limited Partnerships Act shall not be issued to holders of a Global Business Licence unless the request is made by a partner, an officer, the management company of that limited partnership or the Commission.

Effective Date: Gazetted Date

# Concluding Remarks

Put simply, the new Government in place has adopted a bold strategy to address and solve the economic challenges being faced by the country to attain a more sustainable future.

Notably, additional taxes have been imposed over the coming three income years to high-income earners through the Fair Share Contributions, and the retirement age which has been elevated from 60 years to 65 years, has caused public disagreement and debate, notwithstanding the fact that an income support allowance has been introduced to cater for the vulnerable groups.

It is also worth noting that some additional provisions were made such as reduction of administrative penalties on late payment of taxes due and restriction of fines to a certain threshold in other instances, which would be encouraging for the taxpayers.

An important amendment is the alleviation of tax assessment burden on taxpayers by setting the time limit for an assessment to only two years, save in exceptional circumstances.

From a regulatory perspective, the obligations towards the authorities have been tightened to ascertain transparency and mitigate risks, considering our position as an International Financial Centre of sound reputation.

Overall, we believe an optimistic perspective should prevail and expect that the changes shall bolster the economy for the benefit of our population and investors at large.



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