

# Foundation

## An attractive vehicle for your wealth management and estate planning needs

Over the years, Mauritius has diversified its private wealth offering to include foundations through the introduction of the Foundations Act 2021 to further promote Mauritius as a platform for wealth management and estate planning. A Foundation has the attractions of a trust vehicle while having some of the benefits of a company structure. Essentially, a Foundation is a separate legal entity similar to a company, with a founder who endows property in the Foundation just like a settlor in a trust, a Council to conduct the affairs and administer the property of the Foundation like a board of directors managing a company and may have beneficiaries similar to a trust.

## Main features of a Mauritius foundation

- It may be formed by a charter or a will
- It has to be registered with the Registrar of Companies ('ROC') to obtain separate legal personality
- Its name must end with the word 'Foundation' or such word which has the same meaning in a foreign language
- It shall have at least one founder who can also be a beneficiary of it
- It shall have a registered office in Mauritius where proper records shall be kept
- It shall have a Council that shall conduct the affairs of the Foundation, administer the property and carry out the objects of the Foundation
- The Council may put in place Articles of Foundation if the charter enables it to do so
- At least one member of the Council of the Foundation must be ordinarily resident in Mauritius
- It shall have a secretary which may be a management company or such other person resident in Mauritius and authorized by the Financial Services Commission
- It may have a protector which is appointed and assigned specific powers as per its charter
- It may appoint an auditor
- It can be charitable and/or non-charitable
- It can be wound up either voluntarily by its Council or compulsorily by the Supreme Court

## The tax regime for a Mauritius foundation

A Foundation is considered as non-resident if its central management and control (CMC) is not in Mauritius. CMC for a foundation takes into account the following criteria:



The founder is resident in Mauritius; and



A majority of the beneficiaries appointed under the terms of a charter or will are resident in Mauritius

Where CMC is not met, as a non-resident Foundation, the Foundation should not be taxed on any of its foreign source income.

## Potential uses

Foundations can be used to serve one or more of the following purposes:



Asset holding



Succession, estate and tax planning



Asset protection



Wealth management



Establishment of charities



Ownership of Private Trust Company



Vehicle for pension scheme



Vehicle for Employee Stock Ownership Plan (ESOP)



Shareholder of Private Trust Company

## Main benefits

- Exempt from income tax if the Foundation is for a charitable purpose
- No withholding tax is charged on distributions made to the beneficiaries
- No capital gains tax is charged to the Foundation
- No inheritance or estate tax is charged to the Foundation
- No requirement to file financial statements with the authorities, unless the Foundation holds a Global Business Licence
- The Foundation can exist for indefinite number of years
- No forced heirship rules
- Migration in and out of Mauritius is allowed
- No restrictions on the type of assets that can be endowed in a Foundation
- A founder can be a beneficiary of its Foundation
- No limit on the number of founders, members of Council, beneficiaries and protector
- Confidential information of a Foundation is protected by the Act
- Voluntary winding up of a Foundation does not require the appointment of a liquidator

## Our services

- Structuring advice on how to use a Foundation in the most efficient manner in Mauritius
- Setting up of the Foundation, including drafting of its charter and articles, and its registration with the ROC
- Application for such other licences that the Foundation may require, including a Global Business Licence
- Provision of registered office to the Foundation
- Provision of corporate or individual members for the Council
- Provision of secretarial services to the Foundation
- Day to day administration of the Foundation
- Provision of tax compliance services for the Foundation
- Dealing with the relevant regulatory and tax authorities on behalf of the Foundation

## Key facts and figures\*

People worldwide	Worldwide Locations	Assets under administration	Minimum senior team experience	Funds under administration
<b>5500<sup>+</sup></b>	<b>25</b>	<b>\$750<sup>+</sup> bn</b>	<b>20yrs</b>	<b>800<sup>+</sup></b>

## Key contacts in Mauritius



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## Our locations worldwide

### AMERICAS

Bermuda Curaçao  
 United States (Austin, Bedford NH, Chicago, Dallas, Fort Worth, Houston, New York, Rapid City SD, San Francisco & West Palm Beach)  
 British Virgin Islands  
 Cayman Islands

### MIDDLE EAST

United Arab Emirates

### EUROPE

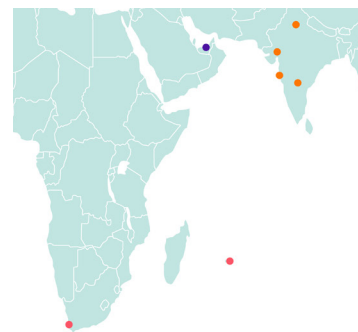
Belgium  
 Cyprus  
 France  
 Guernsey  
 Isle of Man  
 Ireland  
 Jersey  
 Luxembourg  
 Netherlands  
 Switzerland  
 United Kingdom

### AFRICA

South Africa  
 Mauritius

### ASIA

China  
 Hong Kong  
 India  
 Japan  
 Philippines  
 Singapore



\*Data as of April 2024

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