

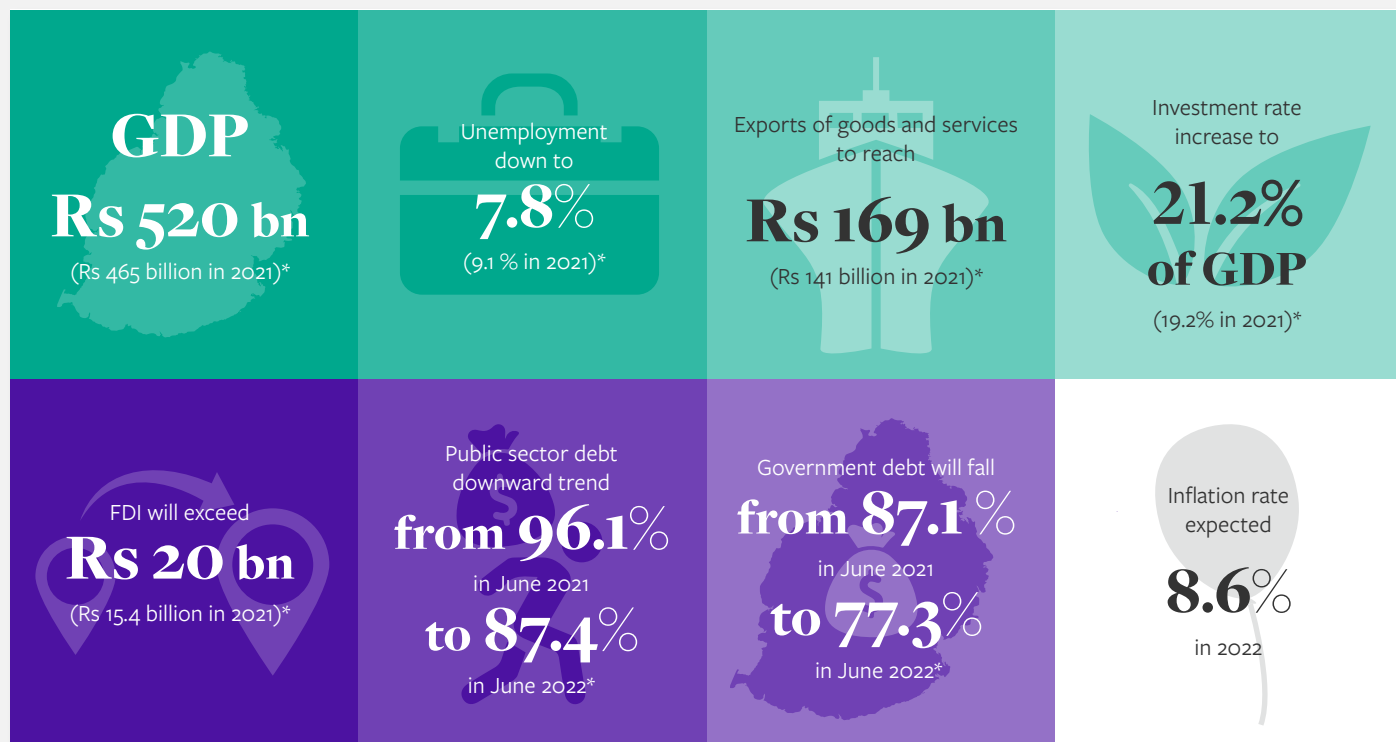
Mauritius National Budget 2022-2023

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Economic indicators



*as per IMF Forecast

Promoting the Mauritius International Financial Centre

Current requirement for HNWI and families reviewed to a minimum portfolio of USD 5 million per management family office.

Holders of Global Headquarters Administration licence provided with work and residence permits for 5 executives and the latter's dependents.

Ease of doing business

To expedite the issuance of work permits, a Work Permit Committee to be chaired by the Prime Minister will be set up.

Amendments

- Simplification of KYC requirements by the Bank of Mauritius.
- Harmonisation of the Financial Intelligence and Anti-Money Laundering Act by including combatting of proliferation financing section, in line with FATF.

Shaping the digital future

- The Financial Services Commission will be empowered to make use of digital tools in carrying out supervision.
- The Minister of Finance will be empowered to make regulations to address tax challenges arising from the digitalisation of the economy.

Sustainability

To further enhance the country's sustainability development:



A Carbon Credit trading framework will be prepared



An ESG framework will be developed



An inaugural Sustainable Bond will be issued

Permits

Holders of **Residence Permits** will be able to acquire a residential property of **a minimum of USD 350,000** outside the existing schemes, subject to a 10 percent contribution made to the Solidarity Fund.

Fiscal measures and tax administration

Income Tax Act

8-year tax holiday for newly set up freeport operator or developer making an investment of at least Rs 50 million, starting its operations on or after 1 July 2022 and provided it conforms with the substance requirements set by the OECD.

Introduction of a domestic minimum top-up tax of 15% on resident companies in Mauritius forming part of multinational enterprise groups having a global annual revenue of at least EUR 750 million.

Individuals

Introduction of a **New Tax Rate** as from the income year 2022-2023

Annual Net Income	Tax Rate
Up to Rs 700,000	10%
above Rs 700,000 and not exceeding Rs 975,000	12.5%
above Rs 975,000	15% and Solidary Levy, if applicable

Tax Administration

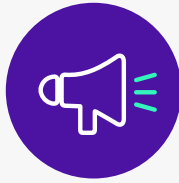
Re-introduction of the Tax Arrears Settlement Scheme (TASS) providing full waiver of penalties and interest, where tax arrears are paid in full by 31 March 2023 and provided that the taxpayer registers himself under the Scheme by 31 December 2022.

Increase of the rate of tax deduction at source (TDS) from 3% to 5% on services provided by professionals and from 5% to 7.5% on rent paid to a resident.

Introduction of TDS at
3%
on consultancy fees

The Income Tax Act will be amended to allow Mauritius to enter into international arrangements for alternative dispute resolution with a view to resolving cross border tax disputes and implementing the internationally agreed standards to prevent base erosion and profit shifting.

Value Added Tax



The MRA has been empowered to compulsorily register a person for VAT where he fails to do so.



A list of all VAT-registered persons will be published on the website of MRA to avoid fraudulent practices.

MRA Act



The threshold for tax appeal cases at Alternative Tax Dispute Resolution (ATDR) panel will be reduced from Rs 10 million to Rs 5 million.



The Mauritius Revenue Authority Act will be amended to empower the MRA to recover foreign taxes in order to provide assistance to foreign countries in the recovery of taxes.



The Mauritius Revenue Authority Act will be amended to speed up determination of cases at the level of the Assessment Review Committee and improve efficiency.

Regulatory measures

Companies Act 2001

Update on temporary COVID-19 measures:



Repeal of time extension for holding of annual meetings and preparation/filing of financial statements.



Reinstatement of Section 162 (Duty of directors on insolvency).

Prevention of Corruption Act 2002 (POCA)



Definition of offences extended to include foreign bribery.

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