

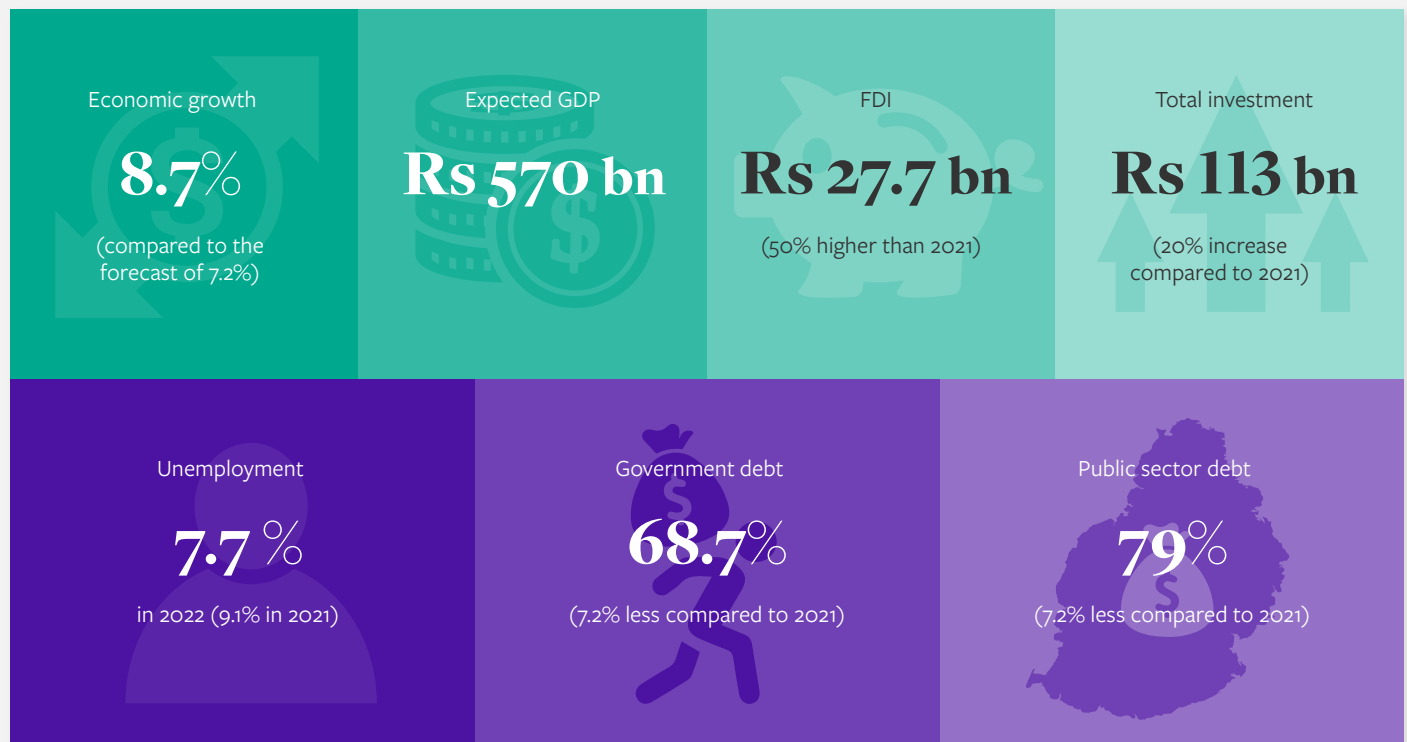
Mauritius National Budget 2023-2024

“To dare and to care”



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Economic indicators



*as per IMF Forecast

Consolidating the Mauritius IFC

- VCC scope extended for family offices and wealth management
- New framework for licensing and operation of Electronic Money Institutions
- Private Banking: introduction of Wealth Manager and Family Officer licence
- Revamping of Ship Registry Regime to promote Mauritius as an international open flag registry centre
- Funds allowed to invest in loans or similar debt instruments

Ease of doing business and digital economy

- Encourage the adoption of e-signatures
- Recognise certifications including DocuSign and Adobe Sign
- Unique ID number for company, business registration, VAT, tax or employee number
- Roll out of digital rupee in November on pilot basis

ESG

- Gender equality: listed companies to have a minimum 25% of women on their boards

Sustainability



Exemption of interest income from bonds to finance renewable energy projects extended to all sustainable projects



Bank of Mauritius will develop a Carbon Trading framework for blue and green credits

Reform of the immigration policy

Occupation permit

- Threshold for professionals' reduced to Rs 30,000
- A business visa of 120 days continuous stay will be allowed
- Local bank account no longer required
- Young Professional Occupation Permit will be opened to all fields of study
- Applications to be made on the national e-licensing platform
- Introduction of a 'silent is consent' principle of 4 weeks
- New tier system allowing companies with a good track record to avail of a streamlined process to recruit foreign labour
- Non-citizens on a tourist or business visa will be allowed to apply for a work permit

Sale of immovable property to resident non-citizens

- Minimum value of a residential property outside PDS scheme increased from USD 350,000 to USD 500,000
- Resident permit holder can acquire only one property

Acquisition of property in a PDS project relating to senior living

- Residence permit for senior citizens and family on the acquisition of property in PDS project relating to senior living provided that:
 - (i) the acquisition price exceeds USD 200,000
 - (ii) the non-citizen is aged above 50 years old
- The status of resident shall remain valid as long as the buyer holds the property

Sustainable city scheme

- Non-citizens will be allowed to acquire residential property in a sustainable city and/or under the smart city scheme
- A non-citizen and his/her family will be granted a residence permit upon the acquisition of property of a minimum price of USD 375,000 under the sustainable city scheme

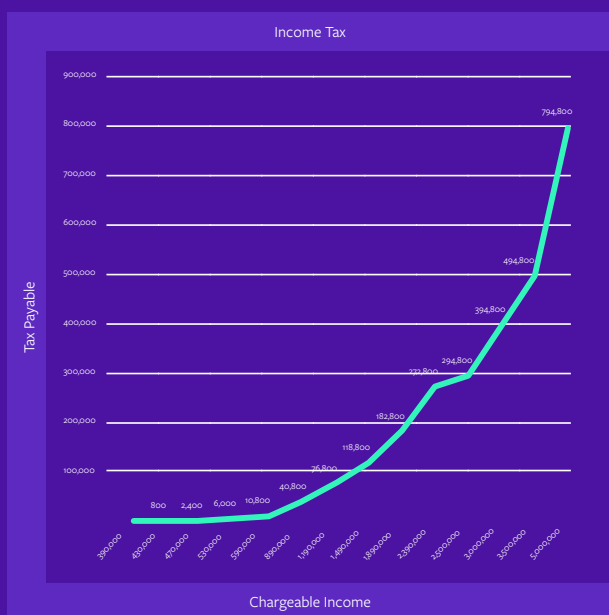
Fiscal measures and tax administration

Income Tax Act

- Increase from 80% to 95% partial exemption on interest earned by collective investment schemes and closed ended funds
- Exemption of foreign interest income from bonds, debentures or sukus issued to finance renewable energy
- Profits from the sale of aviation fuel to an airline will qualify as export and be subject to tax at the reduced rate of 3%

Personal tax

Introduction of progressive tax system and abolition of the solidarity levy



- Reduction of marginal tax rate from 40% to 20% max
- Reduction of maximum effective tax rate from 25% to 20%

Tax Administration

- Extension of Tax Arrears Settlement Scheme (TASS) for one additional year allowing for full waiver of penalties
- Tax deducted at source shall not apply on fees paid to a Management Company and investment adviser licensed by FSC
- MRA will not recover tax owed by a cell of a Protected Cell Company (PCC) by having recourse to assets of other cells of the PCC
- Each sub-fund or special purpose vehicle of a Variable Capital Company will be treated as a separate entity for the purpose of recovery of tax

Regulatory measures

Financial Intelligence and Anti-Money Laundering Act 2002 (FIAMLA)

Fintech service providers, reinsurance companies and brokers, travel insurance providers, health insurance providers, actuarial services providers, credit rating agency and insurance salesperson will fall outside the ambit of the FIAMLA.

Securities Act 2005

Securities Act amended to promote Mauritius as a fund domicile by allowing funds to invest in loans or similar debt instruments

Introduction of a Whistle Blowing Act

Financial Services Act 2007 (FSA)

Powers of the FSC



The FSC will have the authority to take enforcement actions in case of breach of AML/CFT legislation

Compliance reports



Licenseses of the FSC will be required to submit independent compliance reports

Breach of AML/CFT legislation



Any breach of AML/CFT legislation will be a valid ground for referral to the Enforcement Committee

Recovery of annual fees and late charges due to the FSC



There will be no time limit imposed on the recovery of annual fees and late charges due

Virtual Asset and Initial Token Offering Services Act (VAITOS)

Custody of securities tokens



A Virtual Asset Custodian will be allowed to hold custody of securities tokens

Powers of the FSC



The FSC will have the authority to make rules for the implementation of a Virtual Asset register on virtual asset services providers

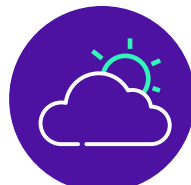
Workers' Rights Act 2019 (WRA)

Flexible working hours



The WRA will be amended to permit a full-time worker to complete his working week in 4 working days.

Work in extreme weather conditions



The WRA will be aligned to the legislative acts under purview of the Mauritius Meteorological Services. Employers will be required to pay insurance policies where their workers work during extreme weather conditions.

Annual leave



A worker will be permitted to accumulate his/her annual leave and this leaves will also be refunded on termination of employment

Portable Retirement Gratuity Fund

An employer who has sponsored a worker in a private pension scheme will be required to pay the Portable Retirement Gratuity Fund (PRGF) contribution for any period that the worker was not covered by the private pension scheme

- The administrator or governing body of a scheme, as applicable, will have to ensure that the employer is complying with the eligibility criteria of the PRGF prior to the submission of a certificate to the FSC as per FSC Rules
- Introduction of new rules generally for the better protection of employees with regards to the administration of the PRGF

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This infographic summary is not a holistic guide on Mauritius' 2023 budget. Some items found in the actual budget are omitted from this summary. To the best of our abilities, we have tried to feature those we deem of interest to the general public and our clients.

For a comprehensive read, do head over to [Mauritius official budget website](#).

Reference: HMxx_02062023_1

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