

MAURITIUS FINANCE ACT 2020



—AAA—
GLOBAL SERVICES



Foreword

Dr the Honourable Renganaden Padayachy, Minister of Finance, Economic Planning and Development, presented his first budget on 4 June 2020. Titled **“Our New Normal: The Economy of Life”**, the budget speech was, as expected, mostly devoted to dealing with the aftermath of the national lockdown brought about by the COVID-19 pandemic.

Several measures aimed at reviving the major industries such as construction and manufacturing were announced, as well as to support employment and minimize job losses. For the financial services sector, the Minister had re-iterated the government’s commitment to ensure that the financial services sector operates within recommended international best practices and norms. In this respect, the Government will ensure that the remaining 5 recommendations under the Financial Action Task Force (FATF) Action Plan for Mauritius are implemented by September 2020.

The Finance (Miscellaneous Provisions) Act (the “Finance Act 2020”), which was passed in Parliament on 4 August 2020, and received the President’s assent on 7 August 2020, will now serve to implement the announced measures in the relevant laws.

We are pleased to provide you with a summary of the main measures proposed by the Finance Act 2020 and wish you a pleasant reading!

Best wishes,

Tax Team
AAA Global Services Ltd



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Companies Act

- It will now be possible to register under the Value Added Tax Act on CBRIS.
- “Independent director” is defined as a non-executive director and who:
 - is not an employee;
 - does not have material business relationship with the company either directly or as a partner, shareholder, director or senior employee of an organisation that has such relationship with the company;
 - does not receive remuneration from the company except remuneration or any other benefit given to him as a director in accordance with section 159 of the Companies Act;
 - is not a nominated director representing a substantial shareholder;
 - does not have close family ties with any of the advisers, directors or senior employees of the company;
 - does not have cross directorships or significant link with other directors through involvement in other companies or other organisations; or
 - has not served on the Board for more than 9 continuous years from the date of his first election.
- The temporary measures introduced for the COVID-19 period have been repealed.
- The Board of directors of a public company must now at all times include at least 2 independent directors.
- The following has been added to the duties of directors:
 - Directors of a company shall at all times act in a manner which is not, oppressive, unfairly discriminatory, or unfairly prejudicial to shareholders.
- Any director who fails to comply with subsections 1 to 5 of Section 143 relating to the duties of directors to act in good faith and in best interests of company shall commit an offence and shall, on conviction, be liable to a fine not exceeding MUR 100,000 and to imprisonment for a term not exceeding 12 months.
- Before the Registrar restores a company to the register, the Registrar shall give notice in the Government Gazette and by any electronic means, instead of publishing in 2 daily newspapers having wide circulation in Mauritius.

Foundations Act, Limited Liability Partnerships Act and Limited Partnerships Act

The temporary measures introduced for the COVID-19 have been repealed.

Business Registration Act

The Registrar of Companies shall be the Central Repository of business licences and information.



Financial Services Act

- The following new definitions have been added:
 - “moneylender” means a person, other than a bank or a non-bank deposit taking institution, whose business is that of moneylending or who provides, advertises or holds himself out in any way as providing that business, whether or not he possesses or owns property or money derived from sources other than the lending of money, and whether or not he carries on the business as a principal or as an agent;
 - "Peer-to-Peer Lending" means a financial business activity which enables a person to lend funds through an online portal or electronic platform which matches lenders and borrowers.
- Where there are ultimate and intermediate financial holding companies (the “Entities”), incorporated in Mauritius, which have, within the group, at least one subsidiary or joint venture, or such other ownership structure as the FSC may determine, which is licensed by the FSC, the latter may pursuant to its objects and functions and where it deems necessary, request the competent authorities or the Entities to furnish the necessary statistical information within such time frame as the FSC may determine.

The FSC shall, in consultation with, and with the approval of the competent authorities, collect the required information from the relevant entities, where the information requested is not furnished within the time frame determined by the FSC.

- In the absence of an appointed Chief Executive of the FSC, the powers set out in sections 27, 28 and 53 and Part VIII of the Financial Services Act shall be exercised by such employee as the Board of the FSC may appoint for that purpose.
- The Financial Services Act now makes provision for the licensing of moneylenders. The following are exempted from the requirement to be licensed as moneylenders:
 1. Any person bona fide carrying on the business of banking or insurance or bona fide carrying on any business not having as its primary object the lending of money, in the course of which and for the purposes of which he lends money.
 2. Any body corporate, incorporated or expressly empowered, or any other person expressly empowered, by any other enactment to lend money.
 3. Any organisation whose operations are of an international character and which is approved by the Minister.
 4. Any society registered under the Co-operatives Act.
 5. Any licensed broker in the performance of his duties as a public officer.
 6. Any licensed pawnbroker in the performance of his duties as a pawnbroker.
 7. Mauritius Housing Corporation Ltd.
 8. Development Bank of Mauritius Ltd.
 9. State Investment Corporation Ltd.
 10. Mauritius Investment Corporation Ltd.
 11. Any specialised financial institution licensed by the central bank to engage in lending activities.
 12. Any trustee in the exercise of his functions under the Trusts Act.
 13. Any person lending money through a peer-to-peer lending platform operated by a person licensed by the Commission to operate that platform.



- Where a licensee wishes to surrender its license to the FSC, it shall:
 - a) Give notice of the proposed surrender and of its date to the Commission not less than 30 days before the date of the proposed surrender;
 - b) Before giving notice under paragraph (a), make arrangements for the transfer of its business to another licensee;
 - c) After the date of surrender, certify to the Commission that all his client accounts have been transferred;
 - d) Provide to the Commission an undertaking, in writing, by the transferee that the business has been transferred to it;
 - e) Specify the measures taken by the licensee for the discharge of his liabilities;
 - f) Specify the date on which the termination is to be effective;
 - g) Comply with such other matters as may be specified in the guidelines.
- The FSC may extend the deadline for the filing of annual financial statements during an emergency period such as a period of public emergency referred to in Chapter II of the Constitution, a period during which a curfew order, or similar restriction on the movement of persons is in force under any enactment on the ground of public order, public health or public safety, or a period where Mauritius has been affected by a natural disaster.
- The FSC may also exempt a person or any class of persons from the requirement of filing every year audited financial statements prepared in accordance with International Financial Reporting Standards where it is of the opinion that it would not be practicable for that person or class of persons to comply.
- Where in the course of his audit, an auditor of a licensee becomes aware of any matter which gives the auditor reasonable grounds to believe that:
 - There has been a material adverse change in the risks inherent in the business of the licensee with the potential to jeopardise the ability of the licensee to continue as a going concern;
 - The licensee may be in contravention of the Financial Services Act, any regulations made under it, any FSC Rules or any directions issued by the Commission;
 - A financial crime has been, is being or is likely to be committed;
 - Serious irregularities have occurred; or
 - There has been non-compliance with the laws of Mauritius,

The auditor shall report such matter in writing to the FSC.

Ombudsperson for Financial Services Act 2018

The Ombudsperson or any officer designated by him may enter the premises of a financial institution to ensure that the instructions, guidelines or requirements issued or imposed by the Ombudsperson are being complied with.

Securities Act

The following has been added as an advisory service which may be provided under corporate finance advisory:

- Keeping the investor order book and determining the final assignment to each investor, and keeping all documentation related to debts raised on behalf of issuers.

Income Tax Act

Tax Holidays

- Income derived from inland aquaculture in Mauritius, by a company which has started its operations on or after 4 June 2020, for a period of 8 successive income years starting from the income year in which the company has started its operations.
- Income derived by a company which has started its operations in Mauritius on or after 4 June 2020 and approved by the Higher Education Commission as being a branch campus of an institution which ranks among the first 500 tertiary institutions worldwide whose ranking at the time of registration, for a period of 8 successive income years starting from the income year in which the institution has started its operations.
- Income derived from the manufacturing of nutraceutical products by a company which has started its operations on or after 4 June 2020 for a period of 8 successive income years starting from the income year in which the company has started its operations.

New Activities for Freeport

The following have been added to the definition of “manufacture”:

- Assembly of parts into a piece of machinery or equipment or other product;
- Re-treading of used tyres;
- Recycling of waste.

Freeport operators and private freeport developers engaged in the retreading of used tyres and recycling of waste for sale in the local market will thus now be subject to tax at 3% subject to satisfying prescribed conditions.



Capital Expenditure

- Notwithstanding any other provision of the Income Tax Act, where, in an income year, a person has incurred capital expenditure on electronic, high precision or automated machinery or equipment on or after 1 July 2020, he shall be allowed, in that income year, a deduction of that capital expenditure, provided no deduction has been claimed under section 24(1) of the Income Tax Act.
- Where, during the period 1 July 2020 to 30 June 2023, a manufacturing company incurs capital expenditure on new plant and machinery (excluding motor cars), it shall be allowed, in the year of acquisition and in each of the 2 subsequent income years, a tax credit of an amount equal to 15% of the cost of the new plant and machinery.

Expenditure incurred on patents and franchises

Where, in an income year, a company incurs:

- expenditure for the acquisition of patents and franchises; and
- costs to comply with international quality standards and norms, it may deduct, from its gross income, twice the amount of such expenditure incurred in that income year.

Where a company claims a deduction in respect of patents and franchises under this section, it shall not be entitled to annual allowance in respect of those patents and franchises under section 63 of the Income Tax Act.

Expenditure incurred on medical research and development

Where, in an income year, a person engaged in medical research and development incurs expenditure on medical research and development, he may deduct from his gross income twice the amount of that expenditure in that income year provided the research and development is carried out in Mauritius. Where such a deduction has been claimed, no deduction shall be allowed in respect of the same expense under section 24 or section 161A (55) of the Income Tax Act.

This provision shall apply in all respects to a company as they apply to an individual.

Additional investment allowance to companies affected by COVID-19

- (a) Subject to paragraph (b), where a company has, during the period 1 March 2020 to 30 June 2020, incurred capital expenditure on the acquisition of new plant and machinery (excluding motor cars), it shall, in addition to the deduction to which it may be entitled under section 63 of the Income Tax, be allowed a deduction of 100% of the capital expenditure so incurred by way of investment allowance in respect of the income year in which the expenditure is incurred.
- (b) A company shall be entitled to the additional allowance under paragraph (a) provided that it satisfies the Director-General of the MRA that it has been adversely affected by COVID-19.



Taxation of income from life insurance business

The tax payable by a company deriving income from life insurance business shall be:

- The normal tax payable, i.e. the tax payable on the net income calculated under regulation 17 of the Income Tax Regulations 1996; or
- 10% of the relevant profit, the latter meaning profit attributable to shareholders in respect of an income year:
 - as reduced by capital gain attributable to shareholders where such gain has been credited to the income statement of the company; and
 - as increased by any capital loss attributable to shareholders where such loss has been debited to the income statement of the company,for that income year.

Solidarity levy on telephony service providers

Every telephony service provider shall be liable to pay to the MRA a solidarity levy calculated by reference to its accounting profit and turnover in respect of the preceding year. The levy shall be calculated at the rate of 5% of the accounting profit and 1.5% of the turnover of the operator in respect of the year of assessment commencing on 1 July 2020 and in respect of every subsequent year of assessment.

“accounting profit” means the profit derived by an operator from all its activities and computed in accordance with the International Financial Reporting Standards.

CSR Fund

The contribution to the CSR Fund shall also apply to exempt income of a company under items 11, 11A, 13, 26, 28 to 32 and 34 to 38 of Part II of Sub-part C of the Second Schedule of the Income Tax Act and any other items in the Second Schedule as may be prescribed and that exempt income shall be included in its chargeable income.

Registration of construction of housing estates

For the purposes of benefiting from exemption of registration duty and land transfer tax under section 27 of the Registration Duty Act and section 45A(9) of the Land (Duties and Taxes) Act:

- (a) On the transfer to a company of a plot of freehold land during the period 1 January 2012 to 31 December 2020 for the construction of any housing estate thereon for sale; or
- (b) On transfer, not later than 30 June 2022, by the company of a plot of land together with a housing unit or by way of a *vente en l'état futur d'achèvement* under article 1601-3 of the Code Civil Mauricien, the construction of which has started on or after 1 January 2012,

that company may, subject to the prescribed provisions, register with the Director-General of the MRA during the period from 1 January 2012 to 31 December 2020 for such construction of housing estates.



The registration shall be subject to the following conditions:

- a) the company is a company incorporated or registered under the Companies Act;
- b) the company submits at the time of registration:
 - i. A brief on the nature of its business;
 - ii. The site plan, location plan, extent and transcription volume number of the land;
 - iii. The pre-sale agreement in respect of the land, if any;
 - iv. A business plan, including project components and description, total investment, estimated total costs of construction and implementation schedule; and
 - v. The Outline Planning Permission (OPP) from the relevant local authority;
- c) The housing estate comprises at least 5 residential units, the construction of which shall be completed not later than 31 December 2019; and
- d) The sale value of a residential unit shall, where the registration is made:
 - i. From 1 January 2012 to 31 December 2012, not exceed MUR 2.5 million;
 - ii. From 1 January 2013 to 30 June 2019, not exceed MUR 6 million; or
 - iii. From 1 July 2020 to 31 December 2020, not exceed 7 million rupees.

Submission of Advance Payment System (“APS”) Statements

APS Statements shall henceforth be submitted electronically.

Current Payable System (“CPS”)

CPS statements shall now be submitted electronically to the MRA, and the tax, if any, shall also be paid electronically.

Returns for Trusts and Resident Sociétés

Returns for trusts and resident sociétés shall be submitted electronically.

Assessment on Employers and Payers

Where an employer or a payer is dissatisfied with a notice of assessment, he may, within 28 days of the date of the notice of assessment, object to the assessment in a form approved by the Director-General and sent to him by registered post or electronically.

Refund of Excess Tax

- (a) Subject to paragraph (b), a refund of excess income tax paid by a person shall be made within a period of 60 days of the due date for the submission of the return or the date of receipt of the claim, whichever is the later.
- (b) Where the Director-General of the MRA requests a person to submit any document or information in respect of a claim for refund of excess income tax under this section, the time limit for the refund shall run from the date of receipt of all such documents and information requested.



Extension of time for payment of corporate income tax for companies operating in the tourism industry

Notwithstanding the Income Tax Act or section 21R(2) of the Mauritius Revenue Authority Act, any company engaged in an activity in the tourism industry specified in Part I of the Twelfth Schedule of the Income Tax Regulations 1996 is and having an accounting period ending on any date during the period September 2019 to June 2020 shall pay the tax due in accordance with its annual return of income as follows:

- (a) Half of the tax on or before 29 December 2020; and
- (b) The remainder on or before 28 June 2021.

Where a company specified in Part I of the Twelfth Schedule of the Income Tax Regulations 1996 is required to pay tax under Sub-part AA for any quarter and the due date for payment falls during the calendar year 2020, it shall pay the tax as follows:

- (a) Half of the tax on or before 29 December 2020; and
- (b) The remainder on or before 28 June 2021.

Income Exemption Threshold

- A new category of dependent has been introduced, namely “a bedridden next of kin”. This is defined as the bedridden father, mother, grandfather, grandmother, brother or sister of that person or of his spouse, provided that the bedridden next of kin is:
 - eligible to the carer’s allowance payable under the National Pensions Act; and
 - under the care of that person.
- Where, in an income year, a person claims a bedridden next of kin as a dependent, no other person shall claim that bedridden next of kin as a dependent in that income year.
- An individual with 3 dependents shall not be entitled to claim in an income year an income exemption threshold where the net income and exempt income of his third dependent in that income year exceeds MUR 85,000.
- An individual with 4 dependents shall not be entitled to claim in an income year an income exemption threshold where the net income and exempt income of his fourth dependent in that income year exceeds MUR 80,000.
- The Income Exemption Thresholds have been updated to the following:

	2019/20 MUR	2020/21 MUR
Individual with no dependent	310,000	325,000
Individual with one dependent	420,000	435,000
Individual with two dependents	500,000	515,000
Individual with three dependents	550,000	600,000
Individual with four or more dependents	600,000	680,000



Solidarity Levy

The solidarity levy shall be applicable to resident individuals earning more than MUR 3 million in an income year. The said levy shall be calculated at the rate of 25% of the leviable income in excess of MUR 3 million and shall not exceed 10% of the sum of:

- His net income excluding any lump sum by way of commutation of pension or by way of death gratuity or as consolidated compensation for death or injury, and paid – (i) by virtue of any enactment; (ii) from a superannuation fund; and (iii) under a personal pension scheme approved by the Director-General of the MRA; and
- The dividends paid to that individual by a resident company and a cooperative society registered under the Co-operatives Act 2016 and the share of dividends of that individual in a resident société or succession to which he would have been entitled as an associate of a société or heir in a succession, had the dividends received by the société or succession been wholly distributed among the associates or heirs, as the case may be.

Where the emoluments of an employee exceed MUR 230,769 in a month, the employer shall withhold an additional tax on the amount exceeding MUR 230,769 at the rate of 25%, provided that the additional tax withheld does not exceed 10% of total emoluments.

Value Added Tax Act

- For the period starting on 1 October 2020 and ending on 30 September 2022, where services are provided to a Ministry, Government department, local authority or the Rodrigues Regional Assembly under a construction works contract, the supply shall be deemed to take place at the time payment for that supply is received by the supplier.
- Open market value of the supply will be taken as the taxable value where:
 - The supply is for a consideration not consisting or not wholly consisting of money; or
 - A transaction is not at arm's length.
- Where a person who does not belong in Mauritius and is not VAT registered makes a taxable supply of services which are performed or utilised in Mauritius, to a person, then all the same consequences shall follow under this Act as if the person had himself supplied the services in Mauritius and that supply were a taxable supply.

Where a supply of services is treated as made by a registered person under the above section, section 21 of the Value Added Tax Act shall apply and the registered person may claim the tax on the supply of those services as input tax.



- VAT shall be charged in accordance with sections 10 and 12 of the Value Added Tax Act on any digital or electronic service supplied by a foreign supplier to a person in Mauritius, subject to such conditions as may be prescribed.
 “Digital or electronic service” means such service as may be prescribed, which is supplied:
 - By a foreign supplier over the internet or an electronic network which is reliant on the internet; or
 - By a foreign supplier and is dependent on information technology for its supply.
 “Foreign supplier” means a person who:
 - Has no permanent establishment in Mauritius;
 - Has his place of abode outside Mauritius; and
 - Supplies, in the course of his business, digital or electronic services to a person in Mauritius.
- Introduction of e-invoicing system as part of electronic fiscal device.
- Where a registered person is engaged in a project spanning over several years, the Director-General of the MRA may by notice require the registered person to apply an alternative basis of apportionment for input tax.
- Where an administrator, executor, receiver or liquidator is appointed to manage or wind up the business of any taxable person, the administrator, executor, receiver or liquidator, as the case may be, shall give notice of his appointment to the Director-General of the MRA within 15 days of the date of the appointment in such form and manner as the Director-General of the MRA may approve.
- Goods (excluding merchandise for sale, tobacco in any form, wines, spirits, arms and ammunition) imported by post of a value for duty purposes exceeding MUR 1,000 shall now be liable to VAT, instead of MUR 3,000 previously.
- Medical, hospital and dental services including clinical laboratory services, services provided in a health institution are no longer listed as exempted services.
- The following items have been added to the list of exempt bodies or persons:

Any person engaged in medical research and development and registered with the Economic Development Board under the Economic Development Board Act 2017.

- 1) Construction of purpose built building for medical research; and
- 2) Plant and equipment (excluding vehicles), as the Economic Development Board may approve.



<p>Any person engaged in inland aquaculture under the Inland Aquaculture Scheme and registered with the Economic Development Board under the Economic Development Board Act 2017.</p>	<p>Equipment (excluding office equipment, furniture and vehicles) for the exclusive use of, or in furtherance of, the inland aquaculture project, as the Ministry responsible for the subjects of marine resources and fisheries may approve.</p>
<p>Any person approved by the Higher Education Commission established under the Higher Education Act 2017 as being, at the time of its setting up, a branch campus of an institution ranked among the first 500 tertiary institutions worldwide.</p>	<p>Information technology system and information technology related materials and equipment, for the purpose of online education at the time of the setting up of the branch campus in Mauritius, as the Higher Education Commission may approve.</p>
<p>Any holder of a Smart and Innovative Mauritius Development Certificate issued by the Economic Development Board under the Economic Development Board Act 2017 under the Smart and Innovative Mauritius Development Scheme.</p>	<ol style="list-style-type: none"> 1) Construction of a purpose built building and related infrastructure; and 2) Plant, machinery, equipment and materials (excluding vehicles), in respect of the setting up of the smart and innovative-driven project as the Economic Development Board may approve.

Mauritius Revenue Authority Act

- Where an aggrieved person or his representative is absent at 2 consecutive sittings of the Assessment Review Committee to which he has been duly convened, the case shall be struck out unless the Chairperson is satisfied that the absences were due to illness or any other reasonable cause.
- Any correspondence, notice of assessment, determination or other notice or document required to be served on, or given to, any person by the MRA may be served or given by:
 - Transmitting it electronically through such device as the Director-General may approve;
 - Leaving it at, or sending it by post to, his usual or last known place of business or residence; or
 - Delivering it personally to him.



- The MRA may set-up systems for the:
 - Secure electronic service of notices and documents; and
 - Payment of taxes.
- Every person who is required to submit a return or statement shall be allocated an e-tax account or tax representative e-tax account.

National Pensions Act

Contribution Sociale Généralisée (“CSG”)

The concept of CSG has been introduced to the National Pensions Act, the pension system under the National Pension Fund being abolished. Each of the below listed categories of persons (the “participants”), and their employers, shall be liable to pay the CSG at the rates to be prescribed depending on their remuneration:

- An employee of such category as may be prescribed;
- A self-employed of such category as may be prescribed; or
- A person of such category as may be prescribed, who is liable to pay CSG.

The CSG shall be payable in respect of the month of September 2020 and for every subsequent month, and shall be deducted from the participant’s remuneration by the employer, and be remitted to the MRA. Every employer shall, in respect of CSG paid, submit an annual return or monthly return, as the case may be, in such form and manner, and at such times, as may be prescribed.

The MRA may carry-out assessments and impose penalties and interest if it considers that CSG has been unpaid, or inappropriately paid.



Immigration Act

- Updated criteria for registration with the Economic Development Board (“EDB”):

Category	Requirements
Investor	<ul style="list-style-type: none"> • Initial investment of USD 50,000 or its equivalent in freely convertible foreign currency; <li style="text-align: center;">OR • Net asset value of at least USD 50,000 or its equivalent in freely convertible foreign currency, for existing businesses and businesses inherited and a cumulative turnover of at least MUR 12m during the 3 years preceding the application; <li style="text-align: center;">OR • Initial investment of USD 50,000 or its equivalent in freely convertible foreign currency, of which: <ul style="list-style-type: none"> (a) a minimum transfer of at least USD 25,000 shall be made, and (b) the equivalent of the remaining value in high technology machines and equipment, subject to such criteria as the Chief Executive Officer of the EDB may determine. <p>For renewal, a minimum gross income of MUR 4m per year as from third year of registration.</p>
Investor for innovative start-ups	<ul style="list-style-type: none"> • Submission of an innovative project to the Economic Development Board; <li style="text-align: center;">OR • Registered with an incubator accredited with the Mauritius Research and Innovation Council. <p>For renewal, such conditions as the Chief Executive Officer of the EDB may determine.</p>
Investor (only company incorporated under the Companies Act on or after 8 June 2017) operating a food processing plant for food processing activities and for the manufacture of products from agricultural and medicinal plants and herbs either as intermediate goods or finished products	<ul style="list-style-type: none"> • Goods shall be produced by a process involving a value addition of not less than 20 per cent of the ex-factory cost of the finished product; • Goods intended for export shall satisfy the rules of origin of preferential markets; and • At least 50% of the final products manufactured by the company are exported, after 2 years as from the date from which the company starts its operation
Investor (company only) for the setting up of a film studio in Mauritius	<ul style="list-style-type: none"> • Investment of at least MUR 1 billion or its equivalent in freely convertible foreign currency; and • Investor to provide facilities to film production companies.
Any other investor	Project value exceeding MUR 20m.



Professional in information and communication technologies (ICT) sector, business process outsourcing (BPO) sector, pharmaceutical manufacturing, food processing	Monthly basic salary of at least MUR 30,000.
Professional in any other sector	Monthly basic salary at least MUR 60,000.
Young professional	Completion of at least an undergraduate degree in a local tertiary education institution recognised by the Higher Education Commission in any field listed in Part II of the Schedule to the Immigration Act.
Self-Employed Person	<ul style="list-style-type: none"> Initial investment of USD 35,000 or its equivalent in freely convertible foreign currency at the time of issue of occupation permit; and Engaged in services sector only. <p>For renewal, minimum business income of MUR 800,000 per year as from the third year of registration.</p>
Retired non-citizen	<ul style="list-style-type: none"> An initial transfer of at least USD 1,500 or its equivalent in freely convertible foreign currency at the time of issue of residence permit; and Thereafter, a monthly transfer of at least USD 1,500 or its equivalent in freely convertible foreign currency; <p style="text-align: center;">OR</p> <ul style="list-style-type: none"> Thereafter, transfer of such amounts, by instalments or otherwise, the aggregate of which shall be at least USD 18,000 per year during the 10 years' validity of the residence permit.

- A person who holds immovable property under the Integrated Resort Scheme, Real Estate Scheme, Invest Hotel Scheme, Property Development Scheme or Smart City Scheme, the purchase price of which is not less than USD 375,000, or its equivalent in any other hard convertible foreign currency, shall have the status of resident.
- Parents of holders of Residence Permits, Occupation Permits and non-citizens coming to serve the government under the Service to Mauritius Programme for a period not exceeding 3 years can also now have the status of resident.
- Occupation permits for investors, self-employed non-citizens and retired non-citizens shall be valid for up to 10 years.
- In the case of an investor, a self-employed non-citizen or a retired non-citizen, an occupation permit issued for a period of 3 years, and valid on 1 September 2020, shall be extended for a period of 10 years as from the date of the issue of the occupation permit.



- Any person who has been a holder of an occupation permit (“OP”) or residence permit (“RP”) for at least 3 years immediately before 1 September 2020 and who satisfies the criteria specified in Part III of the First Schedule to the Economic Development Board Act 2017, may, on application, be granted the status of permanent resident.

The duration of the permanent resident status has also been extended from 10 years to 20 years.

The requirements to be met for eligibility to the status of permanent resident are as follows:

	Before 1 September 2020	After 1 September 2020
Investor	Minimum cumulative turnover of MUR 12m during 3 years preceding the application	<ul style="list-style-type: none"> • Minimum investment of USD375,000 in a qualifying business activity • Holder of OP for at least 3 years and minimum annual gross income of MUR 15m for last 3 years
Self-employed	Minimum cumulative business income of MUR 2.4m during 3 years preceding the application	Holder of OP and annual business income of MUR 3m for 3 consecutive years
Professional (ICT/BPO Sector)	Monthly basic salary MUR 30,000 during the last 3 years	Holder of OP as professional or work permit for at least 3 years and basic monthly salary of at least MUR 150,000
Professional (any other sector)	Monthly basic salary MUR 60,000 during the last 3 years	Holder of OP as professional or work permit for at least 3 years and basic monthly salary of at least MUR 150,000
Retired Non-Citizen	Minimum monthly transfer of USD 1,500 during the last 3 years and cumulative transfer of USD 54,000 during the period of 3 years	Holder of RP for the last 3 years and minimum transfer of USD 54,000 during the period of 3 years

- The holder of an OP as professional or the holder of an RP as a retired non-citizen may invest in any business provided that:
 - He is not employed in the business;
 - He does not manage the business; and
 - He does not derive any salary or employment benefits from the business.



Non-Citizens (Employment Restriction) Act

- A holder of an occupation permit issued under the Immigration Act;
- A holder of a residence permit who holds immovable property under the Integrated Resort Scheme, Real Estate Scheme, Invest Hotel Scheme, Property Development Scheme or Smart City Scheme, the purchase price of which is not less than USD 375,000;
- A non-citizen who has been granted a permanent residence permit under section 5A of the Immigration Act; or
- A member of the Mauritian Diaspora under the Mauritian Diaspora Scheme prescribed under the Economic Development Board Act 2017,

may engage in any occupation for reward or profit, or be employed, without a permit issued under this act during the period covered by the occupation permit, permanent residence permit or residence permit or during the period he is a member of the Mauritian Diaspora Scheme, as the case may be.

Economic Development Board Act 2017

- A company intending to carry-out a smart and innovative-driven project in the following activities may apply for a Smart and Innovative Mauritius Development certificate with the EDB:
 - Additive manufacturing;
 - Data economy;
 - High tech farming and smart agriculture;
 - Life sciences and biotechnology;
 - Smart manufacturing and assembly of electric vehicles;
 - Virtual economy;
 - Technical education and training programmes in any of the above fields.
- A Sports Economic Commission shall be introduced to:
 - Promote Mauritius as an international centre for the hosting of international multi-disciplinary sports events;
 - Facilitate and promote the Mauritius Sportstech Incubator to start-ups;
 - Regulate, facilitate and issue approval to existing and new sports infrastructure development under the PPP model; and
 - Facilitate the development of track and trail under the sponsorship and partnership of the private sector to promote Sports Tourism.
- A Business Obstacle Alert Mechanism will be put in place for business facilitation. Its functions shall be to:
 - Enable an enterprise to log in any bottlenecks in relation to delays in the determination of licences, permits, authorisations or other clearances;
 - Enquire about any issue and make recommendations to public sector agencies; and
 - Report and publish any remedial action taken.



Local Government Act

- No application fee shall be payable for the application of a Building and Land Use Permit.
- An application for a Building and Land Use Permit shall be made through the National Electronic Licensing System.
- Where an application for a Building and Land Use Permit is approved, the permit shall, subject to this Act, be issued through the National Electronic Licensing System.
- No fee shall be payable for the issue of a Building and Land Use Permit for the construction of a pharmaceutical manufacturing factory, food processing plant or warehouse.



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