

**THE FINANCE BILL**  
(No. XVII of 2006)

**Explanatory Memorandum**

The object of this Bill is to provide for the implementation of measures announced in the Budget Speech and for the strengthening and streamlining of certain provisions relating mainly to revenue and public finance.

19 July 2006

**R. Sithanen**  
Deputy Prime Minister, Minister of Finance and  
Economic Development

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**THE FINANCE BILL**  
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**ARRANGEMENT OF CLAUSES**

*Clause*

1. Short title
2. Banking Act 2004 amended
3. Civil Aviation Act amended
4. Code Civil Mauricien amended
5. Code de Commerce amended
6. Companies Act 2001 amended
7. Criminal Procedure Act amended
8. Customs Act amended
9. Customs Tariff Act amended
10. Excise Act amended
11. Financial Intelligence and Anti-Money Laundering Act 2002 amended
12. Financial Reporting Act 2004 amended
13. Financial Services Development Act 2001 amended
14. Freeport Act 2004 amended
15. Gaming Act amended

16. Horse Racing Board Act 2003 amended
  17. Human Resource Development Act 2003 amended
  18. Income Tax Act amended
  19. Land (Duties and Taxes) Act amended
  20. Mauritius Revenue Authority Act 2004 amended
  21. National Assembly Allowances Act amended
  22. National Assembly (Retiring Allowances) Act amended
  23. National Pensions Act amended
  24. Pas Géométriques Act amended
  25. Registration Duty Act amended
  26. Securities (Central Depository, Clearing and Settlement) Act amended
  27. Small Enterprises and Handicraft Development Authority Act 2005 amended
  28. Stamp Duty Act amended
  29. Sugar Industry Efficiency Act 2001 amended
  30. Transcription and Mortgage Act amended
  31. Value Added Tax amended
  32. Validation of resolution
  33. Repeal and savings
  34. Commencement
-

## **A Bill**

### **To provide for the implementation of measures announced in the Budget Speech and for the strengthening and streamlining of certain provisions relating mainly to revenue and public finance**

ENACTED by the Parliament of Mauritius, as follows -

#### **1. Short title**

This Act may be cited as the Finance Act 2006.

#### **2. Banking Act 2004 amended**

The Banking Act 2004 is amended -

- (a) in section 7, by repealing subsection (6) and replacing it by the following subsection -

(6) A banking licence granted under subsection (5) -

(a) shall specify the name of the licensee; and

(b) shall be subject to such conditions as the central bank may impose.

- (b) in section 26(1), by deleting the words “Sections 7, 10 and 33” and replacing them by the words “Sections 7 and 10”;

- (c) in section 42, by deleting the words “at least once a year” and replacing them by the words “at least once every 2 years”;

- (d) in section 46, by inserting immediately after subsection (2), the following new subsection -

(2A) No financial institution shall outsource any of its functions to any other person unless the central bank is satisfied that the person meets the requirements of subsection (3).

- (e) in section 50 -

- (i) by repealing subsection (1) and replacing it by the following subsection -

(1) Where any bank sets up automated teller machines for the use by customers to make deposits or cash withdrawals, it shall inform the central bank accordingly.

- (ii) in subsection (2), by deleting the words “, as the central bank considers adequate”;
- (f) in section 62, by deleting the words “the central bank shall fix -” and replacing them by the words “the central bank shall approve -”;
- (g) in section 64 -
  - (i) by repealing subsection (1) and replacing it by the following subsection -
    - (1) (a) Subject to this Act, every person, including a service provider who by virtue of his professional relationship with a financial institution, has access to the books, accounts, records, financial statements or other documents, whether electronically or otherwise, of a financial institution shall -
      - (i) in the case of a director or senior officer, take an oath of confidentiality in the form set out in the First Schedule; or
      - (ii) in any other case, make a declaration of confidentiality before the chief executive officer or deputy chief executive officer of the financial institution in the form set out in the Second Schedule,

before he begins to perform any duties under the banking laws.
    - (b) For the purposes of paragraph (a), “professional relationship” means any relationship between a financial institution and a service provider of whom the central bank has been made aware of.
- (ii) in subsection (3) -
  - (A) in paragraph (j), by deleting the word “or”;
  - (B) at the end of paragraph (k), by deleting the full stop and replacing it by the words “; or”;

- (C) by adding immediately after paragraph (k), the following new paragraph -
- (l) the financial institution, other than a cash dealer, is required to provide information and particulars, and to do any other act, under Sub-Part BA of Part VIII of the Income Tax Act.
- (iii) in subsection (9), by deleting the words “the Director-General of the Revenue Authority, the Revenue Commissioner under the Unified Revenue Act,” and replacing them by the words “the Director-General of the Mauritius Revenue Authority established under the Mauritius Revenue Authority Act 2004,”;
- (h) in section 70, by adding immediately after subsection (3), the following new subsection -
- (4) The procedures for voluntary liquidation shall be in accordance with the sections and Parts of the Companies Act 1984 specified in the Fifteenth Schedule to the Companies Act 2001 and those sections and Parts shall apply to the extent that they are consistent with the provisions of this Part.
- (i) in section 97(11), by deleting the words “section 34(5)” and replacing them by the words “section 34(5), (6)”.

### 3. Civil Aviation Act amended

The Civil Aviation Act is amended –

- (a) by inserting immediately after section 8A, the following new section -
- 8B. Passenger solidarity fee**
- (1) There shall be levied in respect of every passenger leaving Mauritius by air, such passenger solidarity fee as may be specified in the Third Schedule.
- (2) The passenger solidarity fee under subsection (1) shall be levied in such manner as may be prescribed.
- (3) The amount collected under this section shall be paid into a deposit account with the Accountant-General for subsequent transfer to the International Drug Purchase Facility (IDPF) – UNITAID Trust Fund.
- (b) by adding immediately after the Second Schedule, the Third Schedule set out in the First Schedule to this Act.

#### 4. Code Civil Mauricien amended

The Code Civil Mauricien is amended by adding at the end of articles 1690 and 2075, the following new paragraph -

La signification sera valablement faite par lettre recommandée avec accusé de réception au domicile du débiteur ou au domicile élu.

#### 5. Code de Commerce amended

The Code de Commerce is amended in Livre Premier –

- (a) by deleting the words “72.à 90.-” and replacing them by the words “72.à 81.-”;
- (b) by inserting immediately under the words “**TITRE SIXIÈME**”, the following -

*De la cession, du gage et des commissionnaires*

### **CHAPITRE PREMIER**

*De la Cession des Créances*

**82.** Toute créance détenue sur un tiers, personne morale ou personne physique dans l'exercice par celle-ci de son activité commerciale ou professionnelle, peut être cédée ou nantie au profit soit d'une personne morale exerçant une activité commerciale ou professionnelle tant à Maurice qu'à l'étranger, soit d'une institution bancaire et financière ou encore toute entité munie d'une Global Business Licence délivrée par la Financial Services Commission, par la simple remise d'un bordereau.

Peuvent être cédées ou données en nantissement les créances liquides et exigibles, même à terme. Peuvent également être cédées ou données en nantissement les créances résultant d'un acte déjà intervenu ou à intervenir mais dont le montant et l'exigibilité ne sont pas encore déterminés.

**83.** Le bordereau visé par l'article 81 doit comporter les énonciations suivantes -

- 1<sup>o</sup> La dénomination, selon le cas, 'acte de cession de créances' ou 'acte de cession de créances à titre de garantie';
- 2<sup>o</sup> Le nom ou la dénomination sociale du bénéficiaire;
- 3<sup>o</sup> La désignation ou l'individualisation des créances cédées ou données en nantissement ou des éléments susceptibles d'effectuer cette désignation ou cette individualisation, notamment par l'indication du débiteur, du lieu de paiement, du montant des créances ou de leur évaluation et, s'il y a lieu, de leur échéance.

Toutefois, lorsque la transmission des créances cédées ou données en nantissement est effectuée par un procédé informatique permettant de les identifier, le bordereau peut se borner à indiquer, outre les mentions indiquées aux 1 et 2 ci-dessus, le moyen par lequel elles sont transmises, leur nombre et leur montant global.

En cas de contestation portant sur l'existence ou sur la transmission d'une de ces créances, le cessionnaire pourra prouver, par tous moyens, que la créance objet de la contestation est comprise dans le montant global porté sur le bordereau.

**84.** Même lorsqu'elle est effectuée à titre de garantie et sans stipulation d'un prix, la cession de créance transfère au cessionnaire la propriété de la créance cédée.

Sauf convention contraire, le signataire de l'acte de cession ou de nantissement est garant solidaire du paiement des créances cédées ou données en nantissement.

Le bordereau est signé par le cédant. La signature est apposée soit à la main, soit par tout procédé non manuscrit. Le bordereau peut être stipulé à ordre.

Le bordereau n'est transmissible qu'à une autre personne morale, un établissement bancaire, une institution financière ou autre entité ayant une activité commerciale.

**85.** La cession ou le nantissement prend effet entre les parties et devient opposable aux tiers à la date apposée sur le bordereau lors de sa remise, quelle que soit la date de naissance, d'échéance ou d'exigibilité des créances, sans qu'il soit besoin d'autre formalité, et ce quelle que soit la loi applicable aux créances et la loi du pays de résidence des débiteurs.

A compter de cette date, le cédant ne peut, sans l'accord du bénéficiaire de la cession ou du nantissement, modifier l'étendue des droits attachés aux créances représentées par ce bordereau.

La remise du bordereau entraîne de plein droit le transfert des sûretés, des garanties et des accessoires attachés à chaque créance, y compris les sûretés hypothécaires, et son opposabilité aux tiers sans qu'il soit besoin d'autre formalité.

En cas de contestation de la date portée sur le bordereau, la date de son enregistrement sous le Registration Duty Act fait foi. À défaut le bénéficiaire de la cession ou du nantissement a la charge de rapporter, par tous moyens, l'exactitude de celle-ci.

**86.** Le bénéficiaire de la cession ou du nantissement peut, à tout moment, interdire au débiteur de la créance cédée ou nantie de payer entre les mains du signataire du bordereau. A compter de cette notification, le débiteur ne se libère valablement qu'auprès du bénéficiaire.

Sur la demande du bénéficiaire du bordereau, le débiteur peut s'engager à le payer directement : cet engagement est constaté, à peine de nullité, par un écrit intitulé : "Acte d'acceptation de la cession ou du nantissement d'une créance".

Dans ce cas, le débiteur ne peut opposer au bénéficiaire du bordereau les exceptions fondées sur ses rapports personnels avec le signataire du bordereau, à moins que le bénéficiaire, en acquérant ou en recevant la créance, n'ait agi sciemment au détriment du débiteur.

**87.** Est un organisme de titrisation, une entité agréée par la Financial Services Commission, qui a pour objet d'acquérir ou d'assumer, directement ou par l'intermédiaire d'un autre organisme, les risques liés à des créances, et à d'autres biens ou à des engagements assumés par des tiers ou inhérents à tout ou partie des activités réalisées par des tiers, en émettant des valeurs mobilières dont la valeur ou le rendement dépendent de ces risques.

Ces organismes peuvent accomplir entièrement la titrisation ou peuvent participer à la titrisation par la prise en charge de tout ou partie des risques titrisés (organisme d'acquisition) ou par l'émission des valeurs mobilières destinées à en assurer le financement (organisme d'émission). Ils peuvent s'organiser soit sous la forme d'une société ou d'un fonds d'investissement.

**88.** Un organisme de titrisation n'est agréé que si la Financial Services Commission approuve les statuts ou les documents constitutifs, y compris les règlements de gestion, et le cas échéant sa société de gestion. Les sociétés de titrisation et les sociétés de gestion des fonds de titrisation doivent disposer d'une organisation et de moyens adéquats pour l'exercice de leur activité et opèrent sous la surveillance de la Commission.

**89.** La cession à un organisme de titrisation d'une créance détenue sur toute personne physique ou morale, qu'elle soit de nature civile ou commerciale, par un établissement de crédit, banque, société d'assurance ou toute autre entité agréée par la Financial Services Commission est soumise aux dispositions du présent chapitre et aux dispositions des articles 92-1 à 92-11 du Deuxième Chapitre qu'il s'agit d'une cession à titre de garantie.



A compter de la mise à la disposition de l'organisme de financement de celle-ci des bordereaux et pendant la durée de celle-ci, l'établissement ou tout autre entité ne peut, sauf stipulation contraire, transmettre les créances représentées par les bordereaux, sous quelque forme que ce soit.

90. Les modalités d'application des articles 86 à 88 peuvent faire l'objet d'un règlement du Ministre des Finances.

## CHAPITRE DEUXIÈME

- (c) in Titre Sixième, by inserting immediately under the words “Du gage”, the following words -

### *I - Des dispositions générales*

- (d) in article 91, by repealing the fourth paragraph (alinéa 4) and replacing it by the following paragraph -

En ce qui concerne les créances mobilières, le cessionnaire ne peut être saisi à l'égard des tiers que par la signification du transport faite au débiteur par simple lettre recommandée. Les créances données en nantissement sont soumises aux dispositions des articles 92-1 à 92-11.

- (e) by inserting immediately after article 92, the following new heading and new articles -

### *II - Le nantissement des créances*

**92-1.** Le gage portant sur toute créance, ou un ensemble de créances, présents ou futurs, constitué, soit par des personnes morales, ou par des individus pour une opération commerciale ou dans l'exercice de leur commerce or de leur profession, est régi par les articles suivants.

**92-2.** A peine de nullité, le nantissement de créance doit être conclu par écrit. Les créances garanties et les créances nanties sont désignées dans l'acte. Si elles sont futures, l'acte doit permettre leur individualisation ou contenir des éléments permettant celle-ci tels que l'indication du débiteur, le lieu de paiement, le montant des créances ou leur évaluation et, s'il y a lieu, leur échéance. Lorsque le nantissement a pour objet une créance future, le créancier nanti acquiert un droit sur la créance dès la naissance de celle-ci.

**92-3.** Le nantissement de créance peut être constitué pour un temps déterminé. Il peut porter sur une fraction de créance, sauf si celle-ci est indivisible.

Le nantissement s'étend aux accessoires de la créance à moins que les parties n'en conviennent autrement.

Lorsque le nantissement porte sur un compte, la créance nantie s'entend du solde créditeur, provisoire ou définitif, au jour de la réalisation de la sûreté sous réserve de la régularisation des opérations en cours.

En cas d'ouverture d'une procédure de 'receivership', ou de liquidation contre le constituant, les droits du créancier nanti portent sur le solde du compte à la date du jugement d'ouverture.

**92-4.** Le nantissement d'une créance, présente ou future, prend effet entre les parties et devient opposable aux tiers à la date de l'acte.

Pour être opposable au débiteur de la créance nantie, le nantissement de créance doit lui être notifié ou ce dernier doit intervenir à l'acte. A défaut, seul le constituant reçoit valablement paiement de la créance. La notification se fait par tous les moyens et se constate conformément aux dispositions de l'article 109 du présent Code.

Après notification, seul le créancier nanti reçoit valablement paiement de la créance donnée en nantissement tant en capital qu'en intérêts. Chacun des créanciers, les autres dûment appelés, peut en poursuivre l'exécution.

**92-5.** Les sommes payées au titre de la créance nantie s'imputent sur la créance garantie lorsqu'elle est échue. Dans le cas contraire, le créancier nanti les conserve à titre de garantie sur un compte ouvert auprès d'un établissement habilité à les recevoir à charge pour lui de les restituer si l'obligation garantie est exécutée. En cas de défaillance du débiteur de la créance nantie et huit jours après une mise en demeure restée sans effet, le créancier affecte les fonds au remboursement de sa créance dans la limite des sommes impayées.

En cas de défaillance de son débiteur, le créancier nanti peut se faire attribuer, par le juge en référé ou dans les conditions prévues par la convention, la créance donnée en nantissement ainsi que tous les droits qui s'y rattachent. Il peut également attendre l'échéance de la créance nantie. S'il a été payé au créancier nanti une somme supérieure à la dette garantie, celui-ci doit la différence au constituant.

### *III - Du gage spécial au profit des institutions financières*

**92-6.** Un gage spécial, dont les conditions et la réalisation sont soumises aux règles particulières déterminées par les articles suivants, peut être constitué par toute personne physique ou morale dans le but de garantir toute obligation ou créance créée dans l'exercice de ses activités commerciales ou professionnelles, portant sur les valeurs mobilières émises par une institution financière.

**92-7.** Le gage spécial ne porte que sur des valeurs mobilières, y compris actions, parts d'intérêts ou obligations nominatives, émises par une institution agréée par la Financial Services Commission ou toute personne munie d'une Global Business Licence délivrée en vertu des dispositions de la Financial Services Development Act 2001, et ne peut garantir que les créances ou obligations constatées par écrit.

**92-8.** Le gage spécial est constitué par la remise -

1° des valeurs mobilières destinées à garantir l'obligation ou la dette du débiteur ou de sa caution, ainsi que les intérêts, commissions ou frais en résultant; et

2° d'un ordre de transfert en blanc, signé et non daté permettant la vente, au nom du débiteur ou de sa caution, des valeurs mobilières gagées.

**92-9.** L'ordre de transfert en blanc, prévu à l'article 92-3, prend effet à dater de l'exécution du titre attestant la dette ou l'obligation consentie.

Il est opposable aux tiers à partir de cette date.

**92-10.** Le créancier gagiste a le droit de procéder lui-même à la réalisation de son gage spécial, lorsque la créance garantie devient exigible, et à défaut d'une stipulation contraire prévue dans l'accord entre les parties, il peut le faire sans aucun préavis au débiteur ou aucune autre formalité judiciaire ou extra-judiciaire.

**92-11.** Le créancier gagiste aura le droit de vendre les valeurs mobilières gagées, en complétant l'ordre de transfert en blanc.

Nonobstant toutes dispositions contraires, le prix de la vente ainsi réalisée pourra être imputé par préférence à toute autre créance quelle qu'elle soit, au règlement total ou partiel de la somme due par l'emprunteur ou sa caution ainsi que des intérêts, commissions et frais en découlant.

Le créancier gagiste doit donner quittance, au débiteur ou à sa caution, de toutes les sommes provenant de la vente des valeurs mobilières gagées.

## **6. Companies Act 2001 amended**

The Companies Act 2001 is amended -

- (a) in section 2(5), by deleting the words "10 million rupees" and replacing them by the words "30 million rupees";
- (b) in section 68(6), by deleting the words "The company" and replacing them by the words "Except where dispensation has been granted under section 52(5), the company";

- (c) in section 86(1), by adding immediately after the words “Code Civil Mauricien”, the words “and any other applicable law”;
- (d) in section 138, by repealing subsection (6) and replacing it by the following subsection -
  - (6) Notwithstanding anything in this section, a person of or over the age of 70 years may -
    - (a) by an ordinary resolution of which no shorter notice is given than that required to be given for the holding of a meeting of shareholders, be appointed or re-appointed as a director of that company to hold office until the next annual meeting of the company or be authorised to continue to hold office as a director until the next annual meeting of the company; or
    - (b) in the case of an application for incorporation of a public company, be appointed with the consent in writing of the proposed shareholders.
- (e) in section 187, by repealing subsection (1) and replacing it by the following subsection -
  - (1) Every company shall always -
    - (a) have a registered office in Mauritius to which all communications and notices may be addressed and which shall constitute the address for service of legal proceedings on the company; and
    - (b) cause its name and the word “Registered Office” to be permanently displayed in a conspicuous place in legible romanised letters on the outside of its registered office.
- (f) in section 220, in paragraph (a), by the deleting the words “in accordance with section 212” and replacing them by the words “in accordance with sections 210 and 212 respectively”.

## **7. Criminal Procedure Act amended**

The Criminal Procedure Act is amended in the Fifth Schedule, by adding immediately after item (m), the following new item -

- (n) Freeport Act 2004, sections 14(6), 20(5) and 22(2)

## 8. Customs Act amended

The Customs Act is amended -

(a) in section 2 -

(i) by inserting in the appropriate alphabetical order the following new definitions -

“bonded vehicle” has the same meaning as in regulation 14A(2) of the Customs Regulations 1989;

“visitor” means a person holding -

(a) a foreign passport; and

(b) a valid ticket for travel by air or sea to a foreign port or airport;

(ii) by deleting the definition of “duty free shop” and replacing it by the following definition -

“duty free shop” means a shop at a port or airport, approved by the Director-General, for the sale of goods free of duty, excise duty or taxes to passengers arriving from or leaving for a foreign port or airport;

(b) in section 14 -

(i) by inserting immediately after subsection (1), the following new subsection -

(1A) The amount recoverable under subsection (1) shall be recovered together with interest at the rate of 12 percent per annum or such other rate as may be prescribed from the time the amount recoverable should have been paid up to the date of payment.

(ii) in subsection (2), by deleting the words “subsection (1)” and replacing them by the words “subsections (1) and (1A)”;

(iii) by adding immediately after subsection (2), the following new subsection -

(3) For the purposes of subsection (2) -

“right of retention” means the right conferred on the Director-General under *Article 2150-1<sup>o</sup>* of the Code Civil Mauricien to retain possession of the goods until the debt due to the Authority is paid;

“special privilege” has the same meaning as in *Articles 2143 and 2150* of the Code Civil Mauricien.

- (c) in section 16(1), by inserting immediately after the words “bills of lading,”, the words “airway bills or other documents of title acceptable to the Director-General,”;
- (d) by repealing section 22 and replacing it by the following section -

**22. Goods imported for sale to visitors**

- (1) Any goods which are intended for sale -
  - (a) in a duty free shop shall be exempted from payment of any duty, excise duty or taxes; or
  - (b) in a shop at any place, other than at the port or airport, approved under the Deferred Duty and Tax Scheme shall be entered on which payment of any duty, excise duty or taxes is deferred.
- (2) The conditions under which goods referred to in subsection (1) may be imported, exported or otherwise dealt with shall be as prescribed.
- (3) For the purposes of subsection (1) -
 

“Deferred Duty and Tax Scheme” means a scheme as may be prescribed whereby any shop may sell goods -

  - (a) mainly to visitors without payment of duty, excise duty and taxes; and
  - (b) to other persons upon payment of duty, excise duty and taxes.
- (e) in section 23, by inserting immediately after subsection (1), the following new subsection -
 

(1A) Where goods have been cleared from Customs and are found to be defective, obsolete or not according to specifications and are returned to the seller, the Director-General may, upon request, refund the amount of duty or excise duty originally paid, on such conditions as may be prescribed.
- (f) in section 24, by adding the following new subsection, the existing provision being numbered (1) accordingly -
 

(2) Where a demand is made under subsection (1), the importer shall pay the amount of duty, excise duty and taxes within 21 days of the date of the demand.

- (g) by repealing section 29 and replacing it by the following section -

**29. Goods imported or exported by post or courier**

Goods imported or exported through persons holding a postal service licence or a courier service licence under the Postal Services Act 2002 shall be subject to Customs control.

- (h) in section 30(1), by repealing paragraphs (b), (c) and (d) and replacing them by the following paragraphs -

- (b) warehousing; or  
(c) trans-shipment.

- (i) in section 49 -

- (i) in subsection (1A), by deleting the words “air cargo manifest” and replacing them by the words “inward manifest under subsection (1)”;  
(ii) by adding immediately after subsection (2), the following new subsection -

(3) Any person who fails to comply with subsection (1) shall commit an offence and shall, on conviction, be liable to a fine not exceeding 50,000 rupees.

- (j) in section 61 –

- (i) in subsection (2), by adding after the words “section 69(2)”, the words “or 77(1)”;  
(ii) by adding immediately after subsection (8), the following new subsection –

(9) Where the Director-General is satisfied that goods have been damaged or outmoded or have deteriorated in value or have a short expiry date, he may revalue those goods for the purposes of sale under this section.

- (k) in section 67, by repealing subsection (3) and replacing it by the following subsection -

(3) The Director-General may, by notice in writing, revoke or alter any such appointment where it is established that -

- (a) the warehouse has not been in operation for a continuous period of 6 months; or

- (b) the proprietor or occupier has committed any act of misconduct, dishonesty, malpractice or fraud.
- (l) in section 74, by repealing paragraph (e), the semi-colon at the end of paragraph (d) being deleted and replaced by a full stop;
- (m) by repealing sections 76 and 77 and replacing them by the following sections -

**76. Warehoused goods may be rewarehoused**

Where any warehoused goods are not cleared within 12 months of the date of the entry for warehousing, the Director-General may, on application in writing, allow the importer to rewarehouse the goods for one further period of 12 months provided security by bank guarantee to cover the amount of duty, excise duty and taxes involved at the time of rewarehousing is given to the satisfaction of the Director-General.

**77. Failure to clear warehoused goods or rewarehoused goods**

- (1) Where –
  - (a) any warehoused goods are not cleared within a period of 12 months of the date of the entry for warehousing; or
  - (b) any rewarehoused goods are not cleared within one further period of 12 months,

pursuant to section 76, the Director-General may, without prejudice to any action he may take under the Act, upon giving 15 days' notice in writing to the owner of the goods –

- (i) cause the bank guarantee referred to in section 76 to be realised;
- (ii) cause the goods to be transferred to a customs warehouse or a warehouse approved by the Director-General for the purpose of auction sales and be sold in accordance with section 61.

(2) Any person who fails to clear any warehoused goods within a period of 12 months of the date of the entry for warehousing those goods, or fails to clear any rewarehoused goods within a further period of 12 months, pursuant to section 76, shall commit an offence and shall, on conviction, be liable to a fine not exceeding 100,000 rupees.



- (n) by repealing section 108 and replacing it by the following section -

**108. When no drawback allowed**

Where any goods which have been entered for export under drawback are brought to any quay, wharf or other place to be shipped for export and are, upon examination by the proper officer found not to be of the description on the bill of entry or other documents for the allowance of drawback, or where any goods upon which drawback has been claimed or allowed after shipment and are subsequently found not to have been shipped, all such goods and the packages containing them with all other contents, shall be liable to forfeiture, as the case may be, and the person entering such goods and claiming the drawback thereon shall in every case commit an offence and shall, on conviction, be liable to a fine which shall -

- (a) when the value of such goods does not exceed 1,500 rupees, be 4,000 rupees;
- (b) where the value of such goods exceeds 1,500 rupees, be 3 times the value of the goods or 20,000 rupees, whichever is the higher.

- (o) in section 116A(3) -

- (i) by repealing paragraphs (a) and (b);
- (ii) in paragraph (d), by repealing subparagraph (iii);

- (p) in section 119, by repealing subsection (1B) and replacing it by the following subsection -

- (1B) (a) The Director-General may, subject to paragraph (b), grant the application and authorise the employee referred to in the application to act as customs agent.
- (b) No person shall be authorised to act as customs agent unless he is authorised by the Director-General to act as customs broker.

- (q) by inserting immediately after section 131, the following new section -

**131A. Physical cross-border transportation**

(1) The Director-General may, on reasonable suspicion, require any person making a physical cross-border transportation to make a written truthful disclosure in a form approved by the Director-General, of the amount of currency or bearer negotiable instruments in his possession, their origin and intended use.

(2) Any person making a disclosure under subsection (1) may be questioned by an officer on the particulars of the disclosure and in the course of any questioning, the officer may inspect the person's travel documents including passport or laissez-passer and tickets.

(3) Where an officer has reasonable cause to believe that the disclosure made by a person under subsection (1) is false or misleading in any material particular, the officer may detain and search the person in accordance with section 132.

(4) Where an officer reasonably suspects that the amount of currency or bearer negotiable instruments disclosed under subsection (1) and detected, if any, pursuant to subsection (3), may involve the laundering of money or the financing of terrorism, he shall forthwith refer the matter to the Police.

(5) Any person who -

- (a) when so required, refuses to make a disclosure under subsection (1);
- (b) makes a disclosure under subsection (1) which is false or misleading in any material particular; or
- (c) without reasonable excuse, refuses to answer questions by virtue of subsection (2),

shall commit an offence and shall, on conviction, be liable to a fine not exceeding 500,000 rupees and to imprisonment for a term not exceeding 3 years.

(6) In this section -

“bearer negotiable instruments”-

- (a) means monetary instruments in bearer form; and
- (b) includes -
  - (i) bearer traveller's cheques;
  - (ii) cheques, promissory notes and money orders, that are either in bearer form, endorsed without restriction, made out to a fictitious payee, or otherwise in such form that title thereto passes upon delivery; or

- (iii) incomplete instruments, including cheques, promissory notes and money orders, signed, but with the payee's name omitted;

“currency” means banknotes and coins that are in circulation as a medium of exchange;

“physical cross-border transportation” -

- (a) means any in-bound or out-bound physical transportation of currency or bearer negotiable instruments from one country to another country; and
- (b) includes -
  - (i) physical transportation by a natural person, or in that person's accompanying luggage;
  - (ii) shipment of currency through containerized cargo; or
  - (iii) the mailing of currency or bearer negotiable instruments by a natural or legal person.
- (r) in section 158 -
  - (i) in subsection (1) -
    - (A) by repealing paragraph (c);
    - (B) in paragraph (e), by deleting the words “or duty free shop” and replacing them by the words “, duty free shop or shop under the Deferred Duty and Tax Scheme referred to in section 22”;
  - (ii) in subsection (3)(f), by inserting immediately after the words “on any premises”, the words “container or bonded vehicle”;
- (s) in section 161(2), by deleting the words “the enactments” and replacing them by the words “this Act”;
- (t) in section 162, by repealing subsection (8);

(u) in section 163, by adding immediately after subsection (4), the following new subsection -

(5) Any regulations made under this section may provide -

- (a) for the levying of fees and charges;
- (b) on the recommendation of the Authority, for the licensing of persons transacting business with Customs.

(v) by adding immediately after section 167, the following new section -

**168. Transitional provisions**

(1) Notwithstanding any customs laws, any holder of an investment certificate in respect of an export enterprise or a pioneer status enterprise issued under the Investment Promotion Act and in force as at 30 September 2006 shall, not later than 15 October 2006, submit to the Director-General, a certified statement of materials imported during the period 1 June 2006 to 30 September 2006 exempted from payment of duty, excise duty and taxes and not yet used in production as at 30 September 2006, showing -

- (a) brief description of the materials and their value;
- (b) separately, the amount of duty, excise duty and taxes, that would otherwise be payable, on the materials; and
- (c) such other particulars as may be prescribed,

and pay any duty, excise duty and taxes within such time as may be prescribed.

(2) Any person operating a duty free shop at a place, other than at the port or airport, may, by irrevocable notice in writing to the Director-General, not later than 30 September 2006, elect to operate under the Deferred Duty and Tax Scheme referred to in section 22.

(3) Any person who does not make an election under subsection (2) shall -

- (a) continue to be governed by the provisions of section 22 in force immediately before 1 October 2006; and
- (b) be authorised, as from 1 October 2006, to sell goods to visitors only.

## 9. Customs Tariff Act amended

The Customs Tariff Act is amended -

- (a) in section 4, by repealing paragraphs (a), (b) and (g);
- (b) in section 5-
  - (i) in the heading, by inserting immediately after the word “**duty**”, the words “**and taxes**”;
  - (ii) in subsection (1), by inserting immediately after the words “or part thereof”, the words “and the taxes”;
  - (iii) in subsection (2) -
    - (A) by deleting the words “becomes payable” and replacing them by the words “and taxes become payable”;
    - (B) by inserting immediately before the words “, which would have been payable”, the words “and taxes”;
  - (iv) by inserting immediately after subsection (2), the following new subsection -
    - (2A) The amount payable under subsections (1) and (2) shall be paid together with interest at the rate of 12 percent per annum or such other rate as may be prescribed from the time the amount payable has remained unpaid up to the date of payment.
  - (v) in subsection (3) -
    - (A) in paragraph (a), by deleting the words “, which is payable” and replacing them by the words “ and taxes, which are payable”;
    - (B) in paragraph (b), by inserting immediately after the words “excise duty payable”, the words “and taxes”;
  - (vi) in subsection (3A), by deleting the words “pay the duty and excise duty” and replacing them by the words “pay the duty, excise duty and taxes”;
  - (vii) in subsection (5), by deleting the words “the enactments” and replacing them by the words “this Act”.
- (c) in section 7, by deleting the word “Minister” and replacing it by the word “Director-General”;

- (d) by repealing section 9;
- (e) in section 12, by adding the following new subsection, the existing provision being numbered (1) accordingly -
  - (2) Any remission of duty granted under section 4 shall lapse on 1 October 2006.
- (f) in section 14, by repealing subsection (3).

**10. Excise Act amended**

The Excise Act is amended –

- (a) in section 2 -
  - (i) by deleting the definitions specified in Part A of the Second Schedule to this Act; and
  - (ii) by inserting in the appropriate alphabetical order, the definitions specified in Part B of the Second Schedule to this Act;
- (b) in section 3, by adding immediately after subsection (3), the following new subsection -
  - (4) Where in any enactment made before or after the commencement of this subsection, it is provided that notwithstanding any other enactment, a statutory corporation shall be exempt from the payment of any duty, that provision shall not be construed as an exemption from the payment of excise duty under this Act.
- (c) by repealing section 10 and replacing it by the following section -

**10. Issue of licence**

(1) The licensing authority may, on an application in the prescribed manner being made, subject to clearance from the Commissioner of Police, issue a licence on such terms and conditions as it thinks fit -

- (a) on being satisfied that the prescribed conditions have been fulfilled; and
- (b) on payment of the licence fee.

(2) The licensing authority may refuse to issue a licence on any ground that may be prescribed.

(3) The licence fee shall be paid to the Director-General.

(4) Where the Minister is of opinion that it is necessary in the public interest to limit the number of licences, he may, by order to the Director-General, limit the number of licences which may be issued.

(5) An order under subsection (4) shall be binding for such district, town, village or other area for such period as may be specified in the order.

(d) by repealing section 15 and replacing it by the following section -

**15. Obligations of licensee**

(1) No licensee shall sell any liquor, alcoholic products, beer, spirit cooler, fruit wine, fortified fruit wine, wine or fortified wine to, or allow such goods to be consumed at his licensed premises by, any person under the age of 18 years.

(2) Every licensee shall display in a conspicuous place at his factory or licensed premises -

(a) a signboard bearing his name and surname or, in the case of a body corporate, the corporate name, as they appear on the licence, and the nature of his trade or business; and

(b) where applicable by virtue of his licence, an appropriate notice in bold characters bearing the following words -

NO .....

*(specify the products authorised for sale)*

WILL BE SOLD TO A PERSON UNDER THE AGE OF 18 YEARS

or

NO .....

*(specify the products authorised for sale)*

WILL BE SOLD TO, OR IS ALLOWED TO BE CONSUMED ON THE PREMISES BY, A PERSON UNDER THE AGE OF 18 YEARS

(3) Every licensee shall comply with such other obligations as may be prescribed.

(4) Any licensee who fails to comply with this section shall commit an offence and shall, on conviction, be liable to a fine not exceeding 50,000 rupees and to imprisonment to a term not exceeding 2 years.

- (e) in section 25(2) –
- (i) at the end of paragraph (b), by deleting the word “or”;
  - (ii) by repealing paragraph (c) and replacing it by the following paragraphs -
    - (c) require, where applicable, a licensee -
      - (i) to equip his factory with a flowmeter, an apparatus or equipment to record the flow, or the number of bottles, of excisable goods;
      - (ii) to install a Closed Circuit TeleVision (CCTV) system in his factory at such places as the Director-General may direct; or
      - (iii) to give to the Director-General online access to the CCTV system;
    - (d) require a licensee or an importer to affix or cause to affix excise stamps or banderoles on such excisable goods as may be specified by the Director-General in such form, manner and conditions as may be prescribed.
- (f) in section 28 –
- (i) by deleting the heading and replacing it by the following heading –
 

**Power to examine goods, apparatus or equipment**
  - (ii) by repealing subsection (1) and replacing it by the following subsection –
 

(1) The Director-General may, for the purpose of ascertaining the excise duty payable on any excisable goods, order a manufacturer to produce for examination –

    - (a) such goods at such time and place as he may specify;
    - (b) any apparatus, equipment, flowmeter or Closed Circuit TeleVision (CCTV) system in a factory;
    - (c) the recordings of the Closed Circuit TeleVision (CCTV) system in respect of any period not exceeding 3 years immediately preceding the date of the examination.



- (g) in section 40(1) –
  - (i) in paragraph (d), by inserting immediately after the words “label or mark” wherever they appear, the words “, apparatus or equipment, Closed Circuit TeleVision (CCTV) system”;
  - (ii) in paragraph (h), by inserting immediately after the words “label or mark”, the words “, apparatus or equipment, Closed Circuit TeleVision (CCTV) system”;
- (h) by repealing section 54;
- (i) in section 55(2), by deleting the words “the enactments” and replacing them by the words “this Act”;
- (j) in section 57, by adding immediately after subsection (2), the following new subsection -

(3) Regulations made under subsection (1) may provide that any person who contravenes them shall commit an offence and shall, on conviction, be liable to a fine not exceeding 50,000 rupees and to imprisonment for a term not exceeding 2 years and that excisable goods which are the subject matter of the contravention shall be liable to forfeiture.

- (k) by adding immediately after section 57, the following new section -

**57A. Transitional provisions**

Any order for remission or refund of excise duty under section 54 shall lapse on 1 October 2006.

- (l) by repealing Part I, Part II and Part III of the First Schedule and replacing them by the First Schedule set out in the Third Schedule to this Act; and
- (m) in the First Schedule, in Part I -
  - (i) in H.S. Code 2206.001, by deleting the words “Country liquor” and replacing them by the words “Fruit wine”;
  - (ii) in H.S. Code 2206.002, by deleting the words “Fortified country liquor” and replacing them by the words “Fortified fruit wine”.

**11. Financial Intelligence and Anti-Money Laundering Act 2002 amended**

The Financial Intelligence and Anti-Money Laundering Act 2002 is amended –

- (a) in section 5(1), by deleting the words “350,000 rupees” and replacing them by the words “500,000 rupees”;

- (b) in section 10(2), by adding immediately after paragraph (f), the following new paragraph, the full stop at the end of paragraph (f) being deleted and replaced by a semicolon -
  - (g) undertake, and assist in, research projects in order to identify the causes of money laundering and terrorist financing and its consequences.
- (c) in section 19(2)(a) and (b), by deleting the words “to which section 23 applies” and replacing them by the words “under the Mutual Assistance in Criminal and Related Matters Act 2003”; and
- (d) in section 19A(2), in paragraph (j), by deleting the words “Managing Director” and replacing them by the words “a Deputy Governor”.

## **12. Financial Reporting Act 2004 amended**

The Financial Reporting Act 2004 is amended –

- (a) in section 33 -
  - (i) in subsection (1), by deleting the words “No person” and replacing them by the words “Subject to subsection (1A), no person”;
  - (ii) by inserting immediately after subsection (1), the following new subsection -
    - (1A) Subsection (1) shall not apply to the auditor of a small private company under the Companies Act 2001.
- (b) in section 35(4) –
  - (i) in paragraph (b), by adding after the semi-colon, the word “or”;
  - (ii) by deleting the words “; or” and replacing them by a full stop;
  - (iii) by repealing paragraph (d).

## **13. Financial Services Development Act 2001 amended**

The Financial Services Development Act 2001 is amended -

- (a) in section 42(2), by repealing paragraphs (c) and (d), the semi colon at the end of paragraph (b) being deleted and replaced by a full stop; and
- (b) in the Fourth Schedule, by deleting items “Stamp Duty Act” and “Transcription and Mortgage Act” wherever they appear.

**14. Freeport Act 2004 amended**

The Freeport Act 2004 is amended –

- (a) in section 2 –
  - (i) by deleting the definition of “Comptroller”;
  - (ii) by inserting in the appropriate alphabetical order the following new definitions –
    - “Authority” means the Mauritius Revenue Authority established under the Mauritius Revenue Authority Act 2004;
    - “Director-General” means the Director-General of the Authority;
- (b) in section 23, by adding the following new subsection, the existing provision being numbered (1) accordingly –
  - (2) The prosecution of an offence under any of the sections of this Act specified in the Fourth Schedule to the Mauritius Revenue Authority Act 2004 shall take place, at the discretion of the Director of Public Prosecutions, before a Judge sitting without a jury, the Intermediate Court or a District Court.
- (c) by deleting the word “Comptroller” wherever it appears and replacing it by the word “Director-General”.

**15. Gaming Act amended**

The Gaming Act is amended in section 70(2), by deleting the words “the enactments” and replacing them by the words “this Act”.

**16. Horse Racing Board Act 2003 amended**

The Horse Racing Board Act 2003 is amended in section 52(2), by deleting the words “the enactments” and replacing them by the words “this Act”.

**17. Human Resource Development Act 2003 amended**

The Human Resource Development Act 2003 is amended in section 16(1), by repealing paragraph (b) and replacing it by the following paragraph -

- (b) out of which -
  - (i) all payments and grants required to be made by the Council shall be effected; and

- (ii) shall be paid into the Consolidated Fund established under section 103 of the Constitution, such surplus money not required for the purposes of subparagraph (i) as the Council may determine.

## 18. Income Tax Act amended

The Income Tax Act is amended -

- (a) in section 2 -
  - (i) by deleting the definition of “base value” and replacing it by the following definition –
 

“base value” means the cost to the owner of any fixed asset or other capital expenditure incurred for the production of gross income after deducting therefrom any amount allowed by way of annual allowance;
  - (ii) by deleting the definition of “chargeable income” and replacing it by the following definition –
 

“chargeable income” means –

    - (a) for the purposes of section 107, the amount of income ascertained in accordance with that section;
    - (b) for the purposes of Sub-Part C of Part VIII –
      - (i) in the case of an individual, the amount remaining after deducting from the net income the income exemption threshold to which that individual is entitled; and
      - (ii) in any other case, the net income;
  - (iii) in the definition of “charitable institution”, by deleting the words “approved by the Minister” and replacing them by the words “approved by the Director-General”;
  - (iv) in the definition of “child”, by deleting the words “sections 41 and 42” and replacing them by the words “section 27”;
  - (v) by repealing the definition of “CPS period”;
  - (vi) in the definition of “CPS threshold”, by deleting the words “Sixth Schedule” and replacing them by the words “Fourth Schedule”;
  - (vii) by deleting the definitions of “dependent child”, “dependent spouse”, and “earned income”;

- (viii) by deleting the definition of “exempt person” and replacing it by the following definition -

“exempt person” means -

- (a) an employee whose emoluments do not exceed 16,500 rupees per month; and
  - (b) an individual who derives gross income falling under Sub-Part B of Part VIII which does not exceed the CPS threshold and whose tax liability for the CPS quarter in respect of that gross income is of an amount specified in the Fourth Schedule;
- (ix) in the definition of “foreign vessel”, by deleting the words “item 8 of Part I and item 12 of Part II” and replacing them by the words “item 9 of Sub-Part C”;
- (x) by deleting the definitions of “handicapped” and “health institution”;
- (xi) by deleting the definition of “income tax” and replacing it by the following definition –

“income tax”

- (a) means the income tax imposed by section 4; and
  - (b) includes –
    - (i) the national residential property tax imposed by Sub-Part BB of Part VIII, for the purposes of that Sub-Part, Parts IX, X and XI;
    - (ii) any penalty or interest imposed under this Act; but
  - (c) does not include any fine;
- (xii) in the definition of “industrial premises”, by repealing paragraphs (d), (e) and (f) and replacing them by the following paragraphs –
- (d) for the provision of education or training;
  - (e) for the purpose of operating an aerodrome;

- (f) for the welfare of workers employed in a trade or undertaking specified in paragraphs (a) to (e); but

does not include -

- (i) any building or structure in use as, or part of, a dwelling house or used for any purpose ancillary to the purposes of a dwelling house; or
  - (ii) any land, tree, plant, garden or earthworks;
- (xiii) by deleting the definition of “miller”;
- (xiv) in the definition of “non-resident”, in paragraph (a), by deleting the words “and paragraph (iv) of item 14 of Part II, and items 5 and 6 of Part III of the Second Schedule”, and replacing them by the words “and items 4 and 5 of Sub-Part B of Part II of the Second Schedule”;
- (xv) in the definition of “other income earning activity”, by deleting the words “or 10(2)” and replacing them by the words “or 10(3)”;
- (xvi) by deleting the definition of “personal reliefs and deductions”;
- (xvii) in the definition of “planter”, in paragraph (a), by deleting the words “items 4, 10, 18 and 19 of Part IV of the Second Schedule” and replacing them by the words “items 1 and 2 of Sub-Part C of Part II of the Second Schedule”;
- (xviii) by deleting the definition of “seaman”;
- (xix) in the definition of “securities”, by deleting the words “item 1 of Part IV of the Second Schedule” and replacing them by the words “item 7 of Sub-Part C of Part II of the Second Schedule”;
- (xx) by deleting the definition of “start-up company”;
- (xxi) by inserting in the appropriate alphabetical order, the following new definitions -

“CPS quarter” means the quarter specified in section 106;

“royalty” means payment of any kind received as a consideration for the use of, or the right to use, any copyright of literary, artistic or scientific work including cinematograph films, any patent, trademark, design or model, plan, secret formula or process, or for information concerning industrial, commercial or scientific experience;

“solidarity levy” means the solidarity levy imposed under the Value Added Tax Act;

(b) by repealing section 4 and replacing it by the following section -

**4. Imposition of tax**

Subject to this Act, income tax shall, in and for every year -

- (a) be paid to the Director-General by every person on all income, other than exempt income, derived by him during the preceding year; and
- (b) be calculated on the chargeable income of the person at the appropriate rate specified in Part I and Part II of the First Schedule.

(c) by repealing section 7 and replacing it by the following section -

**7. Exempt body of persons and exempt income**

(1) Any body of persons specified in Part I of the Second Schedule shall be exempt from income tax.

(2) Any income specified in Part II of the Second Schedule shall be exempt from income tax.

(3) Except as otherwise provided for in this Act, nothing in this section shall exempt from taxation, in the hands of a recipient any sum paid to him, by way of emoluments, dividends, interest or otherwise, wholly or partly by the exempt body of persons or persons or out of income so exempt from taxation.

(d) by repealing section 10 and replacing it by the following section -

**10. Income included in gross income**

(1) Subject to the other provisions of this Act, the gross income of an individual shall include –

- (a) any advantage in money or in money’s worth which is -
  - (i) salary, wages, leave pay, fee, overtime pay, perquisite, allowance, bonus, gratuity, commission or other reward or remuneration in respect of or in relation to the office or employment of that individual;

- (ii) superannuation, compensation for loss of office, pension (including any pension in respect of which a deduction is allowed under section 23 or 62, as the case may be), retiring allowance, annuity or other reward in respect of or in relation to past employment or loss or reduction of future income of that individual, whether receivable by that individual or by any person who is or has been the spouse or dependent of that individual;
- (b) any gross income derived from any business;
- (c) any rent, royalty, premium or other income derived from property;
- (d) any dividend, interest, charges, annuity or pension, other than a pension referred to in paragraph (a)(ii));
- (e) basic retirement pension payable under the National Pensions Act; and
- (f) any other income derived from any other source.

(2) For the purposes of subsection (1)(a), any advantage in money or in money's worth shall include -

- (a) any rent allowance, housing allowance, entertainment allowance, transport allowance, travelling allowance, travel grant, commuted travelling allowance or reimbursement of travelling expenses, petrol allowance, driver's allowance or any other allowance or sum by whatever name called;
- (b) any reimbursement of the cost or payment of personal and private expenses of the employee by the employer;
- (c) any reimbursement of the cost or payment of passages, by sea, air or land between Mauritius and another country on behalf of the employee, his spouse and dependents; and
- (d) any fringe benefits as may be prescribed.



(3) For the purposes of subsection (1)(b), gross income derived from a business shall include -

- (a) any sum or benefit, in money or money's worth, derived from the carrying on or carrying out of any undertaking or scheme entered into or devised for the purpose of making a profit, irrespective of the time at which the undertaking or scheme was entered into or devised;
  - (b) any sum or benefit derived from the extraction, removal or sale of any mineral, tree or wood;
  - (c) any sum or benefit, in money or money's worth, derived from the sale of any immovable property or interest in immovable property, where the property was acquired in the course of a business the main purpose of which is the acquisition and sale of immovable property;
  - (d) any increase in the value of trading stock on hand at the time of transfer by sale or otherwise of a business or on the reconstruction of a company; and
  - (e) any subsidy derived in the carrying on of a business.
- (e) in section 14(3), by deleting the words “section 10(2)(c)” and replacing them by the words “section 10(3)(c);
- (f) in section 17 –
- (i) in subsection (1) -
    - (A) in paragraph (a), by deleting the words “(1)(a) Any” and replacing them by the words “(1) Any”;
    - (B) by repealing paragraphs (b), (c) and (d);
  - (ii) in subsection (2), by deleting the words “not be included in his gross income” and replacing them by the words “be deductible from the gross income referred to in section 10(1)(a) in the income year in which the allowance is made”;
  - (iii) in subsection (3), by deleting the words “shall not be included in the gross income of that person” and replacing them by the words “shall be deductible from the gross income referred to in section 10(1)(a) in the income year in which the advantage is provided”;
  - (iv) by repealing subsections (4) and (5);

- (g) in section 18 -
- (i) in subsection (2)(b), by deleting the words “section 10(2)(c)” and replacing them by the words “section 10(3)(c)”;
  - (ii) by adding immediately after subsection (5), the following new subsection -
    - (6) (a) Notwithstanding subsection (1) but subject to paragraph (b), any solidarity levy payable in an income year shall be deductible from the gross income referred to in section 10(1)(b) in that income year.
    - (b) Where a deduction under paragraph (a) has been allowed in an income year and such solidarity levy is refunded in a subsequent income year, the deduction allowed shall be withdrawn and the amount of the deduction so withdrawn shall be deemed to be gross income of the person in the income year in which the refund is made.
- (h) by repealing section 20 and replacing it by the following section -

**20. Losses**

(1) Where a person satisfies the Director-General that he has in an income year incurred a loss in the production of gross income specified in section 10(1)(b), (c) and (d), that loss –

- (a) shall not be deducted from or set-off against his gross income specified in section 10(1)(a) for that income year; but
- (b) may, subject to subsection (2), be set-off against his gross income, other than gross income specified in section 10(1)(a), derived in that income year, and any excess loss carried forward for set-off against income derived in the 5 succeeding income years.

(2) The time limit of 5 income years under subsection (1)(b) shall not apply for the carry forward of any amount of loss that is attributable to annual allowance.

- (i) in section 24 –
    - (i) by repealing subsection (1) and replacing it by the following subsection –
      - (1) Subject to the other provisions of this section, where, in an income year, a person has incurred capital expenditure on –
        - (a) the acquisition, construction or extension of any –
          - (i) industrial premises;
          - (ii) clinics;
          - (iii) shops and shopping malls;
          - (iv) offices and showrooms;
          - (v) restaurants; or
          - (vi) entertainment premises;
        - (b) the acquisition of plant or machinery;
        - (c) agricultural improvement on agricultural land;
        - (d) scientific research;
        - (e) the setting up of golf courses; or
        - (f) the acquisition or improvement of any other item of a capital nature which is subject to depreciation under the normal accounting principles,

he shall be allowed a deduction of the capital expenditure so incurred by way of an annual allowance in that income year and in each of the succeeding years at such rate as may be prescribed.
  - (ii) by repealing subsections (2) and (7);
- (j) by repealing section 25;
- (k) in section 26, by repealing subsection (4);

- (l) in Part III, by repealing Sub-Part C and replacing it by the following Sub-Part -

**Sub-Part C – Income Exemption Threshold for Individuals**

**27. Entitlement to income exemption threshold**

(1) No person shall be entitled to an income exemption threshold unless he is resident in Mauritius in the income year in which the income is derived.

(2) Subject to the other provisions of this section, every person shall, in an income year, be entitled to deduct from his net income in that income year, the appropriate amount of income exemption threshold in respect of Category A, Category B, Category C or Category D, as specified in the Third Schedule.

(3) Where a person derives income from interest and from other sources, he may in priority deduct the income exemption threshold to which he is entitled from his net income from sources other than interest, and any amount of that income exemption threshold remaining unrelieved may then be deducted from his income from interest to arrive at his chargeable income.

(4) Where, in an income year, a person claims an income exemption threshold in respect of Category B, Category C or Category D, the spouse of that person shall be entitled to claim in that income year an income exemption threshold in respect of Category A only.

(5) A person shall not be entitled to claim in an income year an income exemption threshold in respect of -

- (a) Category B, where the net income and exempt income of his dependent in that income year exceeds 110,000 rupees;
- (b) Category C, where the net income and exempt income of his second dependent in that income year exceeds 60,000 rupees;
- (c) Category D, where the net income and exempt income of his third dependent in that income year exceeds 40,000 rupees.

(6) Where the net income and exempt income of the first dependent, second dependent and third dependent does not exceed 110,000 rupees, 60,000 rupees and 40,000 rupees respectively, the net income of the dependent or dependents shall be deemed to be, and shall be added to, the net income of the person.

- (7) For the purposes of this section, “dependent” means either -
- (a) a spouse;
  - (b) a child under the age of 18; or
  - (c) a child over the age of 18 and who is pursuing full-time higher education or training or who cannot earn a living because of a physical or mental disability.
- (m) in section 44, by deleting the words “the rate specified in Part II or Part III of the First Schedule, as the case may be” and replacing them by the words “the appropriate rate specified in Part II of the First Schedule”;
- (n) in section 44A(1), by deleting the words “5 per cent” wherever they appear and replacing them by the words “7.5 per cent”;
- (o) in section 45(1), by deleting the words “Part II of the First Schedule” and replacing them by the words “Sub-Part C of Part II of the First Schedule”;
- (p) in section 46 -
- (i) in subsection (1), by deleting the words “the rate specified in Part III of the First Schedule” and replacing them by the words “the rate specified in Sub-Part A of Part II of the First Schedule”;
  - (ii) in subsection (2), by deleting the words “the rate specified in Part II of the First Schedule” and replacing them by the words “the rate specified in Sub-Part C of Part II of the First Schedule”;
  - (iii) by repealing subsections (4), (5) and (6);
- (q) in section 47 -
- (i) by repealing subsection (5) and replacing it by the following subsection -
 

(5) Every associate of a *société* holding a Category I Global Business Licence under the Financial Services Development Act 2001 shall be liable to income tax in respect of his share of income in that *société* at the rate of 15 per cent.
  - (ii) in subsection (6), by deleting the words “the rate specified in Part II of the First Schedule” and replacing them by the words “the rate of 15 per cent”;
  - (iii) in subsection (7)(b), by deleting the words “Part II or Part III of the First Schedule” and replacing them by the words “Sub-Part C or Sub-Part A of Part II of the First Schedule”;

- (r) by repealing sections 48 and 49;
- (s) in section 51, by deleting the words “and (e)” and replacing them by the words “and (f)”;
- (t) by repealing section 59 and replacing it by the following section -

**59. Losses**

- (a) Where a company satisfies the Director-General that it has, in an income year incurred a loss, it may deduct that loss in computing its net income for that income year.
  - (b) Where the amount of loss cannot be fully relieved under paragraph (a), the company may, subject to paragraph (c), claim that the unrelieved amount of the loss be carried forward and set-off against its net income derived in the following 5 income years, subject to such conditions as may be prescribed.
  - (c) The time limit of 5 years under paragraph (b) shall not apply for the carry forward of any amount of loss that is attributable to annual allowance.
- (u) in section 60(1), by repealing paragraph (b) and replacing it by the following paragraph -
    - (b) in the case of banks, the amount of any irrecoverable loan due by a company in liquidation in respect of which winding-up procedures have started.
  - (v) by repealing sections 64, 64A, 65, 66, 67, 67B, 67C, 67D, 67E, 67F and 67G;
  - (w) in Part IV, by repealing Sub-Part D;
  - (x) in section 73, by adding the following new subsections, the existing provision being numbered (1) accordingly -
    - (2) Where a person wishes to be certified as a resident in Mauritius in respect of an income year, he should apply to the Director-General for a Tax Residence Certificate.
    - (3) The Tax Residence Certificate under subsection (2) shall be issued within a period of 7 days from the date of the application, provided that the person has submitted the return required to be submitted under section 112 or 116, as the case may be.
  - (y) in section 83(2)(a), by deleting the words “10,000 rupees” and replacing them by the words “50,000 rupees”;

- (z) in section 86A, by deleting the words “section 10(1)(e)” and replacing them by the words “section 10(1)(f)”;
- (za) in section 93, by repealing subsection (2);
- (zb) by repealing section 95 and replacing it by the following section –

**95. Employee declaration**

(1) Subject to subsection (2), every employee who, for an income year, is entitled to the income exemption threshold under section 27 in respect of that income year and who wishes to have the income exemption threshold taken into account for the purposes of determining his chargeable income and the amount of income tax, if any, to be withheld from his emoluments under section 93 during that income year shall submit to his employer an Employee Declaration Form in such manner and on such conditions as may be prescribed.

(2) Where the income exemption threshold referred to in subsection (1) has been claimed, that income exemption threshold shall not be claimed for the purposes of Sub-Part B of Part VIII.

- (zc) by repealing section 96 and replacing it by the following section –

**96. Tax to be withheld**

(1) Where an employee has submitted in respect of an income year an Employee Declaration Form to his employer, the amount of income tax to be withheld from the emoluments of the employee shall be calculated, on a cumulative basis, in such manner as may be prescribed.

(2) Where an employee has not submitted in respect of an income year an Employee Declaration Form to his employer, the employer shall withhold tax from the emoluments of the employee at the rate of 20 per cent of those emoluments.

(3) Where any fees are payable –

- (i) by a company to any of its directors; or
- (ii) by a statutory body to any member of its Board, Council, Commission, Committee or by whatever name called,

tax shall be withheld from the fees of the director or member, as the case may be, at the rate of 20 per cent of those fees.

- (zd) by repealing section 101 and replacing it by the following sections -

**101. Penalty for late payment of tax by employer**

(1) Where an employer fails to pay the amount of tax required to be withheld under this Sub-Part on or before the last day on which it is payable under section 100, he shall be liable to pay to the Director-General, in addition to the tax, a penalty of 5 per cent of the amount of the tax remaining unpaid.

(2) The penalty under subsection (1) shall apply to the tax excluding any interest under section 122D.

**101A. Penalty for failure to join electronic system**

Any registered employer who is required to submit his PAYE return under section 100(1A) and make payment of tax withheld on behalf of his employees electronically, but fails to join the electronic system, after written notice being given to him by the Director-General, shall be liable to pay to the Director-General on his failure within a period of 7 days from the date of the notice to justify the failure to join the system, a penalty of 5,000 rupees, for every month or part of the month from the month specified in the notice, up to the month immediately preceding the month in which he submits his return, and to make any payment of tax withheld electronically, provided that the total penalty payable shall not exceed 50,000 rupees.

- (ze) in section 105(2)(b), by deleting the words “Sixth Schedule” and replacing them by the words “Part I of the Fourth Schedule”;

- (zf) by repealing section 106 and replacing it by the following section –

**106. Statement of Income and payment of tax**

(1) Every individual –

- (a) who is a registered person under section 105A, whether or not he has a chargeable income for a CPS quarter; or



- (b) who, in a CPS quarter, derives gross income under this Sub-Part which does not exceed the CPS threshold but has a chargeable income for that quarter,

shall submit to the Director-General, in respect of that CPS quarter, a Statement of Income in such form and manner as may be approved by the Director-General and at the same time pay the tax, if any, as follows –

In respect of quarter	Due date for submission of Statement of Income and payment of tax
1 July to 30 September	31 December
1 October to 31 December	31 March
1 January to 31 March	30 June

(2) Where the gross income of an individual exceeds the CPS threshold in any one quarter in an income year, that individual shall submit the Statement of Income for each of the remaining quarters in that income year, whether or not his gross income exceeds the CPS threshold.

(3) The Statement of Income under subsection (1) shall, in respect of each quarter, show the gross income, the allowable deductions, the net income, the income exemption threshold, the chargeable income and the tax payable thereon, if any.

(4) Where a resident société or the estate of a deceased person derives gross income referred to in section 105, the associate of the société or the beneficiary in the estate shall include in his Statement of Income his share of income from that gross income.

(zg) by repealing section 107 and replacing it by the following section –

**107. Ascertainment of chargeable income**

(1) Subject to subsection (2), the chargeable income of an individual in respect of each CPS quarter in an income year shall, at the option of the individual, be –

- (a) the difference between -
- (i) 25 per cent of the net income for the year preceding that income year uplifted by 10 per cent or such other percentage as may be prescribed; and
  - (ii) 25 per cent of the income exemption threshold to which the individual is entitled under section 27 in respect of that income year; or

- (b) the difference between –
  - (i) the gross income for that quarter, and
  - (ii) the sum of –
    - (A) the amount of allowable deductions for that quarter including any allowable loss brought forward from the year preceding that income year or any previous quarter, as the case may be, that relates to the derivation of the gross income; and
    - (B) 25 per cent of the income exemption threshold to which the individual is entitled under section 27 in respect of that income year.

(2) Where any income exemption threshold referred to in subsection (1) has been claimed for the purposes of this Sub-Part, that income exemption threshold shall not be claimed for the purposes of Sub-Part A of PART VIII.

- (zh) in section 108, by deleting the words “Seventh Schedule” and replacing them by the words “Part II of the Fourth Schedule”;
- (zi) by repealing section 109 and replacing it by the following section -

**109. Penalty for late submission of Statement of Income**

Where a person fails to submit a Statement of Income under section 106, he shall be liable to pay to the Director-General a penalty representing 2,000 rupees per month or part of the month until such time as the Statement of Income is submitted, provided that the total penalty payable shall not exceed 6,000 rupees per Statement of Income.

- (zj) by repealing section 110 and replacing it by the following section -

**110. Penalty for late payment of tax under CPS**

Where a taxpayer fails to pay any income tax due on or before the last day on which it is payable under section 106, he shall be liable to pay to the Director-General, in addition to the tax, a penalty of 5 per cent of the amount of tax remaining unpaid.

- (zk) in section 111 –
- (i) in subsection (2)(a), by deleting the words “the amount” and replacing them by the words “the aggregate amount”;
  - (ii) in subsection (3), by deleting the words “60 per cent” wherever they appear and replacing them by the words “35 per cent”;
  - (iii) in subsection (4), by deleting the words “CPS period” and “section 107(1)(a)(i)” and replacing them by the words “CPS quarter” and “section 107(1)(a)” respectively;
- (zl) in Part VIII, by adding immediately after Sub-Part B, the following new Sub-Parts -

**Sub-Part BA –Deduction of tax at source**

**111A. Interpretation**

- (1) In this Sub-Part -
- (a) “contractor”, in section 111B(d), means any person who enters into a contract for carrying out any work;
  - (b) “depositor”, in section 111B(a) -
    - (i) means any individual, *société* or succession holding a deposit with a financial institution or holding Treasury Bills, Bank of Mauritius Bills, debentures or any other loan instrument; and
    - (ii) includes an individual holding a deposit, Treasury Bills, Bank of Mauritius Bills, debentures or any other loan instrument jointly with another individual or individuals; but
    - (iii) does not include -
      - (A) an individual who is a non-resident;
      - (B) a *société* which is a non-resident or holds a Category I Global Business Licence under the Financial Services Development Act 2001; or
      - (C) a *société* falling under Part I of the Second Schedule;

- (c) “financial institution”, in section 111B(a) -
  - (i) means any bank or non-bank deposit taking institution regulated under the Banking Act 2004; and
  - (ii) includes -
    - (A) the Bank of Mauritius; and
    - (B) any person issuing debentures or any other loan instrument;
- (d) “individual”, in paragraph (b) includes a minor;
- (e) “interest” in section 111B(a), means income from debt-claims of every kind including deposits with a financial institution, whether or not secured by mortgage and whether or not carrying a right to participate in the debtor’s profits and in particular income from debentures or any other loan instrument including premiums and prizes attaching to such debentures or other loan instrument;
- (f) “payee”, in relation to section 111C(1), means any person to whom an amount is made available by the payer;
- (g) “payer” means any person responsible for the payment of -
  - (i) interest, royalties or rent;
  - (ii) any sum to contractors and sub-contractors; or
  - (iii) any sum to a provider of specified services;
- (h) “person” in section 111B(c), includes a minor;
- (i) “rent” in section 111B(c), means any payment, by whatever name called, under any lease, sub-lease, tenancy or any other agreement or arrangement for the use of any land or building together with furniture, fittings and the land appurtenant thereto, whether or not such building is owned by the payee and also includes any premium or other consideration for a lease;

- (j) “sub-contractor” in section 111B(d), means any person who enters into a contract with a contractor for carrying out any work;
- (k) “work”, in paragraphs (a) and (j) -
  - (i) means civil construction including construction or repair of any building, road or other structure or execution of any works contract; and
  - (ii) includes any supply of labour for carrying out works in respect of civil construction.

(2) For the purposes of sections 111B and 111C, an amount or a sum is deemed to have been made available to a payee where the amount or sum is paid to, or credited to the account of, or dealt with in the interest or on behalf of, the payee, whichever is earlier.

#### **111B. Application of Sub-Part BA**

This Sub-Part shall apply to any amount or sum made available by way of –

- (a) interest payable to any depositor by a financial institution;
- (b) royalties payable to any person by companies and *sociétés*, other than corporations holding a Category I Global Business Licence under the Financial Services Development Act 2001;
- (c) rent payable to any person, except a body of persons specified in Part I of the Second Schedule, by any person, other than an individual;
- (d) payments to contractors and sub-contractors by any person, other than an individual; and
- (e) payments to a provider of services specified in the Fifth Schedule made by any person, other than an individual.

#### **111C. Payer to deduct tax**

(1) Subject to the other provisions of this section, every payer shall, at the time any amount or sum referred to in section 111B is made available to the payee, deduct income tax from the amount or sum so made available at the appropriate rate specified in Part I of the Sixth Schedule.

(2) No income tax shall be deducted from interest payable to a depositor -

- (a) unless the aggregate amount of deposits held by the depositor in a financial institution including its branches exceeds, at any time in an income year, the amount specified in Part II of the Sixth Schedule; and
- (b) in respect of interest which accrued prior to 1 October 2006.

(3) Where, at any time in an income year, income tax has been deducted by a financial institution from interest payable to a depositor and the aggregate amount of deposits held by the depositor in the financial institution including its branches no longer exceeds the amount specified in Part II of the Sixth Schedule, the financial institution shall continue to deduct income tax from any amount of interest payable to the depositor in that income year.

#### **111D. Remittance of tax deducted**

A payer who has deducted income tax under section 111C shall remit to the Director-General the income tax so deducted, electronically or in such other manner as may be approved by the Director-General -

- (a) in the case of a financial institution, where the income tax is deducted at any time -
  - (i) during the first 15 days of a month, not later than the 22<sup>nd</sup> day of that month; and
  - (ii) from the 16<sup>th</sup> day of a month to the end of the month, not later than 7 days from the end of that month;
- (b) in any other case, within 20 days from the end of the month in which the income tax was deducted.

#### **111E. Payer liable to pay tax**

Any payer who has not deducted income tax as required under section 111C shall be liable to pay to the Director-General the amount of income tax which ought to have been deducted but the payer shall be entitled to recover the amount from the payee.

#### **111F. Penalty and interest for late payment of tax**

The provisions of sections 101 and 122D shall apply in all respects to a payer as they apply to an employer referred to in section 101 or to any person referred to in section 122D.

**111G. Tax deducted deemed to be tax paid**

Any amount of tax deducted under this Sub-Part in an income year shall be deemed to be –

- (a) received by the payee at the time it was deducted; and
- (b) paid by him to the Director-General,

and shall be offset against the income tax liability of the payee for that income year.

**111H. Direction not to deduct tax**

Where income tax is required to be deducted from any amount or sum which is made available to a payee under this Sub-Part during an income year and the payee proves to the satisfaction of the Director-General that he is not chargeable to income tax for that income year, the Director-General may, by written notice to the payer, direct that no income tax shall be deducted from the amount or sum which is made available to that payee.

**111I. Obligation of payer to deduct tax**

The obligation of a payer to deduct income tax under section 111C shall prevail over -

- (a) any right or obligation to deduct any other amount from such payment; or
- (b) any law providing that the amount of any such payment shall not be reduced or be subject to attachment.

**111J. Priority over tax deducted**

(1) Notwithstanding any other enactment, income tax deducted by a payer under this Sub-Part -

- (a) shall be held on behalf of the Government of Mauritius; and
- (b) shall not be subject to attachment in respect of any debt or liability of the payer.

(2) In the event of the liquidation or bankruptcy of the payer, the amount deducted under this Sub-Part shall not form part of the estate in liquidation or bankruptcy and shall be paid in full to the Director-General before any distribution of property is made.

**111K. Statement of tax deducted**

- (1) Every payer shall, not later than 31 July in every year -
- (a) give to each payee, a statement of income tax deduction, in duplicate, in respect of the preceding income year; and
  - (b) submit to the Director-General, a statement giving, in respect of the preceding income year, the particulars of the payee, the amount or sum payable and income tax deducted therefrom.

(2) In the case of a financial institution, the statement referred to in subsection (1)(b) shall include, in respect of each payee, the aggregate amount of interest payable by the financial institution including its branches, where such aggregate amount exceeds 5,000 rupees, whether or not income tax has been deducted.

(3) The statements under subsections (1) and (2) shall contain such other particulars, and shall be made in such form and manner, as may be prescribed.

(4) Notwithstanding section 64 of the Banking Act 2004, section 26 of the Bank of Mauritius Act 2004 and the confidentiality provisions under any other enactment, a financial institution shall comply with the requirements of this Sub-Part.

**Sub-Part BB – National Residential Property Tax****111L. Interpretation**

In this Sub-Part -

“dividends” means dividends paid by -

- (a) a company resident in Mauritius; or
- (b) a co-operative society registered under the Co-operatives Act 2005;

“individual” includes a minor;

“National Residential Property Tax” means the National Residential Property Tax imposed by section 111M;



“owner”, in relation to any residential property -

- (a) includes -
  - (i) the lessee of any campement site lease under the Pas Géométriques Act;
  - (ii) the person who receives or, if such residential property were to be let, would be entitled to receive, the rent, whether for his own benefit or that of any other person; or
  - (iii) where the owner cannot be found or ascertained, the occupier thereof; but
- (b) does not include any body of persons specified in Part I of the Second Schedule;

“property tax” means the National Residential Property Tax;

“residential property” -

- (a) means any immovable property including part of a building, apartment, flat, tenement, campement or bungalow, used, or available for use, as residence; and
- (b) includes any bare land in a residential area;

“total income”, in relation to an individual, means the sum of his net income and dividends.

### **111M. Imposition of property tax**

Subject to the other provisions of this Sub-Part, National Residential Property Tax shall, in and for every year -

- (a) be paid to the Director-General by every owner on any residential property owned by him at any time during the preceding year; and
- (b) be calculated by reference to -
  - (i) in the case of an apartment, flat or tenement, the floor area of the apartment, flat or tenement, as the case may be; or

- (ii) in the case of any other residential property, the surface area of the land,

at the appropriate rate specified in the Seventh Schedule, after deducting therefrom the general rate, if any, leviable under the Local Government Act.

#### **111N. Application of property tax**

(1) Where the owner is an individual and his total income in an income year does not exceed 215,000 rupees, no property tax shall be paid.

(2) Where a residential property is acquired, sold or transferred at any time in an income year, the owner shall be liable to pay property tax on a pro rata basis in respect of that income year.

(3) Where the owner is married, and -

- (a) the total income of each spouse in an income year exceeds 215,000 rupees and each spouse is under the obligation to submit a return of income under Sub-Part C of Part VIII for that income year, the property tax shall, at their option, be deemed to be payable by them in equal proportion or by one spouse in full; or
- (b) the total income of one spouse in an income year exceeds 215,000 rupees and that of the other spouse does not exceed 215,000 rupees in that income year, the property tax shall, notwithstanding this Sub-Part and any other enactment, be deemed to be payable by the spouse whose total income exceeds 215,000 rupees.

(4) Where no option is made by the couple under subsection (3)(a), the property tax shall be deemed to be payable by them in equal proportion.

(5) Where a residential property is jointly owned by 2 or more individuals, the property tax thereon shall be payable by each of them according to his share in the property, provided that at least one of them has, in an income year, a total income exceeding 215,000 rupees.

(6) Where the owner is a minor -

- (a) the residential property of the minor shall be included in that of the legal administrator;
- (b) and there is no legal administrator, the legal guardian shall be liable to pay the property tax, provided that the total income of the minor in an income year exceeds 215,000 rupees.

(7) Where a building used as residence is located on a portion of land -

- (a) used for agriculture; or
- (b) at any other place outside a residential area,

the owner shall be liable to pay the property tax on the surface area of the land on which stands the building, garage and related structures as well as on the surface area of the backyard, grounds and garden, up to a maximum area of 1A 25(0.5276 hectare).

(8) Where a person is the owner of a building used both for business and residential purposes or where the residential part is located above that on which stands the non-residential part, the owner shall be liable to pay the property tax on the whole surface area of the land.

(9) Where a person has acquired the right to construct a residential building on top of an existing building (*droit de surélévation*), the person shall be deemed to be the owner of the flat.

(10) Where the owner -

- (a) is a person other than an individual;
- (b) in an income year, is a non-resident or a person whose place of abode is outside Mauritius;
- (c) is the proprietor of a residence under the Integrated Resort Scheme prescribed under the Investment Promotion Act,

the property tax shall be payable, irrespective of the total income of the owner.

(zm) by repealing section 112 and replacing it by the following section –

**112. Return and payment of tax by individuals**

Subject to this Act –

- (a) every registered person under section 99A or 105A(2), whether or not he is a taxpayer in respect of an income year;

- (b) every person, other than a registered person referred to in paragraph (a), who, at any time during an income year, owns –
  - (i) more than one residence or one or more immoveable properties acquired for an aggregate price exceeding 2,000,000 rupees or on which he has incurred expenditure for the construction of a building or any other structure of an aggregate amount exceeding 2,000,000 rupees;
  - (ii) a car with an engine capacity exceeding 2000 c.c.; or
  - (iii) a pleasure craft as defined in the Tourism Act 2004;
- (c) every owner of a residential property referred to in Sub-Part BB of Part VIII whose total income in an income year for the purposes of that Sub-Part exceeds 215,000 rupees, other than a person referred to in paragraph (a) or (b); or
- (d) every other person who, in an income year, has a chargeable income,

shall, in respect of that income year, submit to the Director-General, not later than 30 September following that income year, a return in such manner and in such form as may be approved by him specifying –

- (i) all income including exempt income, derived by him during that income year;
- (ii) the income exemption threshold to which he is entitled under section 27 in respect of that income year;
- (iii) the amount of tax payable in respect of the National Residential Property Tax under Sub-Part BB of Part VIII and any information required in relation thereto; and
- (iv) such other particulars as may be required by the Director-General, and

at the same time pay any tax payable in accordance with his return.

- (zn) in section 113, by repealing subsection (1) and replacing it by the following subsection -

(1) For the purposes of ascertaining, for any income year, the chargeable income of any person, the Director-General may, by notice in writing, require that person to submit to him a return in such manner and in such form as may be approved by him giving the particulars specified in section 112.

(zo) in section 116 (1), by repealing paragraphs (a) and (b) and the words “at the same time pay any tax payable in accordance with its return.” and replacing them by the following paragraphs -

- (a) all income derived by it during the preceding income year;
- (b) the amount of tax payable in respect of the National Residential Property Tax under Sub-Part BB of Part VIII and any information required in relation thereto; and
- (c) such other particulars as may be required by the Director-General, and

at the same time pay any tax payable in accordance with its return.

(zp) in section 119 -

(i) in subsection (1), by repealing paragraphs (a) and (b) and replacing them by the following paragraphs -

- (a) the full name of the beneficiaries and the amount distributed to each of them;
- (b) the amount of tax payable in respect of the National Residential Property Tax under Sub-Part BB of Part VIII and any information required in relation thereto; and
- (c) such other particulars as may be required by the Director-General, and

at the same time pay the tax payable referred to in paragraph (b) in accordance with its return.

(ii) in subsection (2), by repealing paragraphs (b) and (c) and replacing them by the following paragraphs -

- (b) the full name of the associates and the share of income accruing to each of them;
- (c) the amount of tax payable in respect of the National Residential Property Tax under Sub-Part BB of Part VIII and any information required in relation thereto; and

- (d) such other particulars as may be required by the Director-General, and

at the same time pay the tax payable referred to in paragraph (c) in accordance with its return.

- (zq) in section 120(1), by repealing paragraphs (b) and (c) and replacing them by the following paragraphs -

- (b) the full name of the beneficiaries and the respective share of their income in the estate;

- (c) the amount of tax payable in respect of the National Residential Property Tax under Sub-Part BB of Part VIII and any information required in relation thereto; and

- (d) such other particulars as may be required by the Director-General, and

at the same time pay the tax payable referred to in paragraph (c) in accordance with its return.

- (zr) in section 121, by repealing subsection (1) and replacing it by the following subsection –

(1) Where a person fails to submit a return under section 112 or 116, he shall be liable to pay to the Director-General a penalty representing 2,000 rupees per month or part of the month, until the time the return is submitted, provided that the total penalty payable shall not exceed 20,000 rupees.

- (zs) by repealing section 122 and replacing it by the following section -

**122. Penalty for late payment of tax**

(1) Where a taxpayer fails to pay any income tax due on or before the last day on which it is payable under section 112, 116, 129 or 131, he shall be liable to pay to the Director-General, in addition to the tax and any penalty under sections 109, 110, 111 and 121, a penalty of 5 per cent of the amount of the tax.

(2) A penalty under subsection (1) shall apply to the tax excluding any penalty under sections 109, 110, 111 and 121 and any interest under section 122D.

- (zt) by adding immediately after section 122B, the following new sections -

**122C. Penalty for failure to submit return of income electronically**

Any person who is required to submit his return under section 116(3) and make any payment of tax electronically, but fails to do so, after written notice being given to him by the Director-General, and his failure within a period of 7 days from the date of the notice to justify the failure, shall be liable to pay to the Director-General, a penalty of 20 per cent of the tax payable, provided that the penalty payable shall not exceed 100,000 rupees.

**122D. Interest on unpaid tax**

(1) Any person who fails to pay any tax under section 100, 106, 112, 116, 129 or 131 shall be liable to pay, in addition to the tax and penalty under sections 101, 101A, 109, 110, 111, 121, 122 and 122C, interest at the rate of 1 per cent per month or part of the month during which the tax remains unpaid.

(2) The interest shall not apply to any penalty under sections 101, 101A, 109, 110, 111, 121, 122 and 122C.

- (zu) in section 123(4), by repealing paragraph (a) and replacing it by the following paragraph -

(a) interest paid to any depositor;

- (zv) by repealing section 128 and replacing it by the following section -

**128. Power to waive penalty or interest**

(1) The Director-General may waive the whole or part of any penalty or interest imposed under this Act where he is satisfied that failure to comply with this Act was attributable to a just or reasonable cause.

(2) In the exercise of his power under subsection (1), the Director-General shall, in writing, record the reasons for waiving the whole or part of the penalty or interest.

- (zw) in section 129 -

(i) in subsection (1), by deleting the words “sections 109, 110, 111, 121 and 122,” and replacing them by the words “sections 109, 110, 111, 121, 122 and 122C and any interest under section 122D,”;

- (ii) by inserting immediately after subsection (1), the following new subsection -

(1A) Where an assessment is made under subsection (1), the amount of additional tax claimed, excluding any penalty under sections 109, 110, 111, 121, 122 and 122C and any interest under section 122D, shall carry a penalty not exceeding 50 per cent and such penalty shall be part of the additional tax claimed.

- (zx) in section 131(1), by inserting immediately after the words “section 109, 110, 111, 121 or 122, as the case may be,” the words “and any interest under section 122D,”;
- (zy) in section 131A(8), by deleting the words “any penalty under section 133” and replacing them by the words “any interest under section 122D”;
- (zz) in section 131B –
  - (i) in subsection (5), by deleting the words “any penalty under section 133” and replacing them by the words “any interest under section 122D”;
  - (ii) by repealing subsection (7) and replacing it by the following subsection -
    - (7) A notice of determination under subsection (2) or (4) in respect of an assessment -
      - (a) made prior to 1 October 2006, shall be given to the person within 6 months of the date on which the objection is lodged; or
      - (b) made on or after 1 October 2006, shall be given to the person within 4 months of the date on which the objection is lodged.
- (zza) by repealing section 133;
- (zzb) in section 136, by inserting immediately after the figure “111”, the words “111C, 111F, 111M”;



(zzc) by adding immediately after section 146, the following new sections -

**146A. Offences relating to deduction of tax at source**

Any person who -

- (a) fails to pay the amount of income tax required to be deducted under section 111C;
- (b) fails to give the statement of income tax deduction as required under section 111K(1)(a) and (3);
- (c) fails to submit the statement of particulars as required under section 111K(1)(b), (2) and (3);
- (d) submits a statement referred to in paragraph (b) or (c) which is false or misleading in any material particular;
- (e) without lawful authority, discloses to any person, other than the Director-General, any information concerning any person subject to tax deduction under Sub-Part BA; or
- (f) otherwise contravenes any provision of Sub-Part BA of Part VIII,

shall commit an offence and shall, on conviction, be liable to a fine not exceeding 50,000 rupees and to imprisonment for a term not exceeding 2 years.

**146B. Offences relating to property tax**

Any person who -

- (a) fails to declare in his return of income under Sub-Part C of Part VIII, the property tax payable under section 111M;
- (b) fails to pay the property tax required to be paid under section 111M;
- (c) submits information relating to property tax in his return of income which is false or misleading in any material particular;
- (d) otherwise contravenes any provision of Sub-Part BB,

shall commit an offence and shall, on conviction, be liable to a fine not exceeding 200,000 rupees and to imprisonment for a term not exceeding 3 years.

(zzd) in section 160(2), by deleting the words “the enactments” and replacing them by the words “this Act”;

(zze) in section 161A –

- (i) by inserting immediately after subsection (2), the following new subsections -

*Tax credit for companies*

(2A) Notwithstanding the repeal of sections 69 and 72, the provisions of those sections shall continue to apply to any company which has subscribed, on or before 30 June 2006, to the share capital issued by a company which is listed on the Stock Exchange or an equity fund or an authorised mutual fund.

(2B) (a) Notwithstanding the repeal of section 69A but subject to paragraph (b), the provisions of that section shall continue to apply to a company which has subscribed, on or before 30 June 2006, to the share capital of a company set up for the purpose of operating a spinning factory for an amount exceeding 60 million rupees or at least 20 per cent of the stated capital, whichever is the higher.

(b) The provisions of the repealed section 69A shall also apply to a company that has subscribed, on or before 30 June 2006, to the stated capital of a company engaged in weaving, dyeing and knitting of fabrics for an amount exceeding 10 million rupees or at least 20 per cent of the stated capital, whichever is the higher.

(2C) Notwithstanding the repeal of sections 70 and 72, the provisions of those sections shall continue to apply to a company holding an investment certificate in respect of a modernisation and expansion enterprise, issued under the Investment Promotion Act and in force as at 30 September 2006 which has incurred capital expenditure on or before 30 June 2006 of not less than 10 million rupees within 2 years from the date of the issue of the certificate, on the acquisition of new plant and equipment or technology for modernisation and expansion.

(2D) Notwithstanding the repeal of sections 71 and 72, the provisions of those sections and regulation 21 of the Income Tax Regulations 1996 shall continue to apply to every company engaged in the export of goods which are manufactured or produced in Mauritius or in the provision of services to a non-resident.

- (ii) by inserting immediately after subsection (7), the following new subsections -

(7A) Notwithstanding the repeal of item 33 of Part I of the Second Schedule, the income of a company set up for the purpose of operating a spinning, weaving, dyeing or knitting of fabrics factory and –

- (a) having started operations before 30 June 2006, shall be exempt from income tax for a period of 10 income years as from the income year it started operations; or
- (b) starting operations during the period from 1 July 2006 to 30 June 2008, shall be exempt from income tax for all income years up to and including income year ending 30 June 2016.

(7B) Notwithstanding the repeal of item 22 of Part IV of the Second Schedule, the exemption provided under that item shall continue to be granted to a company holding an investment certificate issued under the Investment Promotion (Regional Headquarters Scheme) Regulations 2001 and in force as at 30 September 2006.

(7C) Notwithstanding the repeal of item 29 of Part I of the Second Schedule, the exemption provided under that item shall continue to be granted to a company holding an investment certificate issued under the Investment Promotion (ICT Scheme) Regulations 2002 and in force as at 30 September 2006, subject to the following paragraphs -

- (a) where during the period of exemption referred to in paragraph (a) of the repealed item, a company provides services to residents, the net income derived therefrom shall be subject to income tax at the rate specified in Sub Part C of Part II of the First Schedule to the Act;
- (b) where on or after 1 July 2008 a company holding an investment certificate issued on or before 30 June 2005 does not satisfy the requirements of regulation 5 of the Investment Promotion (ICT Scheme) Regulations 2002, the net income of the company shall, notwithstanding paragraph (a) of the repealed item, be subject to income tax at the rate specified in Sub Part C of Part II of the First Schedule to the Act;

- (c) a company holding an investment certificate issued prior to 30 September 2006 in respect of business process outsourcing/back office operations, call centres or contact centres may, within 60 days of the date of the investment certificate, by irrevocable notice in writing to the Director General, elect to have two-thirds of its net income exempted;
- (d) where a company has made an election in accordance with paragraph (c), two-thirds of its net income shall be exempted from income tax up to the income year ending 30 June 2012;
- (e) paragraph (a) shall not apply to the net income derived up to 30 June 2008 by a company holding an investment certificate issued on or before 30 June 2005.

(7D) Notwithstanding the other provisions of this Act, any loss incurred by a company referred to in subsections (7A), (7B) and (7C) during the period of exemption of its net income shall be available for carry forward under section 59.

(7E) Notwithstanding this Act, any payment made after 30 June 2006, by way of severance allowance, retiring allowance or commutation of pension, to a person entitled to such payment on or before 30 June 2006 shall be exempt as provided under item 4, 5, or 6 of Part II of the repealed Second Schedule.

- (iii) by inserting immediately after subsection (9), the following new subsections -

*Investment Allowance*

(10) Notwithstanding the repeal of section 64A, the provisions of that section shall continue to apply to -

- (a) a manufacturing company that has incurred capital expenditure on the acquisition of state-of-the-art technological equipment; or
- (b) an ICT company that has incurred capital expenditure on the acquisition of new plant and machinery or computer software.

*Tax rate of duty free shops licensed on or before 30 September 2006*

(11) Notwithstanding this Act, a company operating a duty free shop at a place, other than at the port or airport, which has elected to operate under the Deferred Duty and Tax Scheme under the Customs Act shall pay income tax at the rate specified in Sub Part A of Part II of the First Schedule.

*50% Personal Income tax exemption on emoluments of an expatriate or specified Mauritian citizen*

(12) Notwithstanding the repeal of items 13, 14 and 18 of Part II of the Second Schedule, the provisions of those items shall continue to apply to an expatriate employee or a specified Mauritian entitled to the exemption as at 30 June 2006.

*Companies operating in the freeport zone*

(13) Notwithstanding the repeal of section 49 -

- (a) but subject to the other provisions of this subsection, a private freeport developer or freeport operator shall be exempt from income tax payable for income years up to and including income year ending 30 June 2009 and thereafter be subject to tax at the rate specified in Sub Part C of Part II of the First Schedule;
- (b) where a private freeport developer or freeport operator is authorised by virtue of its licence to carry out any specified manufacturing or processing activities, it shall, subject to paragraph (c), be liable to income tax on its chargeable income at the rate specified in Sub Part C of Part II of the First Schedule;
- (c) where a private freeport developer or freeport operator referred to in paragraph (b) is licensed prior to 1 June 2002 and is authorised to provide goods and services to a person outside the freeport zone -
  - (i) it shall be liable to income tax on its chargeable income computed by reference to its income derived from the provision of those goods and services at the rate specified in Sub Part C of Part II of the First Schedule; but

- (ii) it shall be exempt from income tax payable for all income years up to and including income year ending 30 June 2009 in respect of income other than its income referred to in subparagraph (i) and thereafter be subject to tax at the rate specified in Sub Part C of Part II of the First Schedule;
- (d) where a private freeport developer or freeport operator, other than one referred to in paragraphs (b) or (c), is authorised to provide goods and services to a person outside the freeport zone, it shall be liable to income tax on its income from the provision of those goods and services -
  - (i) at the rate specified in Sub Part C of Part II of the First Schedule, where the sale is made to a company holding an investment certificate in respect of an export enterprise, or export service enterprise, issued as at 30 September 2006 under the Investment Promotion Act or to a duty free shop under the Customs Act; and
  - (ii) in the case of a sale made to any person other than the persons referred to in subparagraph (i) -
    - (A) at the rate specified in Sub-Part A of Part II of the First Schedule for companies in operation as at 30 June 2006; or
    - (B) at the rate specified in Sub-Part B of Part II of the First Schedule for companies starting operation after 30 June 2006;

- (e) where a company is licensed to carry out activities as an occasional operator, it shall be liable to income tax on its income derived from those activities -
  - (i) at the rate specified in Sub Part A of Part II of the First Schedule for operators in operation as at 30 June 2006;
  - (ii) at the rate specified in Sub Part B of Part II of the First Schedule for operators entering into operation after 30 June 2006;
- (f) every third party freeport developer shall be liable to income tax on its chargeable income at the rate specified in Sub Part C of Part II of the First Schedule;
- (g) the chargeable income under paragraphs (b), (c) and (d) shall be computed in the manner prescribed under regulation 16 of the Income Tax Regulations 1996;
- (h) in this subsection, "freeport operator", "occasional operator", "private freeport developer" and "third party freeport developer" means a company licensed as such under the Freeport Act 2004.

*Annual and Investment Allowance*

(14) Notwithstanding section 63 and the repeal of section 64 but subject to the other provisions of this subsection -

- (a) a company whose application has been approved under the Investment Promotion Act, or whose proposed activity has been approved under any other enactment may opt by irrevocable notice in writing to the Director-General to claim annual allowance in respect of capital expenditure incurred on or before 30 June 2009 at the rates prevailing on 30 June 2006;
- (b) where a company referred to in paragraph (a) has opted to claim annual allowance at the rates prevailing on 30 June 2006, it shall also be allowed to claim investment allowances in respect of capital expenditure incurred on or before 30 June 2009, on -

- (i) the construction of industrial premises;
- (ii) the acquisition of new plant and machinery; or
- (iii) the acquisition of computer software,

and the company shall be allowed a deduction of 25 per cent of the capital expenditure so incurred by way of investment allowance in respect of the income year in which the expenditure is incurred;

- (c) no deduction shall be allowed under paragraph (b) in respect of expenditure incurred in the acquisition of a road vehicle, other than a new bus of a seating capacity of not less than 30;
- (d) subject to paragraph (e), where capital expenditure has been incurred on -
  - (i) the construction of industrial premises; or
  - (ii) the acquisition of new plant and machinery for the processing of agricultural, fisheries or livestock products, or for manufacture,

in the Island of Rodrigues, the company shall be allowed a deduction of the capital expenditure so incurred by way of investment allowance in respect of the income year in which the expenditure is incurred;

- (e) no deduction shall be allowed under paragraph (b) where the person is allowed a deduction under paragraph (d);
- (f) no investment allowance shall be allowed under this subsection -
  - (i) unless
    - (A) the expenditure is incurred exclusively in the production of gross income in the income year in which the expenditure is incurred; and



- (B) the provisions of section 153(1) are complied with;
- (ii) in respect of expenditure incurred in the acquisition of machinery or plant which is used or second-hand machinery or plant at the date of its acquisition; or
- (iii) where before the expiry of 5 years from the date on which the expenditure was incurred -
  - (A) the industrial premises are sold, demolished or destroyed, or ceased to be used exclusively as industrial premises;
  - (B) the plant or machinery is sold, scrapped or ceases to be used for the purposes of the trade carried on by the person; or
  - (C) the trade carried on by the person is permanently discontinued;
- (g) subject to paragraph (h), where a deduction has been allowed under this subsection and any of the events specified in subparagraph (f)(iii) occurs, the deduction allowed shall be withdrawn and the amount of the deduction so withdrawn shall be deemed to be the gross income of the person in the income year in which the event occurs;
- (h) (i) paragraph (g) shall not apply -
  - (A) where a person sells or otherwise transfers plant or machinery to a relative or to a related company and the plant or machinery sold or transferred is used by the relative or the related company for the production of gross income;
  - (B) where a person sells or otherwise transfers industrial premises to a relative or to a related company and the premises sold or transferred are used by the relative or the related company as industrial premises;

- (C) in respect of industrial premises or plant or machinery sold or otherwise transferred by a person or body of persons engaged in a specified activity to a company engaged in a specified activity provided that the company or its holding company, as the case may be, satisfies the conditions specified in section 12 of the Sugar Industry Efficiency Act 2001.

(15) In subsection (14)(h) -

“specified activity” means -

- (i) the growing of sugar cane;
- (ii) the milling of sugar; or
- (iii) the processing of sugar cane by-products including the production of firm or continuous electricity for export to the grid through the use of bagasse or coal, as the case may be;

“holding company” has the same meaning as in the Companies Act 2001.

*Losses*

(16) Notwithstanding section 59, where a company referred to in subsection (14)(a) has opted to claim annual and investment allowances at the rates prevailing on 30 June 2006 and has losses arising as a result of such claim, such losses may be carried forward and set off against its net income derived in the 5 succeeding income years following the income year in which the capital expenditure has been incurred.

- (zzf) by repealing the First Schedule, Second Schedule, Third Schedule, Fourth Schedule, Fifth Schedule, Sixth Schedule and Seventh Schedule and replacing them by the Fourth Schedule to this Act.

## 19. Land (Duties and Taxes) Act amended

The Land (Duties and Taxes) Act is amended -

(a) in section 2 -

(i) by repealing the definition of “deed of transfer” and replacing it by the following definition -

“deed of transfer” means a deed witnessing the transfer of property for consideration or by way of donation, and includes -

- (a) a deed witnessing a compulsory acquisition under the Land Acquisition Act;
- (b) a deed (*acte de désintéressement*) by which a partner withdraws from a partnership without taking back the property (*apport*) which he originally brought into the partnership;
- (c) a deed witnessing that property owned by a company is, on the winding up, liquidation or dissolution of the company or in any other manner, attributed to a shareholder of the company irrespective of the date on which such attribution takes place;
- (d) a deed witnessing that property brought by way of an *apport* by a partner in a partnership either prior to its constitution and registration or thereafter is, on dissolution of the partnership or in any other manner, attributed to any person other than the one who brought that property into the partnership;
- (e) a deed by which a purchaser of any property declares that he has purchased the property on behalf of another person and in the name of that person with money belonging to and provided by that person;
- (f) an instrument witnessing the distribution of a trust property by a trustee under the terms of a trust to a beneficiary other than a distribution to a beneficiary who is a heir or successor of the settlor;
- (g) a deed witnessing the transfer of an immovable property by way of *constatation par acte authentique de l'achèvement de l'immeuble* referred to in *Article 1601-2*, or by way of a *vente en l'état futur d'achèvement* under *Article 1601-3*, of the Code Civil Mauricien;
- (h) a deed by which a partner withdraws (*se désintéresse*) from a partnership owning property, or entitled to property either directly or indirectly by the constitution of successive partnerships, which another partner previously joined;

- (i) a deed witnessing that property acquired by a partnership either prior to its constitution and registration or thereafter is, on dissolution of the partnership or in any other manner, attributed to a person who became a partner of the partnership after the date of such acquisition unless that person has already paid tax under this Act and duty under the Registration Duty Act when he became partner in the partnership;
  - (j) a transaction under article 2044 of the Code Civil Mauricien where property other than that in dispute is transferred;
  - (k) a deed witnessing the transfer of an immovable property to a company holding an investment certificate in respect of a project under the Integrated Resort Scheme prescribed under the Investment Promotion Act, where the transferor holds shares in the company the value of which is less than the value of the immovable property transferred.
- (ii) by repealing the definitions of “infrastructure works” and “morcellement”;
  - (iii) in the definition of “property”, in paragraph (b), by inserting immediately after subparagraph (iv), the following new subparagraph -
    - (v) property transferred to a company holding a certificate in respect of a project under the Integrated Resort Scheme prescribed under the Investment Promotion Act, in respect of the difference in value of the property transferred and the value of the shares held in the company holding such certificate;
  - (iv) in the definition of “stated amount”, by deleting the words “section 27 or 28” and replacing them by the words “section 28”;
  - (v) in the definition of “tax”, in paragraph (a), by deleting the words “Parts III to VIA” and replacing them by the words “Part III, Part V, Part VI and Part VIA”;
- (b) in section 3, by repealing subsection (2);

- (c) in section 4 -
  - (i) in subsection (1) -
    - (A) by repealing paragraph (c) and replacing it by the following paragraph -
      - (c) where the property transferred is a share in a partnership or successive partnerships, the value of any freehold or leasehold immovable property comprised in the assets of the partnership or successive partnerships calculated in accordance with the First Schedule;
    - (B) by adding immediately after paragraph (g), the following new paragraph, the full stop at the end of paragraph (g) being deleted and replaced by a semi colon accordingly -
      - (h) in the case where an immovable property is transferred to a company holding an investment certificate in respect of a project under the Integrated Resort Scheme prescribed under the Investment Promotion Act and the transferor holds shares in the company the value of which is less than the value of the immovable property transferred, the difference between the value of the immovable property transferred and the value of the shares held by the transferor in the company.
  - (ii) by repealing subsection (5);
  - (iii) by repealing subsections (6) and (7) and replacing them by the following subsections -
    - (6) Where the transfer is made by way of a *vente en l'état futur d'achèvement* under *Article 1601-3* of the Code Civil Mauricien, the rate shall, notwithstanding subsection (4), be 5 per cent.
    - (7) Where the transfer is made by the owner of an immovable property under the Integrated Resort Scheme pursuant to subsection (6), the fixed amount of land transfer tax shall, notwithstanding subsections (4) and (6), be -
      - (a) in the case of a non-citizen or a company registered as a foreign company under the Companies Act 2001, 50,000 US dollars or its equivalent in Euro or GB pounds sterling; or

- (b) in the case of a citizen of Mauritius or a company incorporated under the Companies Act 2001, 50,000 US dollars or its equivalent in Euro, GB pounds sterling or in Mauritius currency.
- (d) by repealing Part IV;
- (e) in section 12, by repealing the definition of “owner” and replacing it by the following definition -
  - “owner” -
    - (a) has the same meaning as in section 16; and
    - (b) includes -
      - (i) in the case of a bungalow or a group of bungalows, or apartments, located on a leasehold campement site situate on *pas géométriques*, the holder of the title deed of each bungalow or apartment, as the case may be; or
      - (ii) in the case of a bungalow or a group of bungalows, or apartments, located on a campement site owned or leased by a *société* or partnership where the associate or partner does not hold the title deed of the bungalow or apartment, the associate or partner in proportion to his share in the *société* or partnership.
- (f) in section 14(1), by deleting the words “, other than an exempt owner,”;
- (g) in section 16 -
  - (i) in the definition of “campement site”, by deleting the words “and has an access to the sea”;
  - (ii) in the definition of “owner”, by repealing paragraph (b) and replacing it by the following paragraph -
    - (b) in respect of any other campement site -
      - (i) the person who is the owner by acquisition, succession, donation, legacy or prescription, of the site;
      - (ii) where no such person can be found or ascertained, the occupier of the site;

- (h) in section 26A -
  - (i) by inserting immediately after subsection (1), the following new subsection -
    - (1A) (a) For the purposes of subsection (1)(c), transfer of shares in a company shall include any acquisition by a company of its own shares by way of redemption or share buy back or reduction in capital or in any other manner and issue of new shares to any person which results in a change of control of that company.
    - (b) For the purposes of paragraph (a), “control” has the same meaning as in the Companies Act 2001.
  - (ii) by repealing subsection (5);
- (i) by repealing section 27;
- (j) in section 28 -
  - (i) in subsection (1)(a), by deleting the words “, brought into a partnership or acquired by prescription,”;
  - (ii) in subsection (1)(b), by repealing subparagraphs (iii), (iv) and (v);
  - (iii) in subsection (2), by repealing paragraph (b) and replacing it by the following paragraphs -
    - (b) where he does not exercise the right of pre-emption, by notice in writing, make an assessment -
      - (i) in the case where there has been transfer of shares in a company or partnership, of the value of the immovable property forming part of the assets of the company or partnership for the purposes of determining the value of the shares; or
      - (ii) in any other case, of the value of the property being transferred stating the amount of duty or tax, if any.

- (iv) by inserting immediately after subsection (2), the following new subsection -

(2A) A notice under subsection 2(b) shall –

- (i) be in a form approved by the Registrar-General;
- (ii) give the basis of the assessment; and
- (iii) be forwarded to the transferee and the transferor and if there are several, to any of them, by registered post within 9 months from the date of the registration of the deed.

- (k) by repealing section 34 and replacing it by the following section -

**34. Amendment of tax and duty**

Where the value of any property is revised under section 28 or is determined by the Committee, any tax or duty payable in respect of the property shall be revised accordingly.

- (l) by repealing section 35 and replacing it by the following sections -

**35. Penalty for undervaluation**

(1) Where the open market value of a property, as revised under section 28 or as determined by the Committee, exceeds the value of the property as specified in the deed of transfer, the Registrar-General shall, subject to subsection (2), impose and claim from the transferee or the transferor, as the case may be, in addition to the amount of the duty and taxes claimed, a penalty representing 100 per cent of that amount.

(2) Subsection (1) shall not apply where the transfer is made by a descendant or his spouse to an ascendant or his spouse or between brothers and sisters and their spouses.

**35A. Power to waive penalty**

(1) The Registrar-General may waive the whole or part of any penalty imposed under this Act where he is satisfied that failure to comply with this Act was attributable to a just or reasonable cause.

(2) In the exercise of his power under subsection (1), the Registrar-General shall record in writing the reasons for waiving the whole or part of the penalty.



- (m) in section 36 -
- (i) by repealing subsection (1) and replacing it by the following subsection -
- (1) Notwithstanding any other enactment, a notary shall, in respect of any deed drawn up by him, claim the duty and taxes leviable under Part II, Part III and Part VIA of the Act and pay them to the Registrar-General.
- (ii) in subsection (2), by deleting the words “Parts III and IV” and replacing them by the words “Part III”;
- (iii) in subsection (3) -
- (A) in paragraph (a), by deleting the words “Parts III, IV, and VIA” and replacing them by the words “Part III and Part VIA”;
- (B) in paragraph (b), by deleting the words “Parts III and IV” wherever they appear and replacing them by the words “Part III”;
- (iv) by repealing subsection (4) and replacing it by the following subsection -
- (4) Any tax leviable under Part V or Part VI shall be paid to the authorised officer.
- (n) in section 37(1), by deleting the words “Part IV,”;
- (o) by repealing section 39;
- (p) in section 42(1), by deleting the words “Part IV,”;
- (q) in section 43(1), by deleting the words “ Parts II to IV” and replacing them by the words “Part II, Part III”;
- (r) in section 44(2), by deleting the words “or the cost of infrastructure works”;

- (s) by repealing section 45A and replacing it by the following section -

**45A. Derogation**

(1) Notwithstanding this Act or any other enactment, a deed of transfer, for the construction of a residential building, of a lot excised from a larger portion of land, or a portion of land on which exists a house, by a partnership or a company to a worker who is either employed or who, immediately before his retirement, was employed by the vendor shall, where the deed of transfer contains a declaration from -

- (a) the Fund that the partnership or company is registered with it;
- (b) the partnership or company that the transferee is, or was immediately before his retirement was, in its employment and that it has not effected on or after 1 July 1986 any transfer of land to the worker;

be exempt from payment of the duty and taxes leviable under Part II, Part III and Part V of the Act and the duty leviable under the Transcription and Mortgage Act.

(2) The provisions of subsection (1) shall apply to the heirs of a deceased worker collectively (*les ayants droits*) as they would have applied to a worker referred to in that subsection.

(3) A deed of transfer referred to in the Eighth Schedule shall be exempt from duty or taxes leviable under the appropriate Part or Parts specified in that Schedule.

- (4) For the purposes of subsection (1) -

"Fund" means the Sugar Insurance Fund;

"Partnership or company" means a partnership or company engaged in the milling of sugar or the planting of sugar canes and which is registered with the Fund;

"residential building" include a lot in a building which has been the subject of a duly registered and transcribed deed witnessing a reglement de co-propriete.

"worker" has the same meaning as in the Labour Act.

- (t) by repealing section 46;

- (u) in section 51 -
  - (i) by numbering the existing provision as subsection (1);
  - (ii) in subsection (1) as numbered, by deleting the words “A deed referred to in section 2(b)(ix) and (x) is deemed not to be included in the definition “deed of transfer” and replacing them by the words “A deed referred to in paragraphs (h) and (i) of the definition “deed of transfer” is deemed not to be included in that definition”;
  - (iii) by adding immediately after subsection (1) as numbered, the following new subsection -
    - (2) Any remission of duty or tax granted under section 46 shall lapse on 1 October 2006.
- (v) by repealing the Third Schedule and the Sixth Schedule; and
- (w) by adding immediately after the Seventh Schedule, the Eighth Schedule set out in the Fifth Schedule to this Act.

## **20. Mauritius Revenue Authority Act 2004 amended**

The Mauritius Revenue Authority Act 2004 is amended –

- (a) in section 20, by repealing subsection (3) and replacing it by the following subsection -
  - (3) (a) The representations made by an aggrieved person shall be dealt with as expeditiously as possible and a panel shall endeavour to –
    - (i) fix the case for hearing within 6 months from the date the representations were lodged; and
    - (ii) give its decision on the representations no later than 8 weeks from the start of the hearing.
  - (b) The Committee may extend the time periods specified in paragraph (a) where it is satisfied that, on account of exceptional circumstances, the hearing could not be fixed or the decision could not be given within the time periods specified in paragraph (a).

- (c) For the purposes of this subsection, “hearing “ means -
  - (i) the deposition of witnesses; or
  - (ii) the making of oral or written submission,
 as the case may be.
  
- (b) in the First Schedule, by inserting immediately after item “The Export Service Zones Act in so far as it relates to duty, excise duty and taxes”, the following new item -
 

The Freeport Act 2004 in so far as it relates to duty, excise duty and taxes
  
- (c) in the Fifth Schedule, by adding the following new item -
 

The Freeport Act 2004 in so far as it relates to duty, excise duty and taxes

**21. National Assembly Allowances Act amended**

The National Assembly Allowances Act is amended by repealing the Schedule and replacing it by the Schedule set out in the Sixth Schedule to this Act.

**22. National Assembly (Retiring Allowances) Act amended**

The National Assembly (Retiring Allowances) Act is amended in section 3(1)(a), by deleting the words “4 per cent” and replacing them by the words “6 per cent”.

**23. National Pensions Act amended**

The National Pensions Act is amended in section 38, by repealing subsection (3) and replacing it by the following subsection -

- (3) (a) The Committee under subsection (2) shall consist of -
  - (i) the Financial Secretary who shall be the Chairperson;
  - (ii) 3 public officers appointed by the Minister; and
  - (iii) 3 representatives of employers and 3 representatives of employees, appointed by the Minister to whom responsibility for the subject of finance is assigned.
  
- (b) The persons referred to in paragraph (a)(ii) and (iii) shall have experience in fund management, actuarial science, accountancy or economics and shall be appointed on such terms and conditions as may be determined.

## 24. Pas Géométriques Act amended

The Pas Géométriques Act is amended -

- (a) in section 10, by repealing subsection (3) and replacing it by the following subsections –

(3) A lease granted under subsection (1) shall -

- (a) be valid for a period not exceeding 60 years;
- (b) in respect of a campement site situated in a zone specified in Part I of the Second Schedule, be subject to payment of a premium and an annual rental as specified in Part II of the Second Schedule; and
- (c) be subject to such other conditions as the Minister thinks fit.

(3A) Notwithstanding subsection (3) and subject to subsection (3B), any campement site lease which is valid at the commencement of this section shall remain governed by its existing terms and conditions.

(3B) The Minister may make an offer, in such form as he may determine, to the lessee of a campement site lease referred to in subsection (3A), other than lessees of such campement sites as may be prescribed for the purpose of enlarging or creating public beaches or for any other development purpose, for the lessee to irrevocably opt, within a period of 6 months from the date of the offer, to enter into a new lease of that campement site on the terms and conditions specified in subsection (3).

- (b) in section 18 -

- (i) in subsections (1) and (2), by deleting the word “Schedule” and replacing it by the words “First Schedule”;
- (ii) by repealing subsection (3);

- (c) by adding immediately after section 24A, the following new section –

## 25. Regulations

The Minister may –

- (a) make such regulations as he thinks fit for the purposes of this Act;
- (b) by regulations, amend the Schedules.

- (d) in the Schedule, by deleting the word “SCHEDULE” and replacing it by the words “FIRST SCHEDULE”; and
- (e) by adding after the First Schedule, the Second Schedule set out in the Seventh Schedule to this Act.

## **25. Registration Duty Act amended**

The Registration Duty Act is amended -

- (a) in section 2, by deleting the definition of “religious body” and replacing it by the following definition -

“religious body” -

- (a) means a non-profit registered association which has as object the advancement of religion; and
  - (b) includes a religious federation or similar organisation receiving subsidies from Government;
- (b) in section 3 -
    - (i) in subsection (1) -
      - (A) in paragraph (a), by deleting the words “any deed other than those specified in paragraph (b),” and replacing them by the words “any deed irrespective of date it has been drawn up, other than those specified in paragraphs (b), (c) and (d),”;
      - (B) by adding immediately after paragraph (c), the following new paragraph, the full stop at the end of paragraph (c) being deleted and replaced by a semi-colon accordingly -
        - (d) any lease agreement entered into by a leasing company or any deed of loan in accordance with Part VII of the First Schedule.
      - (C) by adding immediately after subsection (5), the following new subsection -

(6) For the purposes of subsection (1)(d), where a person who has contracted previously a loan within a period of 2 years from the date of the deed is contracting a subsequent loan, he shall, make a declaration, in the deed witnessing the subsequent loan, of the aggregate amount of loans contracted previously by him with a reference to the date and inscription volume number of the deeds witnessing the previous loans.

- (ii) in subsection (2)(i), by deleting the words “fifty rupees” and replacing them by the words “200 rupees”;
- (iii) by repealing subsection (4);
- (iv) in subsection (5), by repealing paragraphs (a) and (b);
- (c) by repealing section 4;
- (d) in section 17 -
  - (i) in subsection (3) -
    - (A) in paragraph (a), by deleting the words “appeal to Judge in Chambers” and the words “the Judge” and replacing them by the words “appeal to the Assessment Review Committee in accordance with Part IV of the Mauritius Revenue Authority Act 2004” and the words “the Assessment Review Committee” respectively;
    - (B) by repealing paragraph (b);
  - (ii) by adding immediately after subsection (3), the following new subsection -
    - (4) Any appeal pending before the Judge in Chambers on the date immediately before the coming into operation of subsection (3) shall, on the coming into operation of that subsection, be transferred to the Assessment Review Committee and shall be dealt with accordingly.
- (e) in section 24 -
  - (i) in subsection (2), by deleting the words “Over the Counter Market” and replacing them by the words “Development & Enterprise Market”;
  - (ii) by inserting immediately after subsection (2), the following new subsection -
    - (2A) (a) For the purposes of subsection (2), transfer of shares in a company shall include any acquisition by a company of its own shares by way of redemption or share buy back or reduction in capital or in any other manner and issue of new shares to any person which results in a change of control of that company.

- (b) In this subsection, “control” has the same meaning as in the Companies Act 2001.
- (iii) in subsection (5)(a), by repealing subparagraph (ii) and replacing it by the following subparagraph -
  - (ii) on payment of the duty in accordance with item 8 of paragraph J of Part I, item 6 of Part III or Part V of the First Schedule, as the case may be.
- (iv) in subsection (9) -
  - (A) by repealing paragraphs (a) and (b);
  - (B) by deleting the words “the date of transfer on -” and replacing them by the words “the date of transfer on the open market value of the immovable property comprised in the assets of the company or on the value of the shares transferred, whichever is the lower.”;
- (f) in section 26, by deleting the words “sections 26A and 27” and replacing them by the words “section 27,”;
- (g) by repealing section 26A;
- (h) in section 27(1), by deleting the words “, other than the penalty under section 26A,”;
- (i) in section 30 -
  - (i) in subsection (1), by deleting the words “ Subject to subsection (2) and to article 2245 of the Code Napoleon no claim for -” and replacing them by the words “Subject to article 2245 of the Code Civil Mauricien, no claim for -”;
  - (ii) by repealing subsection (2);
- (j) in section 33, by repealing subsection (4);
- (k) by adding immediately after section 33, the following new section -

**33A. Power to waive penalty**

(1) The Receiver may waive the whole or part of any penalty imposed under this Act where he is satisfied that failure to comply with this Act was attributable to a just or reasonable cause.

(2) In the exercise of his power under subsection (1), the Receiver shall, in writing, record the reasons for waiving the whole or part of the penalty.



- (l) in section 36 -
  - (i) by deleting the words “or deed by which a partnership is constituted”;
  - (ii) by deleting the comma appearing immediately after the words “*Article 1601-2*” and by inserting immediately after the words “Code Civil Mauricien”, the words “or by way of sale by adjudication or by way of *folle enchère*, or after outbidding before the Master and Registrar, or a judgement by any court”;
  - (iii) in paragraph (b), by repealing subparagraph (vii) and replacing it by the following subparagraph -
    - (vii) where the property is located along the sea coast, a declaration by the parties that the property is situate within or outside 81.21 metres from the high water mark of the sea coast;
  - (iv) by repealing paragraph (d), and replacing it by the following paragraph -
    - (d) in respect of rights in a lease, sublease, subrogation, cession or return (retrocession) of a lease property, a description of all buildings existing on the property together with a site plan indicating the precise location of the property.
  - (v) in paragraph (h) -
    - (A) by repealing subparagraph (i) and replacing it by the following subparagraph -
      - (i) a certificate signed by the parties to the effect that the company reckons or does not reckon among its assets any freehold or leasehold immovable property or shares in any partnership which reckons among its assets such property or shares that the partnership holds in any other partnership or successive partnerships which reckons amongst its assets such property;

- (B) in subparagraph (ii), by deleting the words “in case the company reckons among its assets any immovable property or shares in any partnership to which immovable property originally owned by the company has been brought by it or where, by the effect of the constitution of successive partnerships immovable property originally owned by the company is no longer owned directly by the company” and replacing them by the words “ in case the company reckons among its assets any freehold or leasehold immovable property or any shares in a partnership which reckons among its assets such property or shares that the partnership holds in any other partnership or successive partnerships which reckons among its assets such property -”;
- (C) by repealing subparagraph (iii) and replacing it by the following subparagraph -
  - (iii) where the transfer takes place between companies for the sole purpose of achieving a merger, a declaration signed by the duly authorised representatives of the companies to the effect that the companies satisfy the requirements of this subparagraph and the sole purpose of the transfer is to achieve a merger of the companies;
- (m) in section 36A(1), by inserting immediately after the words “transfer of rights”, the words “, other than transfer of rights between heirs of a deceased person of property acquired by inheritance from that person,”;
- (n) in section 36B, by deleting the words “situate within 500 metres from the high water-mark” wherever they appear;
- (o) by repealing section 36D;
- (p) in section 37(2)(a), by deleting the words “registration of bonds given at the Customs or to Magistrates” and “Comptroller of Customs, Commissioner of Excise or Magistrates” and replacing them by the words “registration of bonds furnished to the Director-General of the Mauritius Revenue Authority established under the Mauritius Revenue Authority Act 2004 or to Magistrates” and “Director-General of the Mauritius Revenue Authority or Magistrates” respectively;
- (q) in section 39(2)(a), by deleting the words “20 rupees” and replacing them by the words “100,000 rupees”;
- (r) in section 44A -
  - (i) in subsection (1), by deleting the words “Subject to subsection (2), the Receiver” and replacing them by the words “The Receiver”;

- (ii) by repealing subsection (2);
- (s) by inserting immediately after section 46, the following new section -

**46A. Exemption from registration**

The documents specified in the Seventh Schedule shall be exempt from registration.

- (t) by repealing section 47;
- (u) in the First Schedule -
  - (i) in Part I -
    - (A) in paragraph B -
      - (I) in item 2, by deleting the word “obligation,”;
      - (II) in item 3, by deleting sub-items (a), (c), (d), (e), (f) and (g) and by adding immediately after the deleted sub-item (g), the following new sub-item -
        - (h) Transaction under article 2044 of the Code Civil Mauricien of property in dispute.
    - (B) by repealing paragraphs E and EE;
    - (C) in paragraph G, by repealing item 2 and replacing it by the following item -
      - 2. Subleases or subrogation, cession or return (retrocession) of leases on the amount of the rent for the period specified or remaining.
    - (D) in paragraph H, by deleting the words “Rate 8%” and replacing them by the words “Rate 5%”;
    - (E) in paragraph I, by deleting the words “Rate 10%” and replacing them by the words “Rate 5%”;
    - (F) in paragraph J -
      - (I) by deleting the words “Rate 10%” and replacing them by the words “Rate 5%”;

- (II) in item 8, by repealing paragraph (b) and replacing it by the following paragraph -
  - (b) in any company which reckons among its assets any freehold or leasehold immovable property or any shares in a partnership which reckons among its assets such property, or any share that the partnership holds in any other partnership or successive partnerships which reckons among its assets such property;
- (III) by repealing item 9 and replacing it by the following item –
  - 9. Transfer of rights in a lease of immovable property.
- (IV) by adding immediately after item 16, the following new item -
  - 17. Any transaction under article 2044 of the Code Civil Mauricien where property other than that in dispute is transferred.

- (ii) by deleting the heading “**PART II – FIXED DUTY OF FIFTY RUPEES**” and replacing it by the following heading -

**PART II – FIXED DUTY OF 200 RUPEES**

- (iii) in Part III -
  - (A) by repealing items 5, 8, 10, 11, 14, 15, 16 and 17;
  - (B) by adding immediately after the repealed item 17, the following new items -
    - 18. Any deed witnessing a transaction carried out within Mauritius -
      - (a) between a company holding a Category 1 Global Business Licence under the Financial Services Development Act 2001 and a non-citizen; or
      - (b) between a bank holding a banking licence under the Banking Act 2004 and a non-citizen who is not resident in Mauritius in so far as the deed relates to banking transactions with that non-citizen.

19. Any deed witnessing a donation made to the Sir Seewoosagur Ramgoolam Foundation or the Sir Dayendranath Burrenchobay Foundation.
  20. Any lease agreement in respect of a campement site on production of a certificate from the Ministry responsible for the subject of lands certifying that the lease agreement provides for the payment of a premium and a new rental.
  21. Any lease agreement in respect of State land, other than a campement site referred to in item 20, on production of a certificate from the Ministry responsible for the subject of lands certifying that the lease agreement provides for the land to be used as a building site.
  22. A declaration or deed of transfer of ownership of motor vehicles or trailers to diplomatic missions and agents.
- (iv) by repealing Part IV and replacing it by Part A of the Eighth Schedule to this Act;
- (v) in Part V, by deleting the word “**Sale**”;
- (vi) by adding immediately after Part VI, the new Part VII set out in Part B of the Eighth Schedule to this Act;
- (v) in the Second Schedule, by adding immediately after item 14, the following new item -
- |   |  |
|---|--|
| <p>15. Any transfer of immovable property to a company holding an investment certificate in respect of a project under the Integrated Resort Scheme prescribed under the Investment Promotion Act and the transferor holds shares in the company the value of which is less than the value of the immovable property transferred.</p> | <p>The difference between the value of the immovable property transferred and the value of the shares held by the transferor in the company.</p> |
|---|--|

(w) in the Sixth Schedule, by adding after item 14, the following new item -

15. Instrument of fixed or floating charge, pledge and any other document relating to the loan agreement	20 days	50 percent of duty leviable
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(x) in the Seventh Schedule, by repealing items 15 and 16 and replacing them by the following items -

15. All documents witnessing a transfer of shares or debentures in any company, the securities of which are quoted on the Official List of the Stock Exchange of Mauritius or admitted to the Second Market operated by Stock Exchange of Mauritius.
16. All documents witnessing a transfer of shares in any company, the securities of which are admitted to the Development & Enterprise Market operated by the Stock Exchange of Mauritius.

(y) by repealing the Eighth Schedule.

## **26. Securities (Central Depository, Clearing and Settlement) Act amended**

The Securities (Central Depository, Clearing and Settlement) Act is amended in section 6, by adding immediately after subsection (2), the following new subsections -

(3) Where the CDS has decided to discontinue the eligibility of a security for its services in accordance with the CDS rules, it shall -

- (a) debit the securities accounts of the holders of the security; and
- (b) instruct the issuer or its registry -
  - (i) to issue certificates in the name of the holders of the security; and
  - (ii) to send the certificates directly to the holders of the security or to the respective pledgees where the holders have pledged their securities.

(4) Where instructions are given under subsection (3)(b), the issuer or its registry shall comply with those instructions.

**27. Small Enterprises and Handicraft Development Authority Act 2005 amended**

The Small Enterprises and Handicraft Development Authority Act 2005 is amended -

- (a) in section 2, by deleting the definitions of “Comptroller” and “scheduled list”;
- (b) in section 28, by deleting the words “and the Comptroller”; and
- (c) in section 35 -
  - (i) in subsection (1), by repealing paragraph (c), the word “or” being added at the end of paragraph (b) accordingly;
  - (ii) by repealing subsection (2) and replacing it by the following subsection -

(2) Any person who commits an offence shall, on conviction, be liable to a fine not exceeding 10,000 rupees and to imprisonment for a term not exceeding 2 years.

**28. Stamp Duty Act amended**

The Stamp Duty Act is amended by repealing the Schedule and replacing it by the Schedule set out in the Ninth Schedule to this Act.

**29. Sugar Industry Efficiency Act 2001 amended**

The Sugar Industry Efficiency Act 2001 is amended -

- (a) in section 3, by repealing subsection (8);
- (b) in section 10 -
  - (i) by deleting the words “subsection (2)” wherever they appear and replacing them by the words “subsections (2) and (2A)”;
  - (ii) by repealing subsection (2) and replacing it by the following subsections -

(2) Notwithstanding the Land (Duties and Taxes) Act, a deed referred to in subsection (1), which is presented for registration, shall, where the conditions specified in subsection (3) are satisfied, be subject to the tax leviable under Part III of that Act at the rate of 5 per cent.

(2A) Notwithstanding the Morcellement Act, where land is transferred under subsection (1) and the transferor applies for and is issued with a morcellement permit in respect of that land, he shall be exempted from payment of the fees payable under section 9 of that Act.

(c) in section 11 -

(i) by inserting immediately after subsection (2), the following new subsection -

(2A) Subject to the approval of the Minister and to subsection (8), a person may convert 2 units of acreage for every unit of acreage sold to Government or any specified entity provided that the sale is effected at a nominal price of one rupee and he undertakes to plough back the proceeds arising from the conversion to any economic activity in Mauritius.

(ii) in subsection (8), by deleting the words “(3) or (7)” and replacing them by the words “(2A), (3), (7) or (11A)”;

(iii) in subsection (9) -

(A) by repealing paragraph (a) and replacing it by the following paragraph -

(a) subsection (2), (2A) or (3) is presented for registration, it shall be subject to the tax leviable under Part III of the Land (Duties and Taxes) Act at the rate of 5 per cent;

(B) in paragraph (b), by deleting the words “and Part IV”;

(iv) in subsection (11), by deleting the words “subsection (2) or (3)” and replacing them by the words “subsection (2), (2A), (3) or (13)”;

(v) by inserting immediately after subsection (11), the following new subsection -

(11A) Notwithstanding the Land (Duties and Taxes) Act, where the person subsequently converts and sells the land obtained in exchange under subsection (11), the deed containing the authorisation for land conversion under Part V and witnessing the transfer of land by that person shall be subject to the tax leviable under Part III of the Land (Duties and Taxes) Act at the rate of 5 per cent.



- (vi) in subsections (12) and (13), by deleting the words “, Part III and Part IV” wherever they appear and replacing them by the words “and Part III”;
- (d) in section 12 -
  - (i) in subsection (1), by deleting the words “subsections (2), (3) and (4)” and replacing them by the words “subsection (2)”;
  - (ii) by repealing subsections (3) and (4);
- (e) in section 14 -
  - (i) in subsection (1), by deleting the following words -
 

the transfer of land -

    - (a) shall be exempted from the payment of the tax leviable under Part IV of the Land (Duties and Taxes) Act; but
    - (b) shall be subject to the tax leviable under Part III of the Land (Duties and Taxes) Act at the rate of 5 per cent.

and replacing them by the words “the transfer of land shall be subject to the tax leviable under Part III of the Land (Duties and Taxes) Act at the rate of 5 per cent.”;
  - (ii) in subsection (2) -
    - (A) in paragraph (a), by deleting the words “, Part III and Part IV” and replacing them by the words “and Part III”;
    - (B) by repealing paragraph (c) and replacing it by the following paragraph -
      - (c) the deed containing the authorisation for land conversion under Part V and witnessing the transfer of land by the person shall be subject to the tax leviable under Part III of the Land (Duties and Taxes) Act at the rate of 5 per cent.
    - (C) by repealing paragraph (d);

- (iii) in subsection (5) -
  - (A) in paragraph (a), by deleting the words “, Part III and Part IV” and replacing them by the words “and Part III”;
  - (B) by repealing paragraph (b) and replacing it by the following paragraph -
    - (b) the deed witnessing the transfer of land by the person and containing the authorisation for land conversion under Part V shall be subject to the tax leviable under Part III of the Land (Duties and Taxes) Act at the rate of 5 per cent.
- (iv) in subsection (6) -
  - (A) in paragraph (a), by deleting the words “, Part III and Part IV” and replacing them by the words “and Part III”;
  - (B) by repealing paragraph (b) and replacing it by the following paragraph -
    - (b) the deed witnessing the transfer of land by the persons and containing the authorisation for land conversion under Part V shall be subject to the tax leviable under Part III of the Land (Duties and Taxes) Act at the rate of 5 per cent.
- (v) in subsection (7), by deleting the words “, Part III and Part IV” and replacing them by the words “and Part III”;
- (vi) in subsection (8)(d) -
  - (A) in subparagraph (i), by deleting the words “, Part III and Part IV” and replacing them by the words “and Part III”;

- (B) by repealing subparagraph (ii) and replacing it by the following subparagraph -
  - (ii) the deed witnessing the transfer of land by the person or the Trust or the body controlled by the Trust and containing the authorisation for land conversion under Part V shall be subject to the tax leviable under Part III of the Land (Duties and Taxes) Act at the rate of 5 per cent.
  
- (vii) in subsection (9) -
  - (A) in paragraph (a), by deleting the words “and Part IV”;
  - (B) by repealing paragraph (b);
- (viii) by adding immediately after subsection (9), the following new subsection -
  - (10) Notwithstanding the Morcellement Act, where the person referred to in subsection (9) applies for and is issued with a morcellement permit in respect of the land referred to in that subsection, he shall be exempted from payment of the fees payable under section 9 of that Act.
  
- (f) in section 26 -
  - (i) in subsection (1) -
    - (A) by deleting the words “Part II, Part III and Part IV” and replacing them by the words “Part II and Part III”;
    - (B) by repealing subparagraphs (ii) and (iv), the words “; and” at the end of subparagraph (iii) being deleted and replaced by a full stop accordingly;
  - (ii) by inserting immediately after subsection (1), the following new subsections -
    - (1A) Notwithstanding the Morcellement Act, where land is transferred under subsection (1) and the transferor applies for and is issued with a morcellement permit in respect of that land, he shall be exempted from payment of the fees payable under section 9 of that Act.

(1B) The provisions of subsections (1) and (1A) shall apply to the heirs of a deceased occupier or deceased employee as they would have applied to an occupier or employee referred to in those subsections.

(g) in section 28(4C)(a)(i), by deleting the words “and Part IV”.

### **30. Transcription and Mortgage Act amended**

The Transcription and Mortgage Act is amended by repealing the Third Schedule and the Fourth Schedule and replacing them by the Third Schedule and Fourth Schedule set out in the Tenth Schedule to this Act.

### **31. Value Added Tax Act amended**

The Value Added Tax Act is amended -

- (a) in section 2 -
  - (i) by deleting the definitions of “export enterprise”, “export processing zone” and “traveller”;
  - (ii) in the definition of “tax”, by repealing paragraph (b) and replacing it by the following paragraph -
    - (b) includes any penalty and any interest imposed under this Act; but
  - (iii) by repealing the definition of “visitor” and replacing it by the following definition -
 

“visitor” means a person holding -

    - (a) a foreign passport; and
    - (b) a valid ticket for travel by air or sea to a foreign airport or port;
- (b) in section 9, by repealing subsection (9) and replacing it by the following subsection -
  - (9) Notwithstanding the other provisions of this section, where -
    - (a) any goods specified in Part II of the Seventh Schedule; or

- (b) prepaid cards in respect of any services,

are supplied at any stage in the chain of distribution immediately before the retail stage, the supply shall be deemed to have been made at the retail stage and VAT on such supply shall be charged on such value as includes the retail margin.

- (c) in section 15 -

- (i) in subsection (1)(b), by deleting the words “any of the amounts corresponding to any of the periods,” and replacing them by the words “the amount”;
- (ii) in subsection (2)(a)(i), by deleting the words “any of the amounts corresponding to any of the periods” and replacing them by the words “the amount”;
- (iii) by inserting immediately after subsection (2), the following new subsection -

(2A) Notwithstanding the other provisions of this Act, the registration of a person engaged in the business specified in item 1 of Part II of the Tenth Schedule shall be in respect of -

- (a) the banking services referred to -
- (i) in subparagraph (A), (B) and (C) of item 50(a)(ii) of the First Schedule;
- (ii) in item 6(b)(ii) of the Fifth Schedule;  
and
- (b) his other taxable supplies, irrespective of the amount of his turnover.

- (d) by inserting immediately after section 15, the following new section -

**15A. Penalty for failure to apply for compulsory registration**

Any taxable person who does not apply for compulsory registration under section 15 shall be liable to pay to the Director-General a penalty of 5,000 rupees for every month or part of the month from the taxable period in respect of which he is liable to be registered as a registered person up to the month immediately preceding the month in which the application for registration is submitted, provided that the total penalty payable shall not exceed 50,000 rupees.

- (e) in section 22 -
  - (i) in subsection (1) -
    - (A) in paragraph (d), by deleting the word “and”;
    - (B) by repealing paragraph (e) and replacing it by the following paragraphs -
      - (e) the amount of solidarity levy under section 53B; and
      - (f) such other particulars as may be required in the form of the return.
  - (ii) by inserting immediately after subsection (1), the following new subsections -
    - (1A) Where the annual turnover of taxable supplies does not exceed the amount specified in the Second Schedule, a registered person may, notwithstanding subsection (1), by irrevocable notice in writing to the Director-General, elect the taxable period in relation to him be a period of a month or part of a month.
    - (1B) Where a registered person has made an election under subsection (1A), he shall submit a return in accordance with this section as from the end of the quarter in which the election is made.
  - (iii) in subsection (2), by deleting the words “subsection (1)” and replacing them by the words “subsection (1) or (1B)”;
- (f) in section 23(1)(b), by deleting the words “the appropriate penalty specified in section 27” and replacing them by the words “any interest under section 27A”;
- (g) in section 24(1), by deleting the words “150,000 rupees” and replacing them by the words “100,000 rupees”;
- (h) by repealing section 26 and replacing it by the following section -

**26. Penalty for non-submission of return by due date**

Where, in respect of a taxable period, a registered person fails to submit a return on or before the last day on which the return is required to be submitted, he shall be liable to pay to the Director-General, in addition to any tax which may be payable, a penalty of 2,000 rupees for every month or part of the month until the return for that taxable period is submitted, provided that the total penalty payable shall not exceed 20,000 rupees.

- (i) by inserting immediately after section 26, the following new section -

**26A. Penalty for failure to join electronic system**

Any registered person who is required under regulations made under the Act to submit his return and make any payment of tax due electronically but fails to join the electronic system, after written notice being given to him by the Director-General, shall be liable to pay to the Director-General on his failure within a period of 7 days from the date of the notice to justify the failure to join the system, a penalty of 5,000 rupees, for every month or part of the month from the taxable period specified in the notice, up to the taxable period immediately preceding the taxable period in respect of which he submits his return, and to make any payment of tax due electronically, provided that the total penalty payable shall not exceed 50,000 rupees.

- (j) by repealing section 27 and replacing it by the following section -

**27. Penalty for late payment of tax**

(1) Where a taxable person fails to pay any tax due on or before the last day on which it is payable under section 21(7), 22, 23, 37, 39 or 67, he shall be liable to pay to the Director-General, in addition to the tax and any penalty under sections 15A, 24(9), 26, 26A and 37A, a penalty of 5 per cent of the tax.

(2) The penalty under the subsection (1) shall apply to the tax excluding any penalty under sections 15A, 24(9), 26, 26A and 37A and any interest under section 27A.

**27A. Interest on tax unpaid or amount repaid or refunded in excess**

(1) Interest at the rate of one per cent per month or part of the month shall be paid to the Director-General on -

- (a) any tax unpaid under section 9 or 21(7) from the date the tax remained unpaid to the date of payment;
- (b) any amount claimed by the Director-General in respect of tax repaid in excess and on any amount paid thereon as interest under section 24 from the date of the repayment up to the date of payment of the amount claimed; or

- (c) on any amount claimed by the Director-General under section 67 in respect of tax refunded, exempted or reduced erroneously from the date of the erroneous refund, exemption or reduction to -
  - (i) the date specified in the notice under section 67; and
  - (ii) in the case of non-payment by the date specified in the notice under section 67, from that date to the date of payment of the amount claimed.

(2) The interest under subsection (1) shall not apply to any penalty under section 15A, 24(9), 26, 26A, 27 or 37A.

- (k) by inserting immediately after section 34, the following new section -

**34A. Power to waive penalty or interest**

(1) The Director-General may waive the whole or part of any penalty or interest imposed under this Act where he is satisfied that failure to comply with this Act was attributable to a just or reasonable cause.

(2) In the exercise of his power under subsection (1), the Director-General shall, in writing, record the reasons for waiving the whole or part of the penalty or interest.

- (l) by inserting immediately after section 37, the following new section -

**37A. Penalty on amount claimed in assessment**

(1) Where an assessment is made under section 37, the amount of tax claimed in the assessment shall carry a penalty not exceeding 50 percent and such penalty shall be deemed to be part of the tax claimed.

(2) For the purposes of subsection (1), “tax claimed”, in relation to the relevant taxable period -

- (a) means the difference between the amount of tax payable in the assessment and tax declared in the return under section 22 or statement under section 23; but
- (b) does not include -
  - (i) any penalty under sections 15A, 24(9), 26, 26A, and 27; and
  - (ii) any interest under section 27A.



- (m) in section 38 -
- (i) in subsection (2), by repealing paragraph (c) and replacing it by the following paragraph -
    - (c) pay any amount of tax specified in the return or statement referred to in paragraph (b) together with any penalty under sections 15A, 24(9), 26, 26A and 27 and any interest under section 27A; and
  - (ii) in subsection (6), by deleting the words “any surcharge under section 26 and any penalty section 27” and replacing them by the words “any penalty under sections 15A, 24(9), 26, 26A, 27 and 37A and any interest under section 27A”;
- (n) in section 39 -
- (i) by repealing subsection (3) and replacing it by the following subsection -
    - (3) Where a notice of determination under subsection (2) is given, the tax specified in the notice together with any penalty under sections 15A, 24(9), 26, 26A, 27 and 37A and any interest under section 27A shall be paid within 28 days of the date of the notice, or the excess amount of input tax against output tax as determined shall be carried forward, as the case may be.
  - (ii) by repealing subsection (4) and replacing it by the following subsection -
    - (4) A notice of determination under subsection (2) in respect of an assessment -
      - (a) made prior to 1 October 2006, shall be given to the person within 6 months of the date on which the objection is lodged; or
      - (b) made on or after 1 October 2006, shall be given to the person within 4 months of the date on which the objection is lodged.
- (o) by repealing sections 51 and 52;

(p) by repealing section 53 and replacing it by the following section -

**53. VAT relating to a duty free shop or shop under the Deferred Duty and Tax Scheme**

(1) Notwithstanding the other provisions of this Act, no VAT shall be payable -

- (a) on any goods imported for sale in a duty free shop;
- (b) on any goods supplied by a registered person to a duty free shop for sale; and
- (c) on any goods supplied to a passenger by an operator of a duty free shop.

(2) No VAT shall be payable on any goods imported for sale in a shop approved under the Deferred Duty and Tax Scheme referred to in section 22 of the Customs Act.

(q) by adding immediately after Part X, the following new Part -

**PART XA - SOLIDARITY LEVY**

**53A. Purpose of solidarity levy**

The purpose of the solidarity levy raised under this Part shall be to finance the Empowerment Programme referred to in the 2006-2007 Budget Speech.

**53B. Liability to solidarity levy**

(1) Subject to other provisions of this Part, every operator shall be liable to pay to the Director-General a solidarity levy calculated on his turnover at the rate specified in Part II of the Eleventh Schedule.

(2) The levy under this Part shall be raised in respect of the 4 financial years ending 30 June 2010.

**53C. Payment of solidarity levy**

Every operator shall, after the end of every taxable period, within such time as may be prescribed, pay to the Director-General, in respect of that period, the levy in such manner as may be approved by the Director-General.

**53D. Circumstances in which no levy is payable**

No levy shall be paid in a financial year where -

- (a) the operator had incurred a loss; or
- (b) the profit of the operator before tax does not exceed 5 per cent of his turnover,

in respect of the accounting year immediately preceding the commencement of the financial year.

**53E. Adjustment of levy**

(1) Where no levy is payable by an operator in a financial year by virtue of section 53D and at the end of the financial year, it is found that his profit before tax in respect of the accounting year immediately preceding the end of the financial year exceeds 5 per cent of his turnover for that accounting year, the operator shall pay to the Director-General the total levy in respect of that financial year within such time as may be prescribed.

(2) Where levy is payable by an operator during a financial year and it is found that -

- (a) the operator had incurred a loss; or
- (b) the profit of the operator before tax does not exceed 5 per cent of his turnover,

in respect of the accounting year immediately preceding the end of the financial year, the levy paid during that financial year shall be refunded to the operator within such time as may be prescribed.

**53F. Late payment of levy**

Where the operator fails to pay the levy on or before last day on which it is payable under section 53C, he shall be liable to pay to the Director General, in addition to the levy –

- (a) a penalty of 5 per cent of the levy; and
- (b) interest on the levy, excluding the penalty under paragraph (a), at the rate of one per cent per month or part of the month in which the levy remains unpaid.

**53G. Recovery of levy**

The levy shall be recovered in the same manner as VAT is recovered under Part IX.

**53H. Interpretation**

In this Part -

“levy” –

- (a) means the solidarity levy referred to in section 53B; and
- (b) includes the penalty and interest referred in section 53F;

“operator” means a taxable person engaged in any business specified in Part I of the Eleventh Schedule.

- (r) in section 66, by adding the following new subsection, the existing provision being numbered (1) accordingly -

(2) Where goods or services are supplied pursuant to subsection (1), the registered person shall not charge VAT on the goods or services supplied nor shall any element of VAT be added to the price of those goods or services.

- (s) in section 67, by repealing subsections (2) and (3) and replacing them by the following subsections -

(2) The Director-General may, by written notice, order the person under subsection (1) to pay, within 28 days of the date of the notice, the tax which has been erroneously refunded, exempted or reduced, together with the appropriate interest under section 27A(1)(c)(i).

(3) Where a person referred to in subsection (1) does not comply with an order of the Director-General within 28 days of the date of the notice under subsection (2), he shall be liable to pay, in addition to the tax, a penalty under section 27 and interest under section 27A(1)(c)(ii).

- (t) in section 70(2), by deleting the words “the enactments” and replacing them by the words “this Act”;

- (u) by adding immediately after section 72, the following new section -

**73. Transitional provisions**

(1) Notwithstanding this Act, where a person becomes liable to be registered as a registered person under this Act pursuant to the amendment made to the Sixth Schedule by section 32(y) of the Finance Act 2006, he shall, subject to the other provisions of this section, not later than 15 October 2006, submit to the Director-General, a certified inventory of -

- (a) his trading stocks as at 30 September 2006; and
- (b) capital goods, being plant, machinery or equipment of a capital nature, acquired within a period not exceeding 3 months immediately preceding 1 October 2006,

showing, where applicable, the amount of VAT paid or payable thereon.

(2) Subject to subsection (3) and to section 21(2), where a person has submitted a certified inventory under subsection (1), he may take credit of the VAT paid or payable on his trading stocks and capital goods -

- (a) where his taxable period is a quarter, 50 per cent of the amount of VAT in his return for each of the second and third taxable periods; or
- (b) where his taxable period is a month, 50 per cent of the amount of VAT in his return for each of the third and sixth taxable periods.

(3) No credit under subsection (2) shall be allowed, unless -

- (a) the inventory referred to in subsection (1) has been submitted;
- (b) the VAT on the trading stocks was paid or payable within a period not exceeding 3 months immediately preceding 1 October 2006; and
- (c) the VAT paid or payable is substantiated by receipts or invoices issued by VAT registered persons or by customs import declarations.

(4) The person shall, together with the inventory referred to in subsection (1), submit a statement specifying -

- (a) the amount of VAT which relates to -
  - (i) capital goods, being plant, machinery or equipment of a capital nature; and
  - (ii) other taxable goods used to make taxable supplies;
- (b) the amount of VAT paid or payable within a period not exceeding 3 months immediately preceding 1 October 2006.

(5) The inventory referred to in subsection (1) and the statement referred to in subsection (4) shall be duly certified by a qualified auditor.

(6) Any exemption of VAT granted under item 8 of the Ninth Schedule shall lapse on 1 October 2006.

(v) in the First Schedule -

(i) by repealing item 3 and replacing it by the following item -

3. Bread.

(ii) by repealing item 48 and replacing it by the following item -

48. The sale or transfer of an immovable property, a building or part of a building, apartment, flat or tenement, except an immovable property, a building or part of a building, apartment flat or tenement for use other than for residential purposes, sold or transferred by a person in the course or furtherance of his business as property developer.

(iii) by adding immediately after item 52, the items specified in the Eleventh Schedule to this Act;

(w) in the Second Schedule, by deleting the words "12 million rupees" and replacing them by the words "10 million rupees";

- (x) in the Fifth Schedule -
- (i) in item 2, by repealing sub-item (a) and replacing it by the following sub-item -
    - (a) wheat flour and wheat bran;
  - (ii) in item 4(b), by deleting the words “or traveller”;
  - (iii) by adding after item 9, the items specified in the Twelfth Schedule to this Act;
- (y) by repealing the Sixth Schedule and replacing it by the Thirteenth Schedule to this Act;
- (z) in the Ninth Schedule -
- (i) in item 3, by deleting the word “Minister” and replacing it by the word “Director-General”;
  - (ii) in item 4, in Column 1, by deleting the words “The Mauritius Red Cross Society,” and “Minister” and replacing them by the words “The International Federation of Red Cross and Red Crescent Societies, the Mauritius Red Cross Society,” and “Director-General” respectively;
  - (iii) by repealing item 8;
  - (iv) by adding immediately after item 12, the following new items -
- |     |   |  |
|-----|---|--|
| 13. | Any company registered with the Board of Investment established under the Investment Promotion Act, as a company engaged in the provision of health services. | Construction of a purpose-built building for the provision of health services. |
| 14. | National Housing Development Company Ltd.   | Construction of housing estates.   |
- (za) in the Tenth Schedule, in Part I -
- (i) by repealing item 4 and replacing it by the following item -
    - 4. Architect
  - (ii) by repealing items 21, 22 and 24;

- (iii) by adding immediately after the deleted item 24, the following new item -

25. Dealers registered with the Assay Office under the Jewellery Act

- (zb) by adding immediately after the Tenth Schedule, the Eleventh Schedule set out in the Fourteenth Schedule to this Act.

### **32. Validation of resolution**

The financial resolution adopted by the National Assembly on 9 June 2006 is validated.

### **33. Repeal and savings**

- (1) The following enactments are repealed -

- (a) Export Service Zones Act;
- (b) Health Development Certificate Act;
- (c) Hotel Management (Incentives) Act;
- (d) Industrial Expansion Act;
- (e) Investment Promotion (ICT Scheme) Regulations 2002;
- (f) Investment Promotion (Permanent Resident Scheme) Regulations 2002;
- (g) Investment Promotion (Regional Development Scheme) Regulations 2001;
- (h) Investment Promotion (Regional Headquarters Scheme) Regulations 2001; and
- (i) Investment Promotion (SAPES) Regulations 2002.

(2) Notwithstanding subsection (1), the provisions of section 20 of the enactment referred to in subsection (1)(d) shall, on the commencement of this section, continue to remain in force in relation to every holder of -

- (a) an export enterprise certificate issued under that repealed enactment or an investment certificate issued in respect of an export enterprise under the Investment Promotion Act and in force on the date immediately before the commencement of this section;



- (b) a registration certificate in respect of a company which manufactures goods for export and issued by the Board of Investment established under the Investment Promotion Act, on or after the commencement of this section.

(3) Every certificate issued by the Board of Investment under the enactments referred to in subsection (1)(a) to (c) and (e) to (i) shall lapse on 1 October 2006.

### **34. Commencement**

(1) Sections 2(g)(iii), 8(s), 9(b)(vii), 10(i), 14(a) and (c), 15, 16, 18(a), (d), (e), (g), (z) and (zl) in so far as it relates to Sub-Part BB – National Residential Property Tax, sections 18(zzb) and (zzd), 20, 21, 22, 31(e)(i), (q), (t) and (zb) shall be deemed to have come into operation on 1 July 2006.

(2) Section 3 shall come into operation on 29 October 2006.

(3) Sections 8(a)(ii), (d), (r)(i) and (t), 10(c) and 18(zl) in so far as it relates to Sub-Part BA - Deduction of tax at source, section 31(a), (b), (c), (d), (i), (o), (p), (v), (w), (x), (y),(z)(iii) and (iv) in so far as it relates to item 14 and sections 31(za) and 33 shall come into operation on 1 October 2006.

(4) Sections 9(a), 10(h), 19(t) and 25(t) shall come into operation on 10 January 2007.

(5) Section 10(l) shall be deemed to have come into operation on 10 June 2006.

(6) Section 18(b) and (zzf) in so far as it relates to individuals, section 18(c), (f), (h), (l), (y), (za), (zb), (zc), (zd), (ze), (zf), (zg), (zh), (zi), (zj), (zk), (zm) and (zq) shall be deemed to have come into operation on 1 July 2006 in respect of the income year commencing 1 July 2006 and in respect of every subsequent income year.

(7) Section 18(b) and (zzf) in so far as it relates to companies, section 18(i), (j), (k), (m), (n), (o), (p), (q), (r), (s), (t), (u), (v), (w), (zo), (zp), (zr), (zs), (zt), (zw), (zx), (zy), (zz)(i) and (zza) shall come into operation on 1 July 2007 in respect of the year of assessment commencing 1 July 2007 and in respect of every subsequent year of assessment.

(8) Section 19(e), (f) and (g) shall come into operation on 1 July 2007.

(9) Section 31(f), (h), (j), (l), (m) and (n)(i) shall come into operation on 1 October 2006 in respect of taxable period commencing 1 October 2006 and in respect of every subsequent taxable period.

(10) Section 31(s) shall come into operation on 1 October 2006 in respect of any erroneous refund, exemption or reduction granted as from 1 October 2006.

(11) Section 31(z)(iv) in so far as it relates to item 13 shall be deemed to have come into operation on 21 March 2006.

**FIRST SCHEDULE***(section 3(b))***THIRD SCHEDULE***(section 8B)*

Passenger solidarity fee -

(a)	Passenger travelling in economy class ....	....	...	...	40 rupees
(b)	Any other passenger ...	...	...	...	80 rupees

**SECOND SCHEDULE***(section 10(a))***Definitions****Part A**

“admixed spirit”, “aperitif”, “blended brandy”, “blended gin”, “brandy”, “cane spirit”, “country liquor”, “fortified country liquor”, “fortified wine”, “gin”, “gin concentrate”, “licensing authority”, “liqueur”, “shandy”, “vodka” and “wine”.

**Part B**

“admixed spirit” means a product having an alcoholic strength of not less than 40 per cent of alcohol by volume obtained by mixing redistilled alcohol with -

- (a) malt whisky; and
- (b) odiferous substances and mixtures including alcoholic solutions;

“aperitif” -

- (a) means redistilled alcohol flavoured, aromatised or sweetened and having an alcoholic strength of not less than 15 per cent of alcohol by volume; and
- (b) includes cordial or liqueur;

“blended brandy” means a product having an alcoholic strength of not less than 36 per cent of alcohol by volume obtained by blending brandy with redistilled alcohol;

“blended gin” means a product having an alcoholic strength of not less than 37 per cent of alcohol by volume obtained by blending gin with redistilled alcohol;

“brandy” means a product having an alcoholic strength of not less than 36 per cent of alcohol by volume obtained by distilling fermented grape juice, wine, wine lees, fruit wine or fruit wine lees;

“cane spirit” means a product having an alcoholic strength of not less than 33 nor more than 50 per cent of alcohol by volume obtained by adding flavours or essences to redistilled alcohol produced from sugar cane or its derivatives;

“country liquor” means a product having an alcoholic strength of not less than 7 per cent and not more than 18 per cent of alcohol by volume obtained from the fermentation of sugar or of any fresh fruit or fruit must (whether condensed or concentrated) other than grape must, fresh grapes or sound grapes;

“fortified country liquor” means a product having an alcoholic strength of not more than 24 per cent of alcohol by volume and obtained by adding spirits of not less than 50 per cent of alcohol by volume to fruit wine;

“fortified wine” means a product having an alcoholic strength of not more than 24 per cent of alcohol by volume obtained by adding spirits of not less than 50 per cent of alcohol by volume to wine;

“gin” means a product having an alcoholic strength of not less than 37 nor more than 50 per cent of alcohol by volume obtained by flavouring redistilled alcohol produced from the distillation of grains with or over juniper berries and other aromatics, or with or over extracts derived from infusions, percolations or maceration of such materials;

“licensing authority”, in relation to a licence under the Second Schedule, means the Director-General;

“liqueur” means a product having an alcoholic strength of not less than 15 per cent and not more than 39 per cent of alcohol by volume obtained by mixing, sweetening or redistilling alcohol with fruits, flowers, leaves, other botanical substances, their juices, or with extracts derived by infusion, percolation or maceration of such botanical substances, or with other natural flavouring materials or cream, milk or other milk products, fruit, wine or flavoured wine;

“shandy” means an alcoholic beverage obtained by mixing beer with soft drink;

“vodka” means a product obtained by treating distilled fermented mash of cereals or potato with activated charcoal, so as to render the product without distinctive characteristic aroma or taste;

“wine” means a beverage having an alcoholic strength of not less than 7 per cent and not more than 18 per cent of alcohol by volume obtained from the fermentation of the juice of fresh grapes, sound grapes, or grape must (whether condensed or concentrated), without any other addition or abstraction thereto except as may occur in normal cellar treatment provided that the product may be ameliorated before, during or after fermentation by the use of pure dry cane sugar, a combination of water and pure dry cane sugar, liquid sugar, sugar syrup, grape juice or concentrated grape must.

**THIRD SCHEDULE**

*(section 10(i))*

**FIRST SCHEDULE**

*(sections 2 and 3)*

For the purposes of this Schedule -

- (1) Any goods specified in column 2 shall mean the goods which fall under the corresponding heading number and H.S. code specified in column 1.
  - (2) The heading numbers and the H.S. codes specified in column 1 refer to the heading numbers and, where applicable, to the H.S. codes of Part I of the First Schedule to the Customs Tariff Act.
  - (3) The value at importation referred to in column 4 of Part I shall mean the value of the goods as determined in accordance with the Customs Act 1988.
  - (4) "Absolute alcohol" means 100 per cent alcohol by volume.
  - (5) (a) Where it is specified in Part I that the taxable base is "ad valorem", the taxable base shall be the price at which the goods are sold or offered for sale by a manufacturer at the time the entry for the removal of the goods is approved under section 4(2) of the Act exclusive of -
    - (i) the excise duty payable on those goods; and
    - (ii) any customs duty and excise duty paid or payable on the raw materials used as input in their manufacture.
  - (b) For the purposes of determining the price referred to in paragraph (a), it shall be assumed -
    - (i) that the transaction is at arm's length;
    - (ii) that the price is the sole consideration for the sale of the goods; and
    - (iii) that no discount, rebate or allowance is granted on the goods.
  - (c) Where excisable goods are imported in bulk for bottling purposes, excise duty shall be payable after bottling at the time they are removed from the factory for home consumption at the rate applicable to the goods imported in bulk.
- (6) Where it is specified in column 6 of Part I that the date payable is "As specified in paragraph (6)", the date payable shall be -
    - (a) in respect of removals for each of the months July to May, not later than 7 days after the end of the month; and
    - (b) in respect of removals for the month of June, not later than the last day of that month.

**PART I - EXCISABLE GOODS IMPORTED INTO OR  
MANUFACTURED IN MAURITIUS**

<b>Column 1</b>	<b>Column 2</b>	<b>Column 3</b>	<b>Column 4</b>	<b>Column 5</b>	<b>Column 6</b>	
<b>Heading No.</b>	<b>H.S. Code</b>	<b>Excisable goods</b>	<b>Statistical Unit</b>	<b>Taxable base</b>	<b>Rate of excise duty</b>	<b>Date payable</b>
22 03	2203 00	Beer made from malt	L	Specific duty per litre	Rs 19 per litre	(a) At the time the entry for the goods is validated in accordance with the Customs Act in case of import  (b) As specified in paragraph (6) in case of local manufacture
22 04		Wine of fresh grapes, including fortified wines, grape must other than that of heading No 20 09  - Sparkling wine				
	2204 101	--- Champagne	L	“	Rs 360 per litre	“
	2204 109	--- Other	L	“	Rs 75 per litre	“

Column 1	Column 2	Column 3	Column 4	Column 5	Column 6	
Heading No.	H.S. Code	Excisable goods	Statistical Unit	Taxable base	Rate of excise duty	Date payable
		- Other wine, grape must with fermentation prevented or arrested by the addition of alcohol				
		-- In containers holding 2 litres or less				
	2204 211	--- Fortified wine	L	Specific duty per litre	Rs 75 per litre	(a) At the time the entry for the goods is validated in accordance with the Customs Act in case of import  (b) As specified in paragraph (6) in case of local manufacture
	2204 219	--- Other	L	"	Rs 75 per litre	"
		-- Other				
	2204 291	--- In bulk for bottling purposes	L	"	Rs 50 per litre	"
	2204 292	--- Fortified wine	L	"	Rs 75 per litre	"
	2204 299	--- Other	L	"	Rs 75 per litre	"
22 05		Vermouth and other wine of fresh grapes flavoured with plants or aromatic substances				
		- In containers holding 2 litres or less				
	2205 109	--- Other	L	"	Rs 75 per litre	"

Column 1	Column 2	Column 3	Column 4	Column 5	Column 6	
Heading No.	H.S. Code	Excisable goods	Statistical Unit	Taxable base	Rate of excise duty	Date payable
		- Other				
	2205 901	--- In bulk for bottling purposes	L	Specific duty per litre	Rs 50 per litre	(a) At the time the entry for the goods is validated in accordance with the Customs Act in case of import  (b) As specified in paragraph (6) in case of local manufacture
	2205 909	--- Other	L	"	Rs 75 per litre	"
22 06		Other fermented beverages (for example, cider, perry, mead), mixtures of fermented beverages and mixtures of fermented beverages and non-alcoholic beverages, not elsewhere specified or included				
	2206 001	--- Country liquor	L	"	Rs 7 per litre	"
	2206 002	--- Fortified country liquor	L	"	Rs 7 per litre	"
	2206 003	--- Shandy	L	"	Rs 5 per litre	"
	2206 004	--- Beer	L	"	Rs 19 per litre	"
	2206 005	--- Cider, perry and mead	L	"	Rs 20 per litre	"
	2206 009	--- Other	L	"	Rs 75 per litre	"

Column 1		Column 2	Column 3	Column 4	Column 5	Column 6
Heading No.	H.S. Code	Excisable goods	Statistical Unit	Taxable base	Rate of excise duty	Date payable
22 07		Undenatured ethyl alcohol of an alcoholic strength by volume of 80% vol or higher, ethyl alcohol and other spirits, denatured, of any strength  - Undenatured ethyl alcohol of an alcoholic strength by volume of 80% vol or higher				
	2207 101	--- Alcohol for use as input in the manufacture of medicinal tinctures and drugs	Litre	Ad valorem	0%	(a) At the time the entry for the goods is validated in accordance with the Customs Act in case of import  (b) As specified in paragraph (6) in case of local manufacture
	2207 102	--- Alcohol for use as input in the manufacture of perfumed spirits or cosmetics	Litre	"	0%	"
	2207 103	--- Alcohol for use as input in the manufacture of spirit vinegar	Litre	"	0%	"
	2207 104	--- Alcohol for use as input in the manufacture of denatured alcohol (heating and lighting) or power alcohol (power white)	Litre	"	0%	"



Column 1	Column 2	Column 3	Column 4	Column 5	Column 6	
Heading No.	H.S. Code	Excisable goods	Statistical Unit	Taxable base	Rate of excise duty	Date payable
	2207 105	--- Alcohol for use as input in the manufacture of alcoholic beverages and spirits	Litre	Ad valorem or value at importation	0%	(a) At the time the entry for the goods is validated in accordance with the Customs Act in case of import  (b) As specified in paragraph (6) in case of local manufacture
	2207 109	--- Other  - Ethyl alcohol and other spirits, denatured, of any strength	Litre	"	0%	"
	2207 202	--- Denatured alcohol (heating and lighting)	Litre	"	0%	"
	2207 203	--- Denatured alcohol (power alcohol)	Litre	"	0%	"
	2207 209	--- Other	Litre	"	0%	"
22 08		Undenatured ethyl alcohol of an alcoholic strength by volume of less than 80% vol, spirits, liqueurs and other spirituous beverages  - Spirits obtained by distilling grape wine or grape marc  --- Cognac				
	2208 2011	---- In bulk for bottling purposes	L	Specific duty per litre	Rs 600 per litre absolute alcohol	"

Column 1	Column 2	Column 3	Column 4	Column 5	Column 6	
Heading No.	H.S. Code	Excisable goods	Statistical Unit	Taxable base	Rate of excise duty	Date payable
	2208.2019	---- Other	L	Specific duty per litre	Rs 900 per litre absolute alcohol	(a) At the time the entry for the goods is validated in accordance with the Customs Act in case of import  (b) As specified in paragraph (6) in case of local manufacture
		--- Brandy:				
	2208.2021	---- In bulk for bottling purposes	L	"	Rs 600 per litre absolute alcohol	"
	2208.2029	---- Other	L	"	Rs 900 per litre absolute alcohol	"
	2208.209	--- Other	L	"	Rs 900 per litre absolute alcohol	"
		- Whiskies:				
	2208.301	--- In bulk for bottling purposes		"	Rs 600 per litre absolute alcohol	"
	2208.309	--- Other	L	"	Rs 900 per litre absolute alcohol	"

Column 1	Column 2	Column 3	Column 4	Column 5	Column 6	
Heading No.	H.S. Code	Excisable goods	Statistical Unit	Taxable base	Rate of excise duty	Date payable
		- Rum and tafia:				
	2208.401	--- Agricultural rum	L	Specific duty per litre	Rs 200 per litre absolute alcohol	(a) At the time the entry for the goods is validated in accordance with the Customs Act in case of import  (b) As specified in paragraph (6) in case of local manufacture
	2208.402	--- Island recipe rum	L	"	Rs 200 per litre absolute alcohol	"
	2208.409	--- Other	L	"	Rs 200 per litre absolute alcohol	"
	2208.50	- Gin and Geneva	L	"	Rs 900 per litre absolute alcohol	"
	2208.60	- Vodka	L	"	Rs 900 per litre absolute alcohol	"
	2208.70	- Liqueurs and cordials	L	"	Rs 200 per litre absolute alcohol	"
		- Other:				
		--- Eau de vie:				
	2208.9011	---- In bulk for bottling purposes	L	"	Rs 600 per litre absolute alcohol	"

<b>Column 1</b>	<b>Column 2</b>	<b>Column 3</b>	<b>Column 4</b>	<b>Column 5</b>	<b>Column 6</b>	
<b>Heading No.</b>	<b>H.S. Code</b>	<b>Excisable goods</b>	<b>Statistical Unit</b>	<b>Taxable base</b>	<b>Rate of excise duty</b>	<b>Date payable</b>
	2208.9019	---- Other	L	Specific duty per litre	Rs 900 per litre absolute alcohol	(a) At the time the entry for the goods is validated in accordance with the Customs Act in case of import  (b) As specified in paragraph (6) in case of local manufacture
	2208.902	--- Spirit cooler  Tequilla:	L	"	Rs 19 per litre	"
	2208.9031	---- In bulk for bottling purposes	L	"	Rs 600 per litre absolute alcohol	"
	2208.9039	---- Other	L	"	Rs 900 per litre absolute alcohol	"
	2208.904	--- Spirits obtained by redistilling alcohol obtained from molasses, sugar cane or its derivatives and by flavouring, sweetening, or further treating the redistilled alcohol	L	"	Rs 200 per litre absolute alcohol	"
	2208.905	--- Spirits obtained by compounding or flavouring alcohol obtained from molasses, sugar cane or its derivatives	L	"	Rs 200 per litre absolute alcohol	"

Column 1	Column 2	Column 3	Column 4	Column 5	Column 6	
Heading No.	H.S. Code	Excisable goods	Statistica l Unit	Taxable base	Rate of excise duty	Date payable
	2208 906	--- Admixed spirits	L	Specific duty per litre	At the rate applicable to the spirits calculated in proportion to the volume of spirits used in the production	(a) At the time the entry for the goods is validated in accordance with the Customs Act in case of import  (b) As specified in paragraph (6) in case of local manufacture
	2208 909	--- Other	L	"	Rs 900 per litre absolute alcohol	"
24 01		Unmanufactured tobacco, tobacco refuse				
	2401 10	- Tobacco, not stemmed/stripped	Kg	"	0%	"
	2401 20	- Tobacco, partly or wholly stemmed/stripped	Kg	"	0%	"
24 02		Cigars, cheroots, cigarillos and cigarettes, of tobacco or of tobacco substitutes				
	2402 10	- Cigars, cheroots, cigarillos, containing tobacco	Kg	Specific per kg	Rs 7500 per kg	"
		Cigarettes containing tobacco				
	2402 201	--- Cigarettes classified under Category A referred to in Part VI of the Schedule to the Tobacco Production and Marketing Regulations 1945	Kg	Specific per thousand	Rs 2370 per thousand cigarettes	"

Column 1	Column 2	Column 3	Column 4	Column 5	Column 6	
Heading No.	H.S. Code	Excisable goods	Statistical Unit	Taxable base	Rate of excise duty	Date payable
	2402.202	--- Cigarettes classified under Category B referred to in Part VI of the Schedule to the Tobacco Production and Marketing Regulations 1945	Kg	Specific per thousand	Rs 1770 per thousand cigarettes	(a) At the time the entry for the goods is validated in accordance with the Customs Act in case of import  (b) As specified in paragraph (6) in case of local manufacture
	2402.203	--- Cigarettes classified under Category C referred to in Part VI of the Schedule to the Tobacco Production and Marketing Regulations 1945	Kg	“	Rs 2010 per thousand cigarettes	“
	2402.204	--- Cigarettes classified under Category D referred to in Part VI of the Schedule to the Tobacco Production and Marketing Regulations 1945	Kg	“	Rs 2130 per thousand cigarettes	“
		- Other:				
	2402.901	--- Cigarettes classified under Category A referred to in Part VI of the Schedule to the Tobacco Production and Marketing Regulations 1945	Kg	“	Rs 2370 per thousand cigarettes	“
	2402.902	--- Cigarettes classified under Category B referred to in Part VI of the Schedule to the Tobacco Production and Marketing Regulations 1945	Kg	“	Rs 1770 per thousand cigarettes	“

Column 1	Column 2	Column 3	Column 4	Column 5	Column 6	
Heading No.	H.S. Code	Excisable goods	Statistica l Unit	Taxable base	Rate of excise duty	Date payable
	2402 903	--- Cigarettes classified under Category C referred to in Part VI of the Schedule to the Tobacco Production and Marketing Regulations 1945	Kg	Specific per thousand	Rs 2010 per thousand cigarettes	(a) At the time the entry for the goods is validated in accordance with the Customs Act in case of import  (b) As specified in paragraph (6) in case of local manufacture
	2402 904	--- Cigarettes classified under Category D referred to in Part VI of the Schedule to the Tobacco Production and Marketing Regulations 1945  - Other	Kg	"	Rs 2130 per thousand cigarettes	"
	2402 909	--- Other	Kg	"	Rs 2370 per thousand cigarettes	"
24 03		Other manufactured tobacco and manufactured tobacco substitutes, "homogenised" or "reconstituted" tobacco, tobacco extracts and essences  - Smoking tobacco, whether or not containing tobacco substitutes in any proportion				
	2403 109	--- Other	Kg	Ad valorem or value at importation	230%	"
	2403 91	- Other -- "Homogenised" or "reconstituted" tobacco	Kg	"	230%	"

Column 1	Column 2	Column 3	Column 4	Column 5	Column 6	
Heading No.	H.S. Code	Excisable goods	Statistical Unit	Taxable base	Rate of excise duty	Date payable
	2403 99	-- Other	Kg	Ad valorem or value at importation	230%	(a) At the time the entry for the goods is validated in accordance with the Customs Act in case of import  (b) As specified in paragraph (6) in case of local manufacture
27 10		Petroleum oils and oils obtained from bituminous minerals, other than crude, preparations not elsewhere specified or included, containing by weight 70% or more of petroleum oils or of oils being the basic constituents of the preparations, waste oils  - Petroleum oils and oils from bituminous minerals (other than crude) and preparations not elsewhere specified or included, containing by weight 70% or more of petroleum oils or of oils obtained from bituminous minerals, these oils being the basic constituents of the preparations, other than waste oils  --- Motor spirit, including aviation spirit				
	2710 1919	---- Other	L	Specific duty per litre	Rs 9 80 per litre	"



Column 1	Column 2	Column 3	Column 4	Column 5	Column 6	
Heading No.	H.S. Code	Excisable goods	Statistical Unit	Taxable base	Rate of excise duty	Date payable
	2710.195	--- Gas oils	L	Specific duty per litre	Rs 3 per litre	(a) At the time the entry for the goods is validated in accordance with the Customs Act in case of import  (b) As specified in paragraph (6) in case of local manufacture
87.03		Motor cars and other motor vehicles principally designed for the transport of persons (other than those of heading No. 87.02), including station wagons and racing cars.  - Other vehicles, with spark-ignition internal combustion reciprocating piston engine, excluding vehicles specially designed for travelling on snow, golf cars and similar vehicles, ambulances and hearses:  -- Of a cylinder capacity not exceeding 1,000 cc:  --- New:				
	8703.2113	---- Of a cylinder capacity not exceeding 550 cc	U	Ad valorem or value at importation	15%	“
	8703.2114	---- Of a cylinder capacity not exceeding 550 cc in completely knock down condition	U	“	0%	“
	8703.2119	---- Other	U	“	55%	“

Column 1	Column 2	Column 3	Column 4	Column 5	Column 6	
Heading No.	H.S. Code	Excisable goods	Statistical Unit	Taxable base	Rate of excise duty	Date payable
		--- Used:				
	8703.2193	---- Of a cylinder capacity not exceeding 550 cc	U	Ad valorem or value at importation	15%	(a) At the time the entry for the goods is validated in accordance with the Customs Act in case of import  (b) As specified in paragraph (6) in case of local manufacture
	8703.2199	---- Other	U	"	55%	"
		-- Of a cylinder capacity exceeding 1,000 cc but not exceeding 1,500 cc:				
		--- New:				
	8703.2212	---- Of a cylinder capacity not exceeding 1,250 cc	U	"	55%	"
	8703.2219	---- Other	U	"	55%	"
		--- Used:				
	8703.2292	---- Of a cylinder capacity not exceeding 1,250 cc	U	"	55%	"
	8703.2299	---- Other	U	"	55%	"
		-- Of a cylinder capacity exceeding 1,500 cc but not exceeding 3,000 cc:				
		--- New:				
	8703.2312	---- Of a cylinder capacity not exceeding 1,600 cc	U	"	55%	"

Column 1	Column 2	Column 3	Column 4	Column 5	Column 6	
Heading No.	H.S. Code	Excisable goods	Statistical Unit	Taxable base	Rate of excise duty	Date payable
	8703.2313	---- Of a cylinder capacity exceeding 1,600 cc but not exceeding 2,250 cc	U	Ad valorem or value at importation	100%	(a) At the time the entry for the goods is validated in accordance with the Customs Act in case of import  (b) As specified in paragraph (6) in case of local manufacture
	8703.2319	---- Other  --- Used:	U	"	100%	"
	8703.2392	---- Of a cylinder capacity not exceeding 1,600 cc	U	"	55%	"
	8703.2393	---- Of a cylinder capacity exceeding 1,600 cc but not exceeding 2,250 cc	U	"	100%	"
	8703.2399	---- Other  -- Of a cylinder capacity exceeding 3,000 cc:  --- New:	U	"	100%	"
	8703.2419	--- Other --- Used:	U	“	100%	“
	8703.2499	--- Other	U	“	100%	“

Column 1	Column 2	Column 3	Column 4	Column 5	Column 6	
Heading No.	H.S. Code	Excisable goods	Statistical Unit	Taxable base	Rate of excise duty	Date payable
		- Other vehicles, with compression-ignition internal combustion piston engine (diesel or semi-diesel), excluding vehicles specially designed for travelling on snow, golf cars and similar vehicles, ambulances and hearses:  -- Of a cylinder capacity not exceeding 1,500 cc:  --- New:				
	8703.3112	---- Of a cylinder capacity not exceeding 550 cc	U	Ad valorem or value at importation	15%	(a) At the time the entry for the goods is validated in accordance with the Customs Act in case of import  (b) As specified in paragraph (6) in case of local manufacture
	8703.3113	---- Of a cylinder capacity not exceeding 550 cc in completely knock down condition	U	"	0%	"
	8703.3114	---- Of a cylinder capacity exceeding 550 cc but not exceeding 1250 cc	U	"	55%	"
	8703.3119	---- Other	U	"	55%	"
		--- Used:				
	8703.3192	---- Of a cylinder capacity not exceeding 550 cc	U	"	15%	"
	8703.3193	---- Of a cylinder capacity exceeding 550 cc but not exceeding 1250 cc	U	"	55%	"
	8703.3199	---- Other	U	"	55%	"

Column 1	Column 2	Column 3	Column 4	Column 5	Column 6	
Heading No.	H.S. Code	Excisable goods	Statistical Unit	Taxable base	Rate of excise duty	Date payable
		-- Of a cylinder capacity exceeding 1,500 cc but not exceeding 2,500 cc:				
		--- New:				
	8703.3212	---- Of a cylinder capacity not exceeding 1,600 cc	U	Ad valorem or value at importation	55%	(a) At the time the entry for the goods is validated in accordance with the Customs Act in case of import  (b) As specified in paragraph (6) in case of local manufacture
	8703.3213	---- Of a cylinder capacity exceeding 1,600 cc but not exceeding 2,250 cc	U	"	100%	"
	8703.3219	---- Other	U	"	100%	"
		--- Used:				
	8703.3292	---- Of a cylinder capacity not exceeding 1,600 cc	U	"	55%	"
	8703.3293	---- Of a cylinder capacity exceeding 1,600 cc but not exceeding 2,250 cc	U	"	100%	"
	8703.3299	---- Other	U	"	100%	"
		-- Of a cylinder capacity exceeding 2,500 cc:				
		--- New:				
	8703.3319	---- Other	U	"	100%	"
		--- Used:				
	8703.3399	---- Other	U	"	100%	"

Column 1	Column 2	Column 3	Column 4	Column 5	Column 6	
Heading No.	H.S. Code	Excisable goods	Statistical Unit	Taxable base	Rate of excise duty	Date payable
		--- Other:				
	8703.9091	---- New, of a cylinder capacity not exceeding 1600 cc	U	Ad valorem or value at importation	55%	(a) At the time the entry for the goods is validated in accordance with the Customs Act in case of import  (b) As specified in paragraph (6) in case of local manufacture
	8703.9092	---- New, of a cylinder capacity exceeding 1600 cc	U	"	100%	"
	8703.9093	---- Used, of a cylinder capacity not exceeding 1600 cc	U	"	55%	"
	8703.9094	---- Used, of a cylinder capacity exceeding 1600 cc	U	"	100%	"
87.04		Motor vehicles for the transport of goods.  - Other, with compression-ignition internal combustion piston engine (diesel or semi-diesel), excluding dumpers, trucks of pick up type, lorries and vans, and their chassis fitted with engines and cabins only:  -- g.v.w. not exceeding 5 tonnes  --- Trucks of pick-up type with single or double space cabin:				
	8704.2112	---- New, with double space cabin	U	"	40%	"

Column 1	Column 2	Column 3	Column 4	Column 5	Column 6	
Heading No.	H.S. Code	Excisable goods	Statistical Unit	Taxable base	Rate of excise duty	Date payable
	8704.2114	---- Used, with double space cabin	U	Ad valorem or value at importation	40%	(a) At the time the entry for the goods is validated in accordance with the Customs Act in case of import  (b) As specified in paragraph (6) in case of local manufacture
		--- Motor vans, new:				
	8704.2132	---- Other, of a cylinder capacity not exceeding 1,250 cc	U	"	55%	"
	8704.2133	---- Other, of a cylinder capacity exceeding 1,250 cc but not exceeding 1600 cc	U	"	55%	"
	8704.2134	---- Other, of a cylinder capacity exceeding 1600 cc but not exceeding 2,250 cc	U	"	100%	"
	8704.2135	---- Other, of a cylinder capacity exceeding 2,250 cc	U	"	100%	"
		--- Motor vans, used:				
	8704.2142	---- Other, of a cylinder capacity not exceeding 1,250 cc	U	"	55%	"
	8704.2143	---- Other, of a cylinder capacity exceeding 1,250 cc but not exceeding 1600 cc	U	"	55%	"
	8704.2144	---- Other, of a cylinder capacity exceeding 1600 cc but not exceeding 2,250 cc	U	"	100%	"
	8704.2145	---- Other, of a cylinder capacity exceeding 2,250 cc	U	"	100%	"

Column 1	Column 2	Column 3	Column 4	Column 5	Column 6	
Heading No.	H.S. Code	Excisable goods	Statistical Unit	Taxable base	Rate of excise duty	Date payable
		- Other, with spark- ignition internal combustion piston engine, excluding dumpers, trucks of pick up type, lorries and vans, and their chassis fitted with engines and cabins only:  -- g.v.w. not exceeding 5 tonnes:  --- Trucks of pick-up type with single or double space cabin				
	8704.3112	---- New, with double space cabin	U	Ad valorem or value at importation	40%	(a) At the time the entry for the goods is validated in accordance with the Customs Act in case of import  (b) As specified in paragraph (6) in case of local manufacture
	8704.3114	---- Used, with double space cabin  --- Motor vans, new:	U	"	40%	"
	8704.3132	---- Other, of a cylinder capacity not exceeding 1,250 cc	U	"	55%	"
	8704.3133	---- Other, of a cylinder capacity exceeding 1,250 cc but not exceeding 1600 cc	U	"	55%	"
	8704.3134	---- Other, of a cylinder capacity exceeding 1600 cc but not exceeding 2,250 cc	U	"	100%	"



<b>Column 1</b>	<b>Column 2</b>	<b>Column 3</b>	<b>Column 4</b>	<b>Column 5</b>	<b>Column 6</b>	
<b>Heading No.</b>	<b>H.S. Code</b>	<b>Excisable goods</b>	<b>Statistical Unit</b>	<b>Taxable base</b>	<b>Rate of excise duty</b>	<b>Date payable</b>
	8704.3135	---- Other, of a cylinder capacity exceeding 2,250 cc	U	Ad valorem or value at importation	100%	(a) At the time the entry for the goods is validated in accordance with the Customs Act in case of import  (b) As specified in paragraph (6) in case of local manufacture
		--- Motor vans, used:				
	8704.3142	---- Other, of a cylinder capacity not exceeding 1,250 cc	U	"	55%	"
	8704.3143	---- Other, of a cylinder capacity exceeding 1,250 cc but not exceeding 1600 cc	U	"	55%	"
	8704.3144	---- Other, of a cylinder capacity exceeding 1600 cc but not exceeding 2,250 cc	U	"	100%	"
	8704.3145	---- Other, of a cylinder capacity exceeding 2,250 cc	U	"	100%	"

Column 1	Column 2	Column 3	Column 4	Column 5	Column 6	
Heading No.	H.S. Code	Excisable goods	Statistical Unit	Taxable base	Rate of excise duty	Date payable
87 11		Motorcycles (including mopeds) and cycles fitted with an auxiliary motor, with or without side-cars, side-cars  - With reciprocating internal combustion piston engine of a cylinder capacity exceeding 50 cc but not exceeding 250 cc  --- Of a cylinder capacity exceeding 125cc				
	8711 2091	--- New	U	Ad valorem or value at importation	45%	(a) At the time the entry for the goods is validated in accordance with the Customs Act in case of import  (b) As specified in paragraph (6) in case of local manufacture
	8711 2099	--- Used  - With reciprocating internal combustion piston engine of a cylinder capacity exceeding 250 cc but not exceeding 500 cc	U	“	45%	”
	8711 301	--- New	U	“	45%	”
	8711 309	--- Used	U	“	45%	”

Column 1	Column 2	Column 3	Column 4	Column 5	Column 6	
Heading No.	H.S. Code	Excisable goods	Statistical Unit	Taxable base	Rate of excise duty	Date payable
		- With reciprocating internal combustion piston engine of a cylinder capacity exceeding 500 cc but not exceeding 800 cc:				
	8711.401	--- New	U	Ad valorem or value at importation	45%	(a) At the time the entry for the goods is validated in accordance with the Customs Act in case of import  (b) As specified in paragraph (6) in case of local manufacture
	8711.409	--- Used	U	“	45%	”
		- With reciprocating internal combustion piston engine of a cylinder capacity exceeding 800 cc:				
	8711.501	--- New	U	“	45%	”
	8711.509	--- Used	U	“	45%	”

**FOURTH SCHEDULE***(section 18(zz))***FIRST SCHEDULE***(section 4)***PART I - INDIVIDUALS**

Income year commencing on -	Chargeable income	Rate of tax
(a) 1 July 2006	Chargeable income relating to net income other than income from interest -	
	On the first 500,000 rupees	15.0 per cent
	On the remainder	22.5 per cent
	Chargeable income relating to income from interest	15.0 per cent
(b) 1 July 2007	Chargeable income relating to net income other than income from interest -	
	On the first 500,000 rupees	15.0 per cent
	On the remainder	20.0 per cent
	Chargeable income relating to income from interest	15.0 per cent
(c) 1 July 2008	Chargeable income relating to net income other than income from interest -	
	On the first 500,000 rupees	15.0 per cent
	On the remainder	17.5 per cent
	Chargeable income relating to income from interest	15.0 per cent
(d) 1 July 2009 and in respect of every subsequent income year	On the total chargeable income	15.0 per cent

## PART II – COMPANIES

### Sub-Part A - Companies liable to tax at the rate of 25 per cent in respect of the year of assessment commencing on 1 July 2006

#### Rate of tax on chargeable income

Year of assessment commencing on -	Rate of tax
(a) 1 July 2007	22.5 per cent
(b) 1 July 2008	20.0 per cent
(c) 1 July 2009	17.5 per cent
(d) 1 July 2010 and in respect of every subsequent year of assessment	15.0 per cent

### Sub-Part B - Companies incorporated or registered on or after 1 July 2006 which, had they been in operation, would have been liable to tax at the rate of 25 per cent in respect of the year of assessment commencing on 1 July 2006

#### Rate of tax on chargeable income

Year of assessment commencing on -	Rate of tax
(a) 1 July 2007	22.5 per cent
(b) 1 July 2008	20 per cent
(c) 1 July 2009	17.5 per cent
(d) 1 July 2010 and in respect of every subsequent year of assessment	15.0 per cent

### Sub-Part C - Companies liable to tax at the rate of 15 per cent in respect of the year of assessment commencing on 1 July 2006 and companies incorporated or registered on or after 1 July 2006 and not falling under Sub-Part B

#### Rate of tax on chargeable income

Year of assessment commencing on -	Rate of tax
1 July 2007 and in respect of every subsequent year of assessment	15 per cent

**SECOND SCHEDULE***(sections 2 and 7)***Part I - Exempt bodies of persons**

1. A charitable institution or a charitable trust.
2. A société de secours mutuels.
3. A benevolent association.
4. A trade union.
5. A local authority.
6. The National Pensions Fund established under the National Pensions Act.
7. The Sugar Industry Pension Fund.
8. A superannuation fund.
9. A trust in respect of a superannuation fund.
10. The Agricultural Research Fund.
11. The Sugar Insurance Fund.
12. The Sugar Planters Fund.
13. The Sugar Employees Fund.
14. The Mauritius Sugar Authority.
15. An equity fund.
16. The Mauritius Sugar Industry Research Institute.
17. The Mauritius Sugar Terminal Corporation.
18. The Food and Agricultural Research Council.
19. A company holding a Category 2 Global Business Licence under the Financial Services Development Act 2001.
20. An international organisation approved by the competent authority.

## **Part II - Exempt income**

### **Sub-Part A - Emoluments**

1. Emoluments derived from the office of the President or Vice-President.
2. Any rent allowance payable to a person appointed to an office in -
  - (a) the Police Force;
  - (b) the Fire Services;
  - (c) the Forests Division of the Ministry of Agriculture and Natural Resources;
  - (d) the Prisons and Industrial School Service;
  - (e) the Ministry of Fisheries;
  - (f) the Department of Civil Aviation; or
  - (g) the Fire Unit of the Mauritius Marine Authority.
3. Any housing allowance not exceeding 100 rupees per month payable by an employer to an employee under any enactment or by virtue of an award made under an enactment.
4. Any transport allowance payable by an employer to an employee by virtue of the terms and conditions of service equivalent to -
  - (a) the return bus fare between residence and place of work;
  - (b) petrol allowance, commuted travelling allowance and travel grant payable by the Government of Mauritius and the local authority to their employees; or
  - (c) the actual petrol or travelling allowance paid or 25 per cent of the monthly basic salary up to a maximum of 6,980 rupees, whichever is the lesser, provided that the employee makes use of a private car registered in his own name for attending duty and for the performance of the duties of his office or employment.
5. Passage benefits provided under a contract of employment not exceeding 6 per cent of the monthly basic salary.
6. The first 1,000,000 rupees of the aggregate amount received -
  - (a) as 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;
  - (b) as lump sum under the National Savings Fund Act;

- (c) by way of retiring allowance; and
  - (d) by way of severance allowance determined in accordance with the Labour Act, on such conditions as may be prescribed.
7. Any reimbursement of medical expenses to home-based staff of overseas mission.
  8. Any advantage in money or in money's worth received as lump sum by an employee voluntarily terminating his contract of employment in the context of a factory closure pursuant to the Cane Planters and Millers Arbitration and Control Board Act or under the Voluntary Retirement Scheme under the Sugar Industry Efficiency Act 2001.
  9. Any benefit to an employee for a payment by his employer to provide a pension or retiring allowance for the employee or his dependents and which is an allowable deduction under section 22 or 61, as the case may be.
  10. Any benefit to an employee for a payment by his employer to a scheme approved by the Director-General to provide against medical expenses for the employee or his dependents and which is an allowable deduction under section 22 or 61, as the case may be.
  11. Emoluments of a non-citizen who holds office in Mauritius as an official of a Government other than the Government of Mauritius and is posted to Mauritius for that purpose.

#### **Sub-Part B - Dividends, Interest and Royalty**

1. Dividends -
  - (a) paid by a company resident in Mauritius ; or
  - (b) paid by a co-operative society registered under the Co-operative Societies Act.
2. Dividends or other distributions paid by a company holding a Category 2 Global Business Licence under the Financial Services Development Act 2001.
3. Interest payable on -
  - (a) a balance maintained in a bank holding a banking licence under the Banking Act 2004 by an individual who is not resident in Mauritius;
  - (b) call and deposit accounts held with any bank under the Banking Act 2004 by a corporation holding a Category 1 Global Business Licence under the Financial Services Development Act 2001.



4. Interest paid to a non-resident not carrying on any business in Mauritius by a corporation holding a Category 1 Business Licence under the Financial Services Development Act 2001 or by a bank holding a banking licence under the Banking Act 2004 in so far as the interest is paid out of gross income derived from its banking transactions with non-residents and corporations holding a Global Business Licence under the Financial Services Development Act 2001.
5. Royalty payable to a non-resident by a corporation holding a Category 1 Global Business Licence under the Financial Services Development Act 2001 or by a bank holding a banking licence under the Banking Act 2004 in so far as the royalty is paid out of gross income derived from its banking transactions with non-residents and corporations holding a Global Business Licence under the Financial Services Development Act 2001 or a trust, as the case may be.

### **Sub-Part C - Miscellaneous**

1. Gains derived by a planter, miller or service provider from the sale of land provided that the proceeds are used exclusively for the implementation of the Voluntary Retirement Scheme under the Sugar Industry Efficiency Act 2001 or used exclusively by a miller in compliance with the conditions imposed under section 24 of the Cane Planters and Millers Arbitration and Control Board Act, as the case may be.
2. Gains derived by any person from the sale of land previously acquired by him from a planter implementing the Voluntary Retirement Scheme under the Sugar Industry Efficiency Act 2001.
3. Gains derived from the sale of land converted pursuant to section 29(1)(c)(ii)(B), (e) or (f) of the Sugar Industry Efficiency Act 2001 provided that the proceeds are used exclusively for the implementation of the schemes specified in that section.
4. Income derived by any person in the form of maintenance allowance or other benefit provided in respect of his attendance at a university, college, school or other educational institution in terms of a scholarship, bursary, exhibition or other education award.
5. Income derived by a holder of a gaming house licence under the Gaming Act from the operation of his gaming house.
6. Interest, rents, royalties, compensations and other amounts paid by a company holding a Category 2 Global Business Licence under the Financial Services Development Act 2001 to a non-resident.
7. Gains or profits derived from the sale of units or of securities by a company holding a Category 1 Global Business Licence under the Financial Services Development Act 2001.
8. Gains or profits derived from the sale of shares, debt obligations or other securities of a company holding a Category 2 Global Business Licence under the Financial Services Development Act 2001 by a non-resident.

9. Income derived by the registered owner of a foreign vessel from the operation of the vessel.
  10. Income derived by the registered owner of a local vessel registered in Mauritius provided the income is derived from deep sea international trade only.
  11. (a) Income derived by a small enterprise or handicraft enterprise under the Small Enterprises and Handicraft Development Authority Act 2005 provided that -
    - (i) the enterprise operated by the person, other than a company, is converted into a company on or after 10 June 2006; or
    - (ii) the enterprise is operated by a company incorporated on or after 10 June 2006; and
    - (iii) the period of exemption of the income of the company does not exceed 4 income years as from the income year the company starts its operation.
  - (b) Notwithstanding the other provisions of this Act, any loss incurred by a company under paragraph (a) during the period of exemption of its income shall be available for deduction and carry forward under section 59.
  12. Income, which is expressly exempt from income tax by any other enactment to the extent of the exemption so provided.
-

**THIRD SCHEDULE**  
(section 27(2))

**Income Exemption Threshold**

<b>Individual</b>						<b>Amount (Rupees)</b>
Category A	...	...	...	...	...	215,000
Category B	...	...	...	...	...	325,000
Category C	...	...	...	...	...	385,000
Category D	...	...	...	...	...	425,000

**For the purposes of this Schedule –**

- (i) Category A refers to an individual who, in an income year, does not have any dependent;
- (ii) Category B refers to an individual who, in an income year, has one dependent only;
- (iii) Category C refers to an individual who, in an income year, has 2 dependents only; or
- (iv) Category D refers to an individual who, in an income year, has 3 or more dependents.

**FOURTH SCHEDULE**  
(sections 2, 105 and 108)

**PART I**

**Gross income specified in section 10(1)(b) and rent specified in section 10(1)(c)**

<b>CPS threshold</b>	
Turnover	300,000 rupees for the CPS quarter
Gross Income from profession, vocation or occupation	75,000 rupees for the CPS quarter
Rent	20,000 rupees per month

**PART II**

**Method to calculate tax under the current payment system (CPS)**

<i>Chargeable Income</i> Rs	<i>Tax</i> Rs
1 to 125,000	-      15 per cent of chargeable income
125,001 and over	18,750 + 22.5 per cent of excess over Rs 125,000

**FIFTH SCHEDULE***(section 111B(e))***Services**

Architect  
 Engineer  
 Land surveyor  
 Project manager in the construction industry  
 Property valuer  
 Quantity surveyor

**SIXTH SCHEDULE***(section 111C)***Deduction of tax at source****Part I - Rate**

<b>Amount or sum made available to the payee by way of -</b>	<b>Rate of tax</b>
1. Interest	15 per cent
2. Royalties	10 per cent
3. Rent	5 per cent
4. Payments to contractors and sub-contractors	2 per cent
5. Payments to providers of services	10 per cent

**Part II – Aggregate amount of deposits**

2,000,000 rupees

**SEVENTH SCHEDULE***(section 111M)*

<b>Area</b>	<b>Rate</b>
1. Floor area in the case of apartment, flat or tenement	30 rupees per square metre
2. Surface area of land in the case of any other residential property	10 rupees per square metre

**FIFTH SCHEDULE***(section 19(w))***EIGHTH SCHEDULE***(section 45A(3))*

<b>Deed of transfer -</b>	<b>Exemption from payment of duty or tax under -</b>
(a) witnessing the transfer of property for consideration or by way of donation -	
(i) by an ascendant on the one hand to a descendant or the latter's spouse or surviving spouse on the other hand;	Part II, Part III and Part VIA
(ii) where the transferor has acquired the property transferred through inheritance or legacy from his spouse, an ascendant, a descendant, a brother or sister;	Part III
(iii) to a charitable trust under the Trusts Act 2001 or to a religious body under the Registration Duty Act; or	Part II, Part III and Part VIA
(iv) between the heirs of a deceased person of property acquired by inheritance from that person.	Part II, Part III and Part VIA
(b) witnessing the transfer of property between spouses	Part II, Part III and Part VIA
(c) where the transfer is made to a company holding an investment certificate in respect of a project under the Integrated Resort Scheme prescribed under the Investment Promotion Act, provided that the transferor holds shares in the company equivalent to at least the value of the land transferred.	Part II and Part III

<b>Deed of transfer -</b>	<b>Exemption from payment of duty or tax under -</b>
(d) witnessing that property brought by way of an “apport” by a partner in a partnership either prior to its constitution and registration or thereafter is, on dissolution of the partnership or in any other manner, attributed to any person other than the one who brought that property into the partnership, unless the person has, at the time of joining the partnership, paid taxes under this Act and proportional duty under the Registration Duty Act; or where a deed by which a partner withdraws ( <i>se désintéresse</i> ) from a partnership owning property, or entitled to property either directly or indirectly by the constitution of successive partnerships, which another partner previously joined, unless the partner who previously joined the partnership –	Part II and Part III
(i) has, at the time of joining the partnership, paid taxes under this Act and proportional duty under the Registration Duty Act; and	
(ii) pays taxes under this Act and proportional duty under the Registration Duty Act on the value of his withdrawal from the partnership.	
(e) where the transfer is made -	
(i) to the Government of Mauritius;	Part III
(ii) to diplomatic missions;	Part II
(iii) by diplomatic missions;	Part III
(iv) to local authorities;	Part II
(v) by local authorities;	Part III
(vi) by National Housing Development Company Ltd;	Part III
(vii) by National Housing Development Company Ltd and the immovable property is subsequently acquired by the company;	Part II and Part III
(viii) to Lois Lagesse Foundation.	Part II

<b>Deed of transfer -</b>	<b>Exemption from payment of duty or tax under -</b>
(f) witnessing the transfer of assets or shares between companies forming part of a group of companies as defined in the Companies Act 2001.	Part II, Part III and Part VIA
(g) witnessing the transfer of shares, where the transfer takes place between companies having the same shareholders for the sole purpose of achieving a merger.	Part II and Part VIA
(h) witnessing the transfer of undertaking by a partnership or société to a company where the partners or the associates of the partnership or société and the shareholders of the company are the same persons.	Part II, Part III and Part VIA



**SIXTH SCHEDULE**  
(section 21)

**SCHEDULE**  
(section 2)

**PART I**

<i>Office</i>	<i>Annual Allowance</i>  <i>with effect from</i> <i>1 July 2006</i> <i>(Rupees)</i>
Prime Minister ... ..	1,407,000
Deputy Prime Minister ... ..	1,042,200
Speaker ... ..	984,300
Minister ... ..	984,300
Leader of the Opposition ... ..	781,680
Chief Government Whip ... ..	648,480
Parliamentary Private Secretary ... ..	648,480
Deputy Speaker ... ..	535,560
Opposition Whip ... ..	535,560
Chairman of the Public Accounts Committee ...	506,640
Deputy Chairman of Committees ... ..	506,640
Deputy Chief Government Whip ... ..	506,640

**PART II**

<i>Office</i>	<i>Annual Allowance</i>  <i>with effect from</i> <i>1 July 2006</i> <i>(Rupees)</i>
Member ... ..	405,300

**SEVENTH SCHEDULE***(section 24(ε))***SECOND SCHEDULE***(section 10(3)(b))***PART I - Zone**

	A	B	C	D	E
1	From the public beach south of Trou aux Biches Hotel to Anse La Raie Youth Camp	From the Junction of Japonnais Road with Pointe aux Piments - Mon Choisy Coast Road to the public beach south of Trou aux Biches Hotel	From the mouth of Rivulet Terre Rouge to the Junction of Japonnais Road with Pointe aux Piments - Mon Choisy Coast Road	From the mouth of River Poste de Flacq to Pointe de Flacq Cemetery	From the mouth of Rivière Sèche to the mouth of Rivière La Chaux
2	From Pointe de Flacq Cemetery to the Fish Landing Station at Palmar	From the mouth of Rivière du Rempart to the boundary between Rivière du Rempart and Flacq Districts	From Anse la Raie Youth Camp to the mouth of Rivière du Rempart	From the mouth of Rivière des Anguilles to the intersection of Pas Géométriques l'Embrasure with Black River Savanne Coast Road	From Pas Géo-métriques La Cambuse to the mouth of Rivière des Anguilles
3	From Pointe Jérôme Youth Camp to Pas Géométriques La Cambuse	From the Fish Landing Station at Palmar to the mouth of Rivière Sèche	From the boundary between Rivière du Rempart and Flacq Districts to the mouth of River Poste de Flacq	From Pas Géométriques Mon Plaisir to Petit Verger Prisons Grounds	From Pas Géo-métriques Comtesse de La Marque to the mouth of Petite Rivière Noire
4	From the intersection of Pas Géométriques l'Embrasure with the Black	From the mouth of Petite Rivière Noire to the mouth of Grande Rivière	From the mouth of Rivière La Chaux to Pointe Jérôme	—	—

	River Savanne Noire excluding Youth Camp Coast Road (B9) to Pas Géométriques Comtesse de La Marque Ilot Fortier			
5	From the mouth of Grand Rivière Noire to the mouth of River Tamarin	–	From the mouth of River Tamarin to Pas Géométriques Wolmar	–
6	From Pas Géométriques Wolmar to Flic en Flac Public Beach	–	From Flic en Flac Public Beach to Pas Géométriques Mon Plaisir	–
7	–	–	From Petit Verger Prisons Grounds to the mouth of Grand River North West	–
	–			–
				Ilot Fortier
				–

#### **PART II – Premium and annual rental**

	<i>Zone A</i>	<i>Zone B</i>	<i>Zone C</i>	<i>Zone D</i>	<i>Zone E</i>
	<i>Rs</i>	<i>Rs</i>	<i>Rs</i>	<i>Rs</i>	<i>Rs</i>
Premium per Arpent	5 m	4 m	3.5 m	3 m	2.5 m
Annual rental per arpent	250,000	200,000	175,000	150,000	125,000
Minimum annual rental per site	25,000	20,000	15,000	12,500	10,000

For the purposes of Part II of this Schedule -

- (a) the annual rental shall be reviewed every 3 years to reflect market rental;
- (b) the premium may be paid in instalments over a period not exceeding 5 years with interest at legal rate, as may be approved by the Minister;
- (c) the above figures shall apply to a campement site with a sea frontage; and
- (d) the above figures shall be reduced by 25 per cent for a campement site without a sea frontage.

In this Schedule -

“campement site with a sea frontage” means a campement site which abuts the sea, the highwater mark of the sea, the seashore, a beach, a clifftop or any unleased strip of State land adjoining the seashore.

**EIGHTH SCHEDULE**  
(*section 25(u)(iv) and (vi)*)

**FIRST SCHEDULE**  
(*section 3*)

**PART A**

**Part IV - Special Duty**

- |    |   |   |
|----|---|---|
| 1. | Registration of a notice under article 2202 - 44 of the Code Civil Mauricien.   | 1,000 rupees  |
| 2. | Recording of Memorandum of inventory under article 2202 – 49 of the Code Civil Mauricien.   | 200 rupees  |
| 3. | Recording of the renewal of a " <i>sûreté fixe ou flottante</i> " under articles 2202 - 10 and 2203 – 6 of the Code Civil Mauricien.  | 1,000 rupees  |
| 4. | (a) Registration of a deed witnessing the purchase of a residential property under the Integrated Resort Scheme prescribed under the Investment Promotion Act.  | In the case of a non-citizen or a company registered as a foreign company under the Companies Act 2001, 70,000 US dollars or its equivalent in Euro or GB pounds sterling; or<br>In the case of a citizen of Mauritius or a company incorporated under the Companies Act 2001, 70,000 US dollars or its equivalent in Euro, GB pounds sterling or in Mauritius currency |
|    | (b) Where the deed referred to in paragraph (a) is made under condition precedent ( <i>clause suspensive</i> ), the provisions of items 10, 12, 13 and 14 of paragraph J of Part I of the First Schedule shall not apply. | -   |

**PART B**

**Part VII – Rate of Duty on -**

- (a) any lease agreement entered into by a leasing company;
- (b) any obligation, agreement, promise to pay, account (*arrêté de comptes*), transfer, cession and delegation of a claim payable at a fixed future date, delegation of sale price stipulated in a contract for the payment at a fixed future date where the deed in respect of which the claim is payable is not stated to have been registered, subject to a refund of the duty where the deed is subsequently produced and is shown to have been registered, acknowledgement by a person other than an officer of the deposit of a sum of a money;
- (c) any deed containing creation of a mortgage or privilege or instrument containing creation of fixed or floating charge or a pledge in accordance with Article 2112 to 2119 of the Code Civil Mauricien,

<b>Aggregate amount -</b>	<b>Rupees</b>
(a) not exceeding 300,000 rupees	1,000
(b) exceeding 300,000 rupees but not exceeding 500,000 rupees	3,000
(c) exceeding 500,000 rupees but not exceeding 1,000,000 rupees	10,000
(d) exceeding 1,000,000 rupees but not exceeding 5,000,000 rupees	30,000
(e) exceeding 5,000,000 rupees	50,000

**NINTH SCHEDULE***(section 28)***SCHEDULE***(section 3)*

First Column	Second Column Rupees
1. Constitution of company or partnership	500
2. Copy of constitution of company or partnership for transcription	500
3. Deed of <i>règlement de co-propriété</i>	500
4. Copy of deed of <i>règlement de co-propriété</i> for transcription	500
5. Document witnessing transfer of property	500
6. Copy of document witnessing transfer of property for transcription	500
7. Loan agreement	500
8. Copy of loan agreement for inscription	500
9. Instrument of fixed charges, floating charges, pledge or <i>gage sans déplacement</i> , in respect of each original	500
10. Lease agreement by a leasing company in respect of each original	500
11. Any other deed drawn up by notary	300
12. Copy of any other deed drawn up by notary for transcription or inscription	300
13. Any other document presented for registration, transcription or inscription, in respect of each original or copy	100

**TENTH SCHEDULE***(section 36)***THIRD SCHEDULE***(sections 62, 63 and 64)***TARIFF OF FEES, DUES AND CHARGES**

	<i>Rupees</i>
1. For transcribing a document	200
2. For inscribing -	
(a) a mortgage or a privilege	200
(b) a fixed or floating charge ( <i>sureté fixe ou flottante</i> ) in accordance with article 2202-10 or 2203-6 of the Code Civil Mauricien	200
(c) a pledge ( <i>gage sans déplacement</i> ) in accordance with articles 2112 to 2119 of the Code Civil Mauricien	200
3. For the renewal of an inscription of mortgage or privilege	200
4. For every entry in the margin of a transcription or an inscription	200
5. For final or partial erasure of a transcription or an inscription	200
6. For a certificate -	
(a) on a memorandum of seizure showing the day and hour at which it is presented	100
(b) of refusal to transcribe a seizure on account of previous seizure	100
(c) of transcription or non transcription of a document	100
(d) of an entry in respect of a transcription or inscription	100
(e) of erasure of a transcription or of an inscription	100
(f) showing whether a property is burdened or not with any inscription -	
(i) for every person specified	100
(ii) for every sheet of the certificate	100
(iii) for every sheet of the copy of the inscription	100
7. For making searches in the records in the custody of the Conservator of Mortgages per person -	
(a) per day or fraction of a day	100
(b) per month	1,000
8. Storage fee for non-collection of notarial deed after the date specified in the written notification by the Conservator	1,000 per deed, per month or part of the month



**FOURTH SCHEDULE***(section 62)***FEE**

For every sheet of a certified photocopy or printout issued

50 rupees

**ELEVENTH SCHEDULE***(section 31(v)(ii))***Items**

53. Blood glucose strip of H.S. Code 3822.001
54. Lancets of heading 90.18 and glucometer of H.S. Code 9027.801
55. Equipment for medical, surgical and dental uses, of heading 90.18 and of H.S. Codes 9006.301, 9019.105, 9019.20, 9022.12, 9022.13, 9022.14, 9022.21, 9022.30, 9022.901, 9022.902, 9022.909, 9027.801, 9402.101, 9405.103 and 9405.403
56. Cotton of headings 52.01, 52.02 and 52.03
57. Pearls, diamonds, stones, silver and platinum including waste and scrap, of headings 71.01, 71.02, 71.03, 71.05, 71.06, 71.10 and 71.12 and of H.S. Codes 7104.20 and 7104.90
58. Machinery and equipment, of headings 84.44 to 84.49 and 84.51 and of H.S. Codes 8452.21, 8452.29, 8452.40 and 8452.90

**TWELFTH SCHEDULE***(section 31(x)(ii))***Items**

10. Dyes, products and preparations, of heading 38.09 and of H.S. Codes 3204.11 to 3204.17, 3204.19 and 3212.901
11. Raw hides and skins and leather of headings 41.01 to 41.15
12. Silk, silk yarn and woven fabrics of silk, of headings 50.02 to 50.07
13. Wool and other animal hair, yarn and woven fabrics made of wool or other animal hair, of headings 51.01 to 51.13
14. Cotton sewing thread, yarn and woven fabrics of cotton, of headings 52.04 to 52.12

15. Vegetable fibres, yarn and woven fabrics of vegetable fibres, of headings 53.01 to 53.11
16. Sewing thread, yarn, fabrics of synthetic, artificial or man-made filaments, of headings 54.01 to 54.08
17. Yarn and fabrics of synthetic, artificial or man-made staple fibres, of headings 55.01 to 55.16
18. Wadding and nonwovens, of heading 56.03 and of H.S. Codes 5601.211, 5601.221, and 5601.291
19. Rubber thread and cord, yarn and strip and the like, of headings 56.04, 56.05 and 56.06.
20. Fabrics of headings 58.01 to 58.04, 58.06, 58.09, 59.03, 59.06, 60.01 to 60.06 and of H.S. Code 5907.001
21. Labels, embroidery in the piece and the like, of headings 58.07, 58.08, 58.10 and 58.11 and of H.S. Code 6307.902
22. Buttons, press-fasteners, snap-fasteners and press studs, button moulds and other parts of these articles; button blanks, of heading 96.06
23. Slide fasteners and parts thereof, of heading 96.07
24. Dyeing services

**THIRTEENTH SCHEDULE**

*(section 31(y))*

**SIXTH SCHEDULE**

*(section 15)*

**Annual turnover of taxable supplies**

2 million rupees

**FOURTEENTH SCHEDULE**  
*(section 31(zb))*

**ELEVENTH SCHEDULE**  
*(sections 53B and 53H)*

**Part I – Business**

1. Hotel
2. Hotel management
3. Tour operator

**Part II – Rate of levy**

0.85 per cent