



Relocation to Mauritius



ESTONE

MANAGEMENT SERVICES

ESTONE LIMITED, Level 7, ICONEBENE
Lot B441, Rue de L'Institut, Ebene, Mauritius

Table of Contents

RELOCATION TO MAURITIUS	2
ACQUISITION OF REAL ESTATE	2
WITH AN OCCUPATIONAL PERMIT (OP)	2
1. Self-employed	2
2. Professional permit	3
3. Investor permit	3
WITH A RETIRED PERMIT	3
PERMANENT RESIDENCE PERMIT	3
PREMIUM VISA	4
DEPENDENTS OF A PERMIT HOLDER.....	4
PREMIUM INVESTOR SCHEME.....	5
INCOME TAX IN MAURITIUS FOR INDIVIDUALS	5
a. Chargeable Income	5
b. Social Security Contributions.....	6
c. Taxation of premium visa holders.....	7
INTERNATIONAL SCHOOLS	7
HOW CAN ESTONE LIMITED HELP?	7

RELOCATION TO MAURITIUS

Mauritius is an increasingly popular destination for expatriate professionals, investors and retirees drawn to the island by its healthy economy, natural beauty, agreeable climate, modern infrastructure and government policy.

Those who have already made Mauritius home on either a temporary or permanent basis value the island's political stability and the quality of life it offers in terms of safety, first class international schools, good medical services and telecommunication infrastructure.

For businessmen, the favourable regulatory and business ecosystem, the progressive economy and the ease with which it is possible to do business are the key factors attracting them to the island. There are four ways to obtain residence in Mauritius:

- a. By acquiring real estate
- b. With an Occupational Permit
- c. With a Retired Permit
- d. With a Permanent Residence Permit

ACQUISITION OF REAL ESTATE

Non-citizens are allowed to acquire residential property in Mauritius under schemes approved by the Economic Development Board. A non-citizen who acquires a residential property for a sum exceeding USD 375,000 is eligible to apply for a residence permit and retains the status of resident as long as the residential property is not disposed of. There is no restriction on the rental of the residential property purchased.

Residence obtained through the purchase of real estate is not the same as work or occupational permit. A separate permit is needed to engage in any other business activity in Mauritius.

WITH AN OCCUPATIONAL PERMIT (OP)

The OP is a combined work and residence permit that takes a variety of forms.

1. Self-employed

A self-employed is defined as a non-citizen engaged in a professional activity under the services sector only and registered with the Registrar of Businesses under the Business Registration Act. A self-employed operates a one-person business activity, working exclusively for his/her own.

The self-employed should make an initial transfer of USD 35,000 or its equivalent in freely convertible foreign currency to his local bank account in Mauritius and to renew his permit, the business activity should generate MUR 800,000 per year, as from the third year of registration.

2. Professional permit

A professional is an expatriate employed in Mauritius by virtue of a contract of employment. A professional should earn a monthly basic salary of at least MUR 30,000.

The holder of a professional occupational permit may invest in any business where he is employed, provided that he is not employed in the business or he does not manage the business or he does not derive any salary or employment benefits from the business.

Notwithstanding the above, a professional may hold shares in a business where he is employed, provided the holder of the occupational permit is not a majority shareholder.

3. Investor permit

An investor is a shareholder and director of a company incorporated in Mauritius under the Companies Act 2001. An investor is eligible to apply for an investor occupational permit by making an initial transfer of USD 50,000 or its equivalent in free convertible currency in the bank account of the company under which the application will be made.

To renew an investor occupational permit, the company should generate a minimum gross income of MUR 4 million per year, as from its third year of registration.

A company may have more than an investor. The initial investment and annual turnover will be a multiple of the number of investors in the company.

WITH A RETIRED PERMIT

A retired non-citizen is defined as a 50+ year old who is not a citizen of Mauritius.

A retired non-citizen should make an initial transfer of at least USD 1,500, and thereafter, a monthly transfer of USD 1,500 or the aggregate of at least USD 18,000 or its equivalent in freely convertible foreign currency during the ten-year validity of his permit, to this local bank account in Mauritius.

At the end of each year, the retired non-citizen should submit to the Economic Development Board, the evidence of transfer of funds into his local bank account.

A retired non-citizen is not allowed to engage into gainful activity in Mauritius; but may invest in any business, provided that he is not employed in the business or he does not manage the business or he does not derive any salary or employment benefits from the business.

PERMANENT RESIDENCE PERMIT



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The holder of an occupational or residence permit is eligible to apply for a 20-year residence permit, provided he is:

- (i) An investor who has been holding an occupational permit for at least three years and whose company generates a minimum annual gross income of at least MUR 15 million or an aggregate turnover of MUR 45 million for any consecutive three-year period.
- (ii) A professional who has been holding an occupational permit for at least three years and who has earned a basic monthly salary of at least MUR 150,000 for the three years.
- (iii) A self-employed who has been holding an occupational permit for at least three years and who has earned an annual business income of at least MUR 3 million for the three years.
- (iv) A retired non-citizen who has been holding a resident permit for at least three years and who has transferred at least USD 54,000 or its equivalent in freely convertible foreign currency for the three years.

PREMIUM VISA

Mauritius has introduced a Premium Travel Visa to allow a non-citizen to stay in Mauritius for a period of one year, renewable. This scheme is open to eligible foreigners as tourists, retirees or professionals willing to come with their families to live, carry out business or work remotely from Mauritius.

The applicant should not enter the Mauritius labour market and the main place of business and/or source of income/profits relating to the activities of the company for which the applicant works should be outside Mauritius.

A Premium Visa holder may be subject to tax in Mauritius on income derived from Mauritius. Income derived for work performed remotely from Mauritius shall be deemed to be derived in Mauritius when it is remitted in Mauritius. Money spent in Mauritius through the use of a foreign credit or debit card will not constitute as income remitted in Mauritius. On the other hand, money deposited in a Mauritian bank account will be subject to tax in Mauritius, unless the Premium Visa holder makes a declaration that tax has been paid on that income in his country of origin or residence.

A holder of a Premium Visa is permitted to apply for an Occupation Permit if he intends to work or invest in Mauritius or a Residence Permit as a retired non-citizen.

DEPENDENTS OF A PERMIT HOLDER

The dependents of an occupational or residence permit holder are eligible to apply for a residence permit. Dependents are defined as the spouse (including common law partner), parents and children (including stepchildren or lawfully adopted children under 24 years old or the child of his spouse).



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Application for a residence permit for a dependent is submitted after obtention of the occupational or residence permit by the main holder, at the Passport and Immigration Office.

PREMIUM INVESTOR SCHEME

For the purpose of promoting emerging sectors, pioneer industries and first movers, innovative technologies and industries, a Premium Investor Scheme (PIS) relating to the manufacture of pharmaceuticals and medical devices has been introduced. A minimum investment of MUR 500 million is required under the PIS.

The benefits under the PIS are:

- Rebates, exemptions and preferential rates in relation to taxes, duties, fees, charges and levies; and
- Facilities, grants and exemptions in relation to land and buildings, infrastructure and public facilities, utilities and labour requirements including foreign labour.

INCOME TAX IN MAURITIUS FOR INDIVIDUALS

a. Chargeable Income

Mauritius has a self-assessment tax system. An individual pays tax on income derived during the preceding year. The fiscal year runs from 1 July to 30 June.

An individual is considered to be a tax resident of Mauritius in respect of an income year where he:

- Has his domicile in Mauritius unless his permanent place of abode is outside Mauritius;
- Has been present in Mauritius for at least 183 days; or
- Has been present in Mauritius in the current income year and the 2 preceding income years for an aggregate period of at least 270 days.

A progressive tax table has been introduced.



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Annual Chargeable Income (MUR)	Tax rate
First 390 000	0%
Next 40 000	2%
Next 40 000	4%
Next 60 000	6%
Next 60 000	8%
Next 300 000	10%
Next 300 000	12%
Next 300 000	14%
Next 400 000	16%
Next 500 000	18%
On the remainder	20%

No tax is required to be deducted under the Pay-As-You-Earn system from the monthly emoluments of an employee where the emoluments do not exceed MUR 30,000.

An individual is entitled to deduct from his net income the premium paid up to MUR 15,000 (€ 300) in that income year in respect of a medical or health insurance policy or contribution to an approved provident fund, for himself and his dependent in respect of whom he has claimed a deduction.

Residents, which include non-citizens with a work or residence permit, are subject to income tax in Mauritius on income, which is derived from Mauritius. Income derived by a resident individual from outside Mauritius is taxable in Mauritius on being remitted to Mauritius. You may want to structure your income in such a way in order to be more tax efficient. We can assist you in this regard.

b. Social Security Contributions

The provisions of the regulations relating to Contribution Sociale Généralisée (CSG) provide as follows:

- (i) For an employee earning a remuneration not exceeding MUR 50,000 per month, an employee must pay CSG at a rate of 1.5% of the remuneration, while the employer must pay CSG at a rate of 3.0% of the remuneration.
- (ii) For an employee earning a remuneration exceeding MUR 50,000 per month, an employee must pay CSG at a rate of 3.0% of the remuneration, while the employer must pay CSG at a rate of 6.0% of the remuneration.

Employers must contribute 2.5% of remuneration to the National Savings Fund, subject to a maximum of MUR 469 per month per employee and to pay a monthly levy of 1.5% of basic salaries and wages of every employee. Employees are required to pay a 1% levy, subject to a maximum amount of MUR 187 per month.



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c. Taxation of premium visa holders

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Money spent in Mauritius through the use of a foreign credit or debit card is not deemed to be income remitted in Mauritius. On the other hand, money deposited in a Mauritian bank account is considered as income remitted in Mauritius and is subject to tax in Mauritius, unless a declaration is made to the effect that the required tax has been paid in the country of origin or residence.

INTERNATIONAL SCHOOLS

Many families who are relocating to Mauritius have benefitted from the world-renowned pre-primary learning program adopted in several Mauritian schools. Turning to the primary and secondary grades, Mauritius also offers several choices on international schools with teaching programmes either in English or French.

HOW CAN ESTONE LIMITED HELP?

If moving home is stressful, relocating one's family and business to another country can be overwhelming. We are experienced in addressing the concerns that arise during the process and will assist you throughout the process to ensure a smooth and efficient move.

The following are the services provided by ESTONE to non-citizens who wish to work and live in Mauritius:

- Assisting and providing guidance with the application for a permit or visa
- Liaising with banks in Mauritius for the opening of personal bank accounts
- Setting up and administering companies for Investors
- Facilitating the establishment of employment contract for professionals
- Assisting with personal tax filings with the Mauritius Revenue Authority
- Providing guidance on the purchase or rent of immovable property in Mauritius

We would be delighted to advise you further on the structuring of your business, connect you with one of the tax partners we work with and assist you with application process with the Economic Development Board.

If you would like any further information, please do not hesitate to contact us on the details below:

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