



Global Business Regime



ESTONE

MANAGEMENT SERVICES

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

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GLOBAL BUSINESS REGIME

GLOBAL BUSINESS IN MAURITIUS

Global Business is a regime available in Mauritius for resident corporations proposing to conduct business outside of Mauritius. Global Business is regulated by the Financial Services Commission ('FSC') under S71 of the Financial Services Act 2007. The two types of companies available are:

- 1) Global Business Company; and
- 2) Authorised Company.

GLOBAL BUSINESS COMPANY

A non-citizen of Mauritius who either holds or controls the majority of its shares in a Mauritian Company, which will conduct business principally outside Mauritius and which will be managed and controlled in or from Mauritius, needs to apply for Global Business Licence.

The Global Business Company is resident for tax purposes in Mauritius and can thus avail itself of the benefits of the double taxation treaties signed by Mauritius with many countries.

The Global Business Company will be required, at all times, to:

- (a) have a minimum level of expenditure, which is proportionate to its business activities;
- (b) employ, either directly or indirectly, a reasonable number of suitably qualified persons to carry out its core income generating activities in or from Mauritius;
- (c) be managed and controlled from Mauritius:
 - Have at least 2 directors resident in Mauritius of sufficient calibre to exercise independence of mind and judgment on its board of directors
 - Maintain, at all times, its principal bank account in Mauritius
 - Maintain, at all times, its accounting records at its registered office, in Mauritius
 - Prepare its yearly financial statements and cause them to be audited in Mauritius
 - Provide for the meetings of its board of directors to include at least two directors from Mauritius;
- (d) be administered by a Management Company.



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AUTHORISED COMPANY

A company that is principally owned by non-citizens of Mauritius and that carries out its activities outside of Mauritius, and which is centrally managed and controlled outside of Mauritius, has to apply with the Financial Services Commission to operate as an Authorised Company.

An Authorised Company must in fact have its place of effective management outside of the Mauritian jurisdiction to be exempted from paying tax in Mauritius.

COMPARISON TABLE

Some salient features of the Global Business Company and Authorised Company.

FEATURES	GLOBAL BUSINESS COMPANY	AUTHORISED COMPANY
Registered Office	Mauritius	Mauritius
Place of Central Management and Control	Mauritius	Outside Mauritius
Economic substance requirement in Mauritius	Yes	No
Core Income Generating Activities (CIGA)	Must be in Mauritius	Must be outside Mauritius
Directorship	At least 2 resident directors No corporate directors Non-resident directors allowed	At least 1 director Corporate director allowed Resident director is optional



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Shareholding	<p>Corporate shareholder allowed</p> <p>Shares can be held by a majority of non-citizens</p> <p>Mauritian resident may hold beneficial interest</p> <p>No minimum capital requirement, except for certain types of financial activities, such as insurance, securities</p>	<p>Corporate shareholder allowed</p> <p>Shares can be held by non-citizens only</p> <p>Mauritius resident may not hold beneficial interest</p> <p>No minimum capital requirement</p>
Beneficial Ownership	No publicly accessible records	No publicly accessible records
Resident company secretary	Statutory requirement	Not required
Dealings with Residents	Can deal with resident, subject to the approval of the FSC	Not allowed
Activities	<p>Can only undertake activities set out in the Business Plan filed with the FSC at the time of application for a licence or as amended and notified to the FSC</p> <p>May engage in financial services activities</p>	<p>Can only undertake activities set out in the Business Plan filed with the FSC at the time of application for a licence or as amended and notified to the FSC</p> <p>Cannot engage in financial services activities</p>
Licensing Conditions	Depend on the activity of the Global Business Company	Standard licensing conditions
Access to Double Taxation Agreement benefits	Yes	No
Corporate Tax in Mauritius	0-15% (a)	Exempt
VAT (15%) registration in Mauritius	No (b)	No



Accounts and Returns	Annual audited financial statements to be prepared as per IFRS and submitted to the FSC within 6 months of the financial year end or 3 months for those holding certain types of financial services activity licence Records not publicly accessible	Annual financial summary as per the form in the ninth schedule to the Companies Act 2002 to be filed within 6 months of financial year end Records not publicly accessible
Filing of Tax Return	Yes, and quarterly tax filing in respect of its chargeable income for each quarter	Yes (Nil Tax Return)
Tax certificate	Taxable entity in Mauritius and as such, qualifies as a Tax Resident entity and may apply for a Tax Residence Certificate	Not taxable entity in Mauritius and consequently not eligible for a Tax Residence Certificate
Employment of expatriates in Mauritius	Yes	No
Financial Services	Allowed	Not allowed

Notes:

- (a) A Global Business Company is taxed at 15% on its profits. Partial tax exemption of 80% apply on foreign sourced income as follows: foreign dividends, foreign interest, foreign Collective Funds, income from leasing of aircraft/ships, sale, financing arrangement, asset management of aircraft and its spare parts and aviation advisory services, insurance & reinsurance brokering and income from ship and aircraft leasing.

Tax credits can also be claimed on actual foreign tax suffered in the form of withholding tax, underlying tax and tax sparing credit.

Companies engaged in international buying and selling of goods are taxed at 3%.

There are no capital gains tax, no withholding tax on dividends, interest and royalties.

- (b) A GBC is not required to be VAT registered if all its activities are outside Mauritius. However, if a GBC has taxable supplies in Mauritius (standard and zero rated) and its total taxable supplies exceed the threshold of Rs6M annually, VAT registration is applicable.



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HOW WE CAN HELP – OUR SERVICES

The Financial Services Commission is the independent regulator of financial services other than banking and Global Business in Mauritius. Its regulatory mandate is to license, monitor and supervise the conduct of business activities in line with the internationally recognised principles and standards under the legal framework of the Financial Services Act 2007.

A company opting to be regulated under the Global Business regime must apply for a licence or authorisation through a Management Company, which is licensed by the Financial Services Commission.

If you would like any further information on structuring and setting up a company under the Global Business Regime in Mauritius, please do not hesitate to contact us on the details below:

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