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Tax Services

# Tax Card 2014

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# Budget 2014 - Tax Card

This Tax Card is based on current tax legislation as updated by the proposals set out as per the Budget 2014 and is subject to enactment

Personal Income Tax Rate		
Year of Assessment	2015	2014
Income Year Ended	31.12.14	31.12.13
Flat rate on income	15%	15%

Income Exemption Threshold		
Year of Assessment	2015	2014
Income Year Ended	31.12.14	31.12.13
	MUR	MUR
Category A (1)	275,000	270,000
Category B (2)	385,000	380,000
Category C (3)	445,000	440,000
Category D (4)	485,000	480,000
Category E (5)	325,000	320,000
Category F (6)	435,000	430,000

**Note:**

1. An individual with no dependent
2. An individual with one dependent only
3. An individual with 2 dependents only
4. An individual with 3 or more dependents
5. A retired/disabled person with no dependent
6. A retired/disabled person with one dependent only

CPS Threshold		
Year of Assessment	2015	2014
Income Year Ended	31.12.14	31.12.13
	MUR	MUR
Gross income of preceding income year (1)	4,000,000	4,000,000

**Note:**

1. An individual deriving gross income from cultivation of sugar cane or growing of tobacco remains outside scope of CPS

Exemptions/ Deductions/Reliefs – Personal		
Year of Assessment	2015	2014
Income Year Ended	31.12.14	31.12.13
Interest on mortgage loans taken on or after 1 <sup>st</sup> July 2006 (1)	Deduction up to MUR120,000	Deduction up to MUR120,000
Tuition fee exemption (per dependent child) (2)	MUR80,000 (in Mauritius) or MUR125,000 (outside Mauritius)	MUR80,000 (in Mauritius) or MUR125,000 (outside Mauritius)
Lump sum received as commutation of pension and retiring allowance	MUR1.5 Million	MUR1.5 Million
Relief for health/medical insurance premium (Category A & E) (3)	MUR12,000	MUR12,000
Relief for health/medical insurance premium (Category B & F) (3)	MUR12,000 for self and 1 <sup>st</sup> dependent	MUR12,000 for self and 1 <sup>st</sup> dependent
Relief for health/medical insurance premium (Category C & D) (3)	MUR12,000 each for self and 1 <sup>st</sup> dependent + MUR6,000 each for 2 <sup>nd</sup> and 3 <sup>rd</sup> dependent	MUR12,000 each for self and 1 <sup>st</sup> dependent + MUR6,000 each for 2 <sup>nd</sup> and 3 <sup>rd</sup> dependent

**Note:**

1. Relief allowed for 5 consecutive years starting from 1 January 2011 for first time home owners whose total income does not exceed MUR2 Million or who are not benefiting from the new housing schemes
2. Taxpayers with total income exceeding MUR2 Million not eligible or if annual tuition fees are less than MUR44,500 (excl. administration and student fees). Restricted to same dependent child for maximum of 3 consecutive years
3. Relief comes into operation as from 1 January 2013

# Budget 2014 - Tax Card

Car Benefit-Monthly Taxable Amount		
Year of Assessment	2015	2014
Income Year Ended	31.12.14	31.12.13
	MUR	MUR
Up to 1600cc	9,500	9,000
1601 to 2000cc	10,750	10,125
Above 2000cc	12,000	11,250

Accommodation Benefit by Hotels -Monthly Taxable Amount		
Year of Assessment	2015	2014
Income Year Ended	31.12.14	31.12.13
	MUR	MUR
Single	11,500	11,000
Married	15,700	15,000
Managing and supervisory staff	4,400	4,200
Other staff	2,200	2,100

## Note:

The benefits apply in respect of full board and lodging

Corporation Tax Rates			
Year of Assessment	2015	2014	2013
Income Year	31.12.14	31.12.13	31.12.12
Flat rate	15%	15%	15%
Call centres or BPO back office operations (1)	5%, 15%	5%, 15%	5%, 15%
Freeport operator, Freeport developer	0%, 15%	0%, 15%	0%, 15%
Non-resident societies	15%	15%	15%
GBC1 (2)	3%, 15%	3%, 15%	3%, 15%

## Note:

- Effective rate 5% is in respect of companies having elected to have 2/3 of their net income exempted, applicable until income year ending 30 June 2012
- GBC1 allowed to deal with residents, maximum effective rate of 3% applicable to foreign source income (includes income from another GBC), 15% applicable to local operations

Tax Deduction at Source (TDS)			
Year of Assessment	2015	2014	2013
Income Year Ended	31.12.14	31.12.13	31.12.12
Interest (1)			
-Resident	-	-	10%
-Non Resident	15%	15%	10%
Royalties:			
- Resident	10%	10%	10%
- Non-resident	15%	15%	15%
Rent	5%	5%	5%
Payments to contractors and sub-contractors	0.75%	0.75%	0.75%
Payments to providers of services (2)	3%	3%	3%
Payments to owner of immovable property or his agent (3)	5%	5%	5%
Payments to non-resident for services rendered in Mauritius (4)	10%	10%	10%
Payment for procurement (5)	1%/3%	1%/3%	1%/3%

## Note:

- As from 1 March 2012, TDS is applicable only on interest payable to non-resident, (other than interest paid by a GBC1 or banks or non bank deposit taking institution) and is subject to the provisions of a double taxation agreement in force
- Applicable to architect, engineer, land surveyor, project manager in the construction industry, property valuer and quantity surveyor. Also applicable to attorney/solicitor, barrister, medical service provider, legal consultant
- Applicable as from 1 March 2012
- Applicable as from 1 March 2012, not applicable to payments to an exempt person/body of persons or under a double taxation agreement
- Applicable as from 1 March 2012 on payments by Ministry, Government department, local authority, statutory body or the Rodrigues Regional Assembly on contracts for procurement of-
  - goods and services under a single contract (payment exceeding MUR300,000) – 1%
  - goods under a contract (payment exceeding MUR100,000) – 1%
  - services under a contract (payment exceeding MUR30,000) – 3%
- As from 1 January 2013, TDS retention is not required where the TDS to be deducted is below MUR500
- The Budget 2014 now provides for TDS on certain consultancy /management services and on interest payments made by financial institutions and other companies to an individual where such interest is taxable. However, the rates have not yet been specified.

# Budget 2014 - Tax Card

## Capital Allowances – Year of Assessments 2015

	Rate as a % of	
	Base Value	Cost
A. Industrial premises excluding hotels	-	5%
Industrial premises dedicated to manufacturing	30%	-
B. Commercial premises	-	5%
C. Hotels	30%	-
D. Plant or Machinery -		
1. Costing up to MUR50,000		100%
2. Costing more than MUR50,000 –		
- Ships or aircrafts	20%	-
- Aircrafts leased by a company engaged in aircraft leasing	-	100%
- Motor vehicles (1)	25%	-
- Computer and high precision electronic equipment	50%	-
- Furniture and fittings	20%	-
- Plant and machinery (excluding passenger car) incurred by a manufacturing company	-	50%
- Green technology equipment	-	50%
- Other	35%	-
E. Improvement on agricultural land for agricultural purposes	25%	-
F. Scientific research	-	50%
G. Golf courses	15%	-
H. Landscaping and other earth works for embellishment purposes	-	50%
I. Renovation works undertaken by hotels, restaurants and retail outlets	-	33%
J. Other acquisition or improvement	-	5%
K. Acquisition of patents(2)	25%	-

### Note:

1. Maximum allowance is MUR3 Million
2. New measure as per Budget 2014

## Corporate Social Responsibility

Year of Assessment	2015	2014
Companies	2% on chargeable income	2% on chargeable income
Societes (introduced by Budget 2014)	2% of adjusted net profit for income tax(excluding exempt income)	N/A

## VAT

Year of Assessment	2015	2014
Flat rate	15%	15%
Registration limit – annual turnover of taxable supplies above	MUR4 Million	MUR4 Million

## Alternative Minimum Tax (AMT)

Year of Assessment	2015	2014
Rate (Note 1)	7.5%	7.5%

### Note 1

Suspended for manufacturing and hotel companies during income year 2013 and 2014

## Special Levy on Banks

Year of Assessment	2014 and 2015	2013
Segment A activities	10% of chargeable income	3.4% on book profit; and 1% on operating income
Segment B activities	3.4% on book profit; and 1% on operating income	

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This card was prepared as a quick-reference tool for the most common tax rates and amounts and represents the position at 09 November 2013.

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