

## SOUTH AFRICAN INFORMATION

### Who we are

Our offices are conveniently located near the waterfront in Port Louis, the capital of Mauritius. Apart from this being the hub of the financial services sector, there are also two business oriented hotels a short walk from our offices.

### South Africans should read this before moving to Mauritius:

### Problems to Resolve:

#### Education:

There are three private junior schools and two private high schools. Most of these schools are full. Before taking any further steps, find out if you can solve the education problem for your family.

#### How can we help:

We can introduce you to local residents who are prepared to invest their time to help you.

#### Finance:

South Africans are subject to exchange control and this makes it extremely difficult to purchase property, borrow money or sustain life outside of SA.

For those who are planning to settle in Mauritius, it is vital to work out how to earn a sustainable income abroad. Do this mindful of exchange control and apply a healthy dose of pessimism.

Consider a weakening rand and a business that does not get off the ground fast enough.

#### How can we help:

We have expert knowledge of Mauritius and its living and working environment. Contact us if you want to pick our brains. Due to popular demand, this is no longer a free service. Eur100 per hour.

### Rental Accommodation:

Most arriving South Africans need a place to stay. Contact us and we can help you find a home to rent.

### Exchange Control:

South Africans have been under the whip of exchange control since the 1940's yet it is still the most misunderstood legislation in the country. Below is a quick summary of what is commonly available to individuals: Corporates please go to the bottom of this page.

### Investment Allowance

This is limited to R2 million per individual, over the age of 18 years old, who is a tax payer in good standing. You are required to obtain a specific tax clearance in respect of foreign investment in order to utilize this allowance. It is a once off grant and does not need to be repatriated.

## How can we help

Not much help is needed in getting permission. The applicant should contact their local SA Revenue Service office for guidance. Once you have your permission, Frontfin can help you with an account in any common currency at a major international bank to remit these funds until you have decided what to do with them.

This is limited to R2 million per adult who has applied and received their tax clearance. It is a once-off grant and does not need to be repatriated.

## Holiday Allowance

This is limited to R500 000 per person over the age of 18 years per calendar year (up to 18 years the allowance is R160 000 per annum per individual).

This allowance is for South African residents who are living in South Africa – if you are living abroad, then the year you depart South Africa you are entitled to your travel allowance. From 1 January the following year you are no longer entitled to this allowance.

**SADC Scheme:** Any South African resident may acquire a holiday home or a farm in their own name in any SADC country without any limit to the amount this costs.

**The Bad News:** The transferred amount and any proceeds on the sale have to go back to SA when the property is sold. The bank that assists with this transaction holds the title deeds thereby limiting the ability to leverage this investment.

**More Bad News:** The property needs to be registered in your own name. Not in a trust, company or other form of participation. Only Mauritian citizens or permanent residents can put Mauritian property into their own name, except for IRS or RES property, where non Mauritian citizens can put this property in their name.

**The Good News:** Buying a unit in an IRS or RES development can be a good capital investment and a sound hedge against the Rand.

**How can we help?** Frontfin can help prepare this submission for you (it is not easy). Once successful, we will then assist with the property transaction and ongoing administration.

## Emigration:

South Africans wishing to relocate to Mauritius (or elsewhere) should seriously consider the option of emigrating. This allows the individual to liquidate all his assets, pay an emigration tax, and then transfer the full balance without limit to a foreign bank account. This is a much better option than naively believing you can live off your R500 000 per annum travel allowance for ever.

## How can we help?

We have successfully assisted a number of South Africans of substantial net worth to emigrate from South African. This is a complex procedure and we can help you save a lot of time and frustration.

One of our consultants will advise you in detail how best to proceed and include the many tips we have learned from our experience.

Our fee is Eur 300 for this consultation.

## SA Corporate International Expansion and Exchange Control

**Most companies in South African are looking to set up or expand their international operations.**

- ❖ Frontfin is ideally placed to help with the structuring, banking and application of exchange control legislation.
- ❖ We will consult, design and implement tailor-made corporate expansion projects for serious clients.
- ❖ We will even prepare the submission to your local bank for approval of amounts below R50 million.
- ❖ We humbly believe our knowledge of South African Exchange Control is the best in the world.
- ❖ Our fees will be negotiated and charged only from funds successfully remitted.

Check out more information on [www.frontfin.com](http://www.frontfin.com)