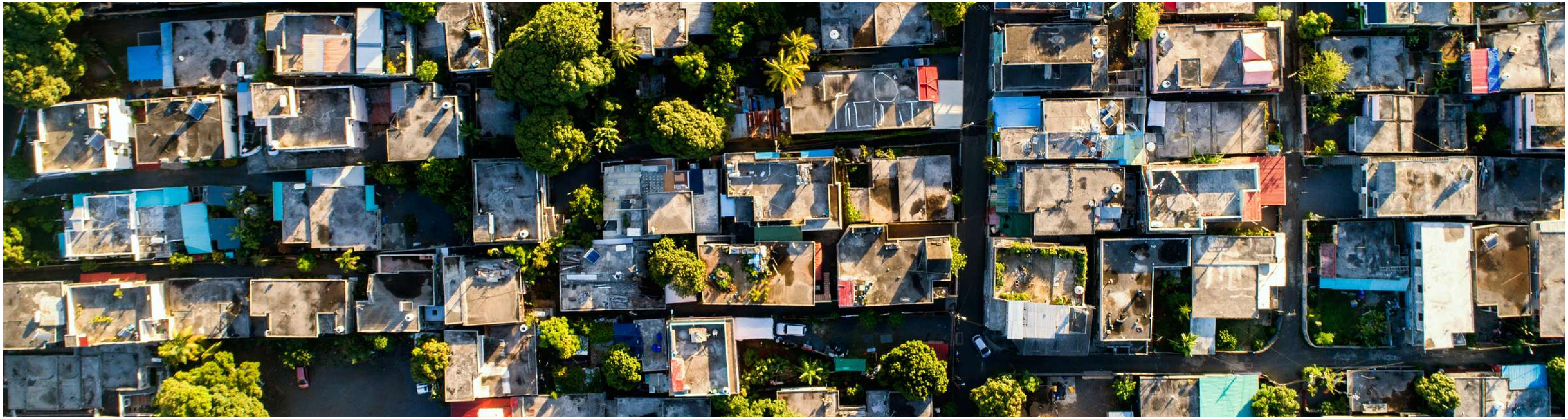
FINANCE BILL 2023:
AN OVERVIEW FOR BUSINESSES



Introduction

Port Louis, 10 July 2023

On 07 July 2023, the Cabinet approved the introduction of the Finance (Miscellaneous Provisions) Bill 2023 into the National Assembly. The object of the Bill is to provide for the implementation of the measures announced in the Minister of Finance's Budget Speech 2023-2024. The Bill will be debated and voted at the National Assembly in the coming weeks.

This note highlights the main proposals that the Bill puts forward and that are most relevant for the business community. In particular, it focuses on the proposed changes that concern the financial and operational aspects of businesses. This note does not cover every aspect of the Bill, nor does it amount to legal or other advice.

The partners are also grateful to the firm's associates, pupils and interns for their valuable contribution to this publication over the past weekend.

Areas covered

Taxation
Employment
Corporates
Financial Services
Immigration

Abbreviations

AML/CFT	Anti Money Laundering / Combating the Financing of Terrorism
ARC	Assessment Review Committee
EDB	Economic Development Board
ESG	Environmental, Social & Governance
FSC	Financial Services Commission
MRA	Mauritius Revenue Authority
NELS	National Electronic Licensing System
PAYE	Paye As You Earn
PCC	Protected Cell Company
PRGF	Portable Retirement Gratuity Fund
ROC	Registrar of Companies
SME	Small and Medium Enterprises
TDS	Tax Deduction at Source
VAITOS	Virtual Assets and Initial Token Offerings
VAT	Value Added Tax
VCC	Variable Capital Company

Taxation

Personal income tax

- Tax exemption for a person earning up to MUR 30,000 per month.
- Flat rate of 15% to be replaced by the following progressive tax regime:

Chargeable income	Rate of income tax
First MUR 390,000	0%
Next MUR 40,000	2%
Next MUR 40,000	4%
Next MUR 60,000	6%
Next MUR 60,000	8%
Next MUR 300,000	10%
Next MUR 300,000	12%
Next MUR 300,000	14%
Next MUR 400,000	16%
Next MUR 500,000	18%
Remainder	20%

- Removal of solidarity level on income derived by an individual.
- New thresholds for deductions in respect of dependents, cost of undergraduate or postgraduate course undertaken by dependents, relief for medical or health insurance premium.
- *Housing Loan Relief Scheme* – MRA to pay MUR 1,000 per month to a Mauritian who has contracted a secured housing loan in Mauritius for an amount of up to MUR 5 million. The allowance would be payable for the months of July 2023 to June 2024, subject to an application being made to the MRA.

Tax-related employment matters (1/2)

PAYE

Notwithstanding the changes to the personal tax regime, where employees do not submit the Employee Declaration Form, employers to continue withholding tax from the employees' emoluments at the rate of 15%, except if an employee opts for deduction at 20%.

Prime à L'Emploi Scheme 2023

The Bill proposes to pay a monthly allowance of up to MUR 15,000 to an employer who, between July 2023 and June 2024, recruits a female person or a person with disabilities who was previously unemployed for at least 1 year. The employee must be a citizen of Mauritius and resident in Mauritius. They must become employed on a full-time basis and earn not more than MUR 50,000 in a month. The Bill proposes to grant the allowance to the employer for a period of 2 years.

Tax-related employment matters (2/2)

Enhanced tax deductions

- The employer of a woman under the Prime à l'Emploi Scheme to be entitled to 200% tax deduction of the emoluments paid to that employee.
- The employer of a disabled person to be entitled to 300% tax deduction of the emoluments paid to that employee.
- A company that incurs capital expenditure on a Child Day Care Centre for the benefit of its employees in an income year to be entitled to 200% tax deduction of that expenditure. (This relief was introduced in 2018 for capital expenditure on crèches only.)

COVID-19 levy

Writing off of any unpaid amount of COVID-19 levy (including penalty and interest) that an employer has not paid as at 20 January 2023.

Salary compensation 2023

- The Bill proposes to pay an allowance to certain employers to help them pay the additional remuneration of MUR 1,000 that they are required to pay to their workers from 1 January 2023 for increase in cost of living.
- A monthly allowance of MUR 500 per eligible employee for the year 2023 is to be made available to SMEs where the eligible employee derived a basic wage not exceeding MUR 51,775 and the SME declared (i) an accounting loss for the year 2021-2022 or (ii) its accounting profit for that year would be reduced by more than 50% if it were to pay the additional remuneration to its employees who were in employment as at December 2022. Where the accounting profit would be reduced by more than 10% in the same circumstances, the SME is to be entitled to a monthly allowance of MUR 250 only per eligible employee.
- A monthly allowance of MUR 300 per eligible employee to be made available to non-SME export enterprises in respect of eligible employees deriving up to MUR 51,635 as basic wage.

Other tax relief

Adoption of animal

A person who adopts an animal from an NGO in an income year to be entitled to a tax relief of MUR 10,000. The relief is available per animal adopted up to a maximum of MUR 30,000 in an income year.

Donations to charitable institution

A company that donates through electronic means to a charitable institution to be entitled to 300% tax deduction of that amount, provided that the charitable institution is involved in supporting persons with health issues and disabilities, protection or rehabilitation of street children, or animal welfare and protection. The deduction is capped at MUR 1 million in an income year. (Individuals are already entitled since 2021 to tax deductions of up to MUR 30,000 in respect of donations made to charitable institutions registered with the MRA.)

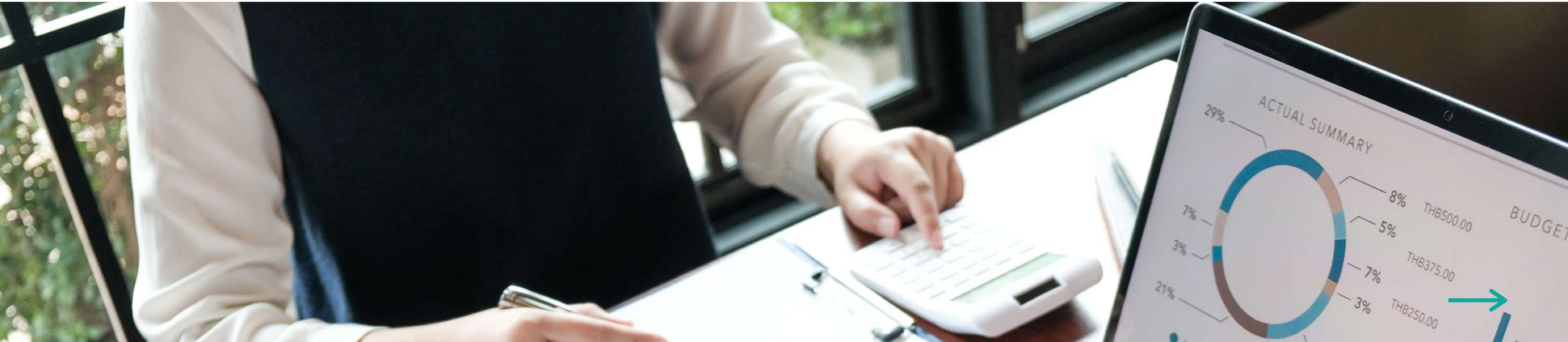
Excise duty on electric vehicles

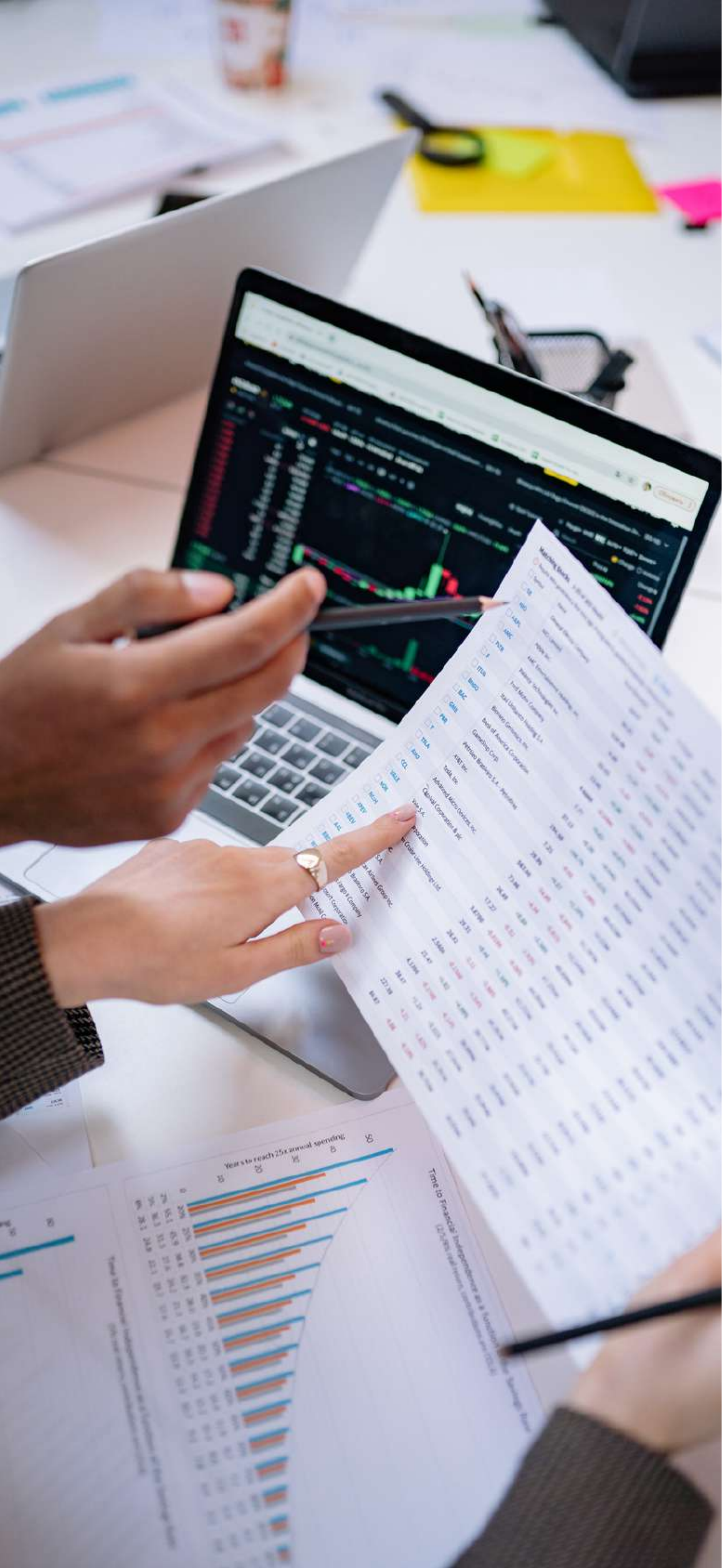
The current legislation already provides that for the period between 01 July 2022 and 30 June 2023, individuals who purchased an imported electric motor car or electric motor vehicle for the transport of goods are entitled to claim a refund of excise duty amounting to 10% of the value at importation or MUR 200,000, whichever is lesser. The Bill proposes to extend the period of eligibility to 30 June 2024 and make the refund available to non-individuals as well.

Tax arrears

The Bill proposes to disregard any penalty and interest on tax arrears outstanding as at 02 June 2023 under the Income Tax Act, the Value Added Tax Act and the Gambling Regulatory Authority Act where such arrears are fully paid on or before 31 March 2024. The taxpayer is to apply to the MRA by 31 December 2023 for that purpose.

Where the tax liability is disputed and the taxpayer wants to benefit from the penalty and interest waiver, they will have to withdraw any relevant legal proceedings before making the application to the MRA.





Tax matters relating to specific industries (1/4)

Banks

- Discontinuation of the regime introduced in 2018 subjecting banks to different income tax rates depending on whether their chargeable income exceeded MUR 1.5 billion in the year of assessment 2017-2018 or if incorporated after 2018, the first year of assessment. Henceforth, the Bill proposes to tax all banks at 5% of their chargeable income on the first MUR 1.5 billion and 15% on the remainder.
- The Bill also proposes to harmonise the special VAT levy on banks at the rate of 5.5% on a bank's leviable income derived in every accounting period. This would replace the current regime whereby banks with a leviable income of more than MUR 1.2 billion are subject to a reduced special VAT levy of 4.5% while those with a leviable income of up to MUR 1.2 billion are subject to a 5.5% special VAT levy.

Telephony service providers

- Reduction in the solidarity levy imposed on operators of telephony services from year of assessment commencing on 1 July 2024 to 5% of accounting profit + 1% of turnover (as opposed to 5% of accounting profit + 1.5% of turnover).
- The solidarity levy is to be payable notwithstanding an operator making a loss in a given year, although the levy is reduced in that case to 1% of turnover only.

Tax matters relating to specific industries (2/4)

Financial services

- The Income Tax already allows **PCCs and VCCs** to elect to present separate financial statements in respect of each of their cells and thus treat each cell as a separate entity for tax purposes. The Bill proposes to clarify that in such case, the MRA will not recover income tax due by a cell from the cellular assets of another cell of that PCC or VCC or from the non-cellular cells except where such assets are directly attributable to that cell of the PCC or VCC.

- TDS not to be deducted from payments to **management companies and investment advisors** licensed by the FSC.

- Discontinuation of 5-year tax holiday for **investment banks** licensed after August 2018.

- Interest derived from a **sustainability bond or a sustainability-linked bond** to finance sustainable projects in Mauritius to be exempted from income tax.

- Interest derived by a **Collective Investment Scheme or a Closed-End Fund** licensed or approved by the FSC to benefit from 95% tax exemption (while income other than interest to continue to benefit from 80% tax exemption).

- **Virtual asset service providers and issuers of initial token offerings** under the Virtual Asset and Initial Token Offering Services Act 2021 to submit to the MRA an annual statement of financial transactions in respect of transactions over a certain threshold, except in respect of non-citizen individuals, companies with a Global Business Licence, and public listed companies, their subsidiaries and associates.

Tax matters relating to specific industries (3/4)

Manufacturing companies

- A manufacturing company that incurs expenditure on market research and product development to be entitled to 200% deduction of that expenditure for income tax purposes. The relief is to be made available to manufacturing companies with an annual gross income derived from export of goods not exceeding MUR 500 million. (This relief was introduced in 2021 for market research and product development for the African market only and available to any manufacturing company irrespective of their level of gross annual income. The Bill thus proposes to change these conditions.)

- Extension until 2026 of the tax credit of 15% on the cost of new plant and machinery for manufacturing companies.

Other sectors

- A **higher education** institution that incurs costs to conclude a contract with an African University to provide joint tertiary education for the final year of a course in Mauritius to be entitled to 200% deduction of those costs for income tax purposes.

- A company incorporated in Mauritius to be entitled to 200% deduction, for income tax purposes, of expenditure incurred in the financing, sponsorship, marketing or distribution of a film, provided that the film has been approved under the **Film Rebate Scheme** and is made up of at least 90% of the principal photography of Mauritius.

Tax matters relating to specific industries (3/4)

Other sectors

- **Event organisers** to no longer be refunded VAT on accommodation costs in respect of qualifying events (except for events which have ended on or before 30 September 2023). Instead, event organisers to be exempted from paying VAT on those accommodation costs.

- **Primary and secondary education providers** holding an Investment Certificate issued by the EDB are to be provided with the same VAT exemption as tertiary education providers in respect of (1) construction of purpose-built buildings or facilities and (2) certain costs incurred at the time of setting up or expansion such as plant, machinery and equipment, and IT systems and materials.

Employment

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4-day work week

- The Bill proposes to allow an employer and a worker to agree on a 4-day work week. This would entail completing the stipulated hours of work per week (i.e. 45 hours or any lesser number of hours contractually agreed) over a period of 4 days.
- The agreement may be made in respect of a given week at the request of the employer with 48 hours' notice or at the request of the worker.
- Where the worker makes the request, the Bill proposes to require the employer to grant it, subject to its operational requirements.
- The 4-day worker would remain entitled to payment for overtime (1.5 times the basic rate) and public holidays (twice the basic rate for first 8 hours and 3 times the basic rate for every subsequent hour).

Part-time work

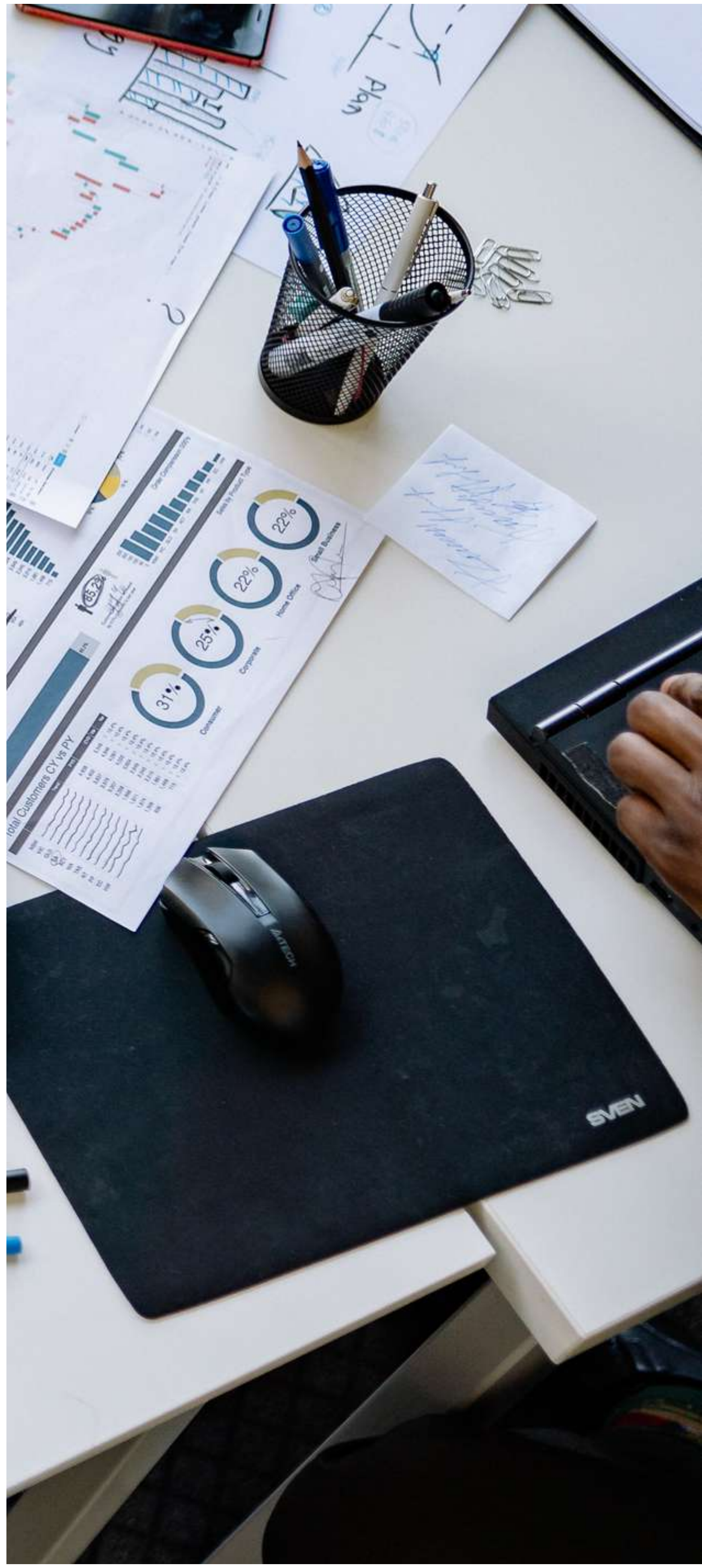
- The Bill proposes to clarify that flexitime is available to a part-time worker.
- The basic wage or salary of a part-time worker is to be adjusted to be at least 10% (instead of the current 5%) over the applicable notional hourly rate of a full-time worker. For the purposes of that computation, the notional hourly rate of a full-time worker is as prescribed in an enactment or specified in a collective agreement, whichever is higher, or where there is no such enactment or collective agreement, it is the notional hourly rate of a comparable full-time worker.

Overtime pay calculation

- The Bill proposes to change the computation of a worker's notional hourly rate for the purposes of overtime pay as explained in the following table.

	Current computation	Proposed new computation
Full-time worker	If worker works on 5-day week: monthly wage divided by 198 hours (i.e. 22 days x 9 hours) If worker works on 6-day week: monthly wage divided by 208 hours (i.e. 26 days x 8 hours) The above formulae to be adjusted for a *garde malade,* who is deemed to work 12 hours per day.	Irrespective of whether the worker works on a 5 or 6-day week: monthly prescribed wage (e.g. in a Remuneration Regulation) divided by 195 deemed hours of work per month; or where the wage is not prescribed, the monthly agreed wage payable divided by 195 deemed hours of work per month. The above formulae to be adjusted for a *garde malade*, who is deemed to work 312 hours per month.
Part-time worker	No formula provided in legislation. It is a common practice to apply the actual hourly rate (i.e. monthly wage divided by agreed number of working hours per month).	Same basis as for full-time workers where the monthly wage is prescribed. Where the monthly wage is not prescribed, the notional hourly rate is to be computed by taking the agreed monthly wage for 12 months (i.e. agreed monthly wage x 12) divided by the number of working hours in the 12 months (i.e. number of working hours per day x number of working days per week x 52 weeks).

- The Bill also proposes to clarify that for the purposes of computation of overtime, any authorised leave (whether with or without pay), including injury leave, is deemed to constitute attendance at work.



Extreme weather conditions

- Employers are already required to pay full remuneration to employees who are absent from work when a cyclone warning class III or IV is in force. The Bill proposes to extend this requirement to cases where a safety bulletin is issued under the Mauritius Meteorological Services (Warnings) Regulations 2023.

- In cases where an employer requires their employees to work when a cyclone warning class III or IV is in force, when the National Crisis Committee issues an order to remain indoors or where a state of disaster is declared, the Bill proposes to require the employer to provide an insurance policy to cover injury, disease or death sustained by a worker in such circumstances.

Accumulation of untaken annual leaves

- The Bill proposes to allow a worker to carry forward their untaken annual leaves and accumulate them over time instead of being paid in lieu of those leaves at the end of the year in which they accrued. This option is to be available where the worker did not request to take those leaves in a given year or where their request was not granted.

- If those accumulated / carried forward annual leaves from previous years remain untaken when the worker ceases their employment in a subsequent year (whether on the ground of termination or otherwise), the employer would have to pay the worker in lieu of those leaves.

- As for untaken annual leaves that accrued in the year in which an employee's employment is terminated (as opposed to accumulated leaves from previous years), the employment legislation already provides that they are to be paid to an employee except if the employer terminates the employment on the ground of misconduct.

Leave to care for family

- The Bill proposes to allow a worker to use up to 10 days of their paid annual leave, sick leave or vacation leave entitlements to look after their parents or grandparents (including those of their spouse) having healthcare-related issues.

- The current legislation already provides that a worker may use up to 10 days of their paid annual leave, sick leave or vacation leave entitlements to look after their sick child. The Bill proposes to remove the 10-day restriction when the worker is looking after their sick child.

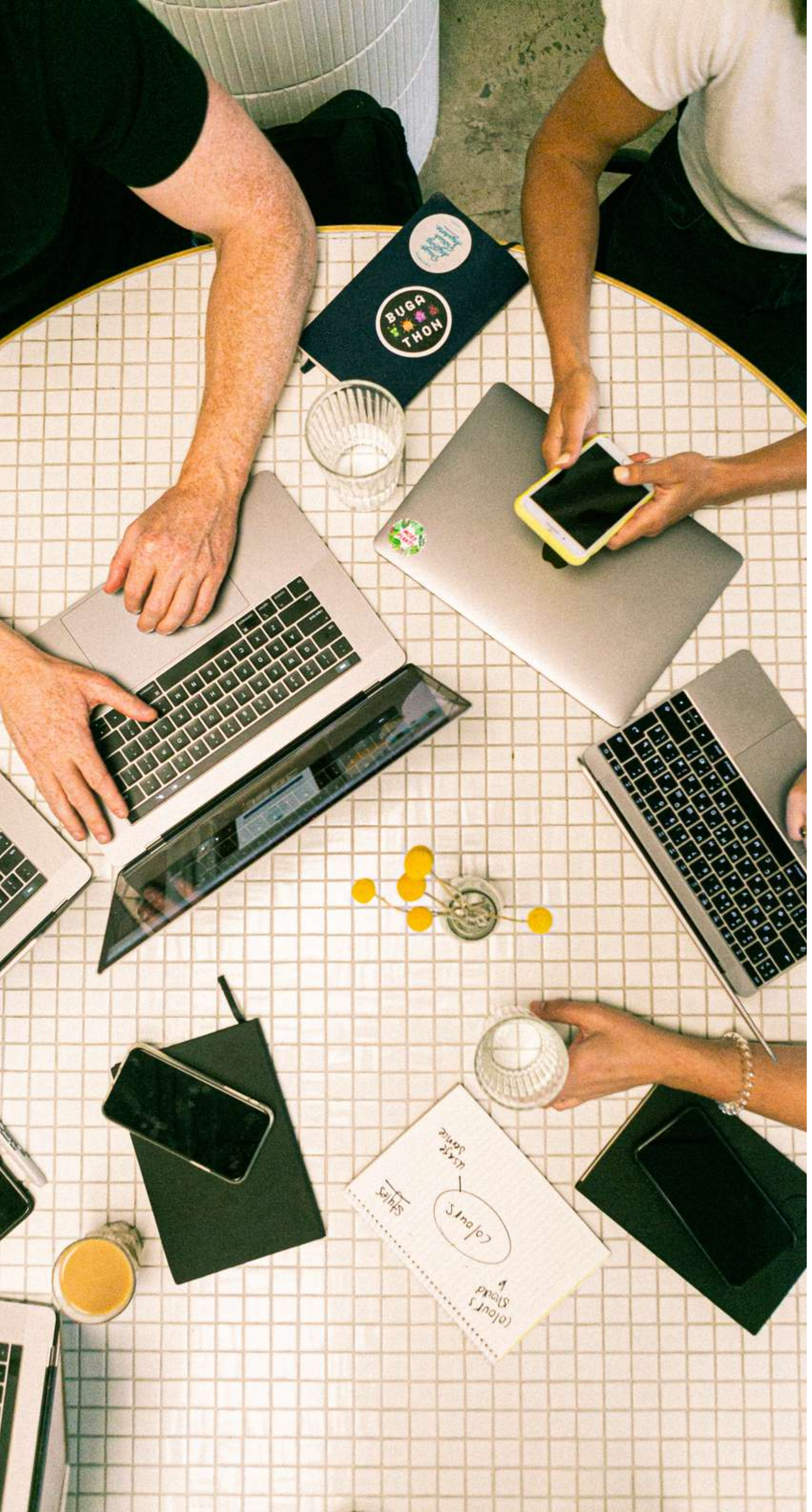
Maternity and paternity leaves

- The Bill proposes to prolong the 3 weeks' leave granted to a female worker who suffers a miscarriage by an additional 5 days' leave on full pay immediately after the miscarriage.

- Paternity leave to be available in cases of adoption of a child under 12 months.

Childcare facilities

The Bill proposes to require any employer having more than 250 workers to provide, free of charge to the workers, childcare facilities on the premises of the workplace or within a distance of 1 km from the workplace for their children of up to 3 years of age.



Fuel allowance

From 01 July 2023, the fuel allowance granted to a worker is to be at least MUR 1,000 more, or 10% higher than the allowance paid in December 2021. However, the increase is to be capped at MUR 2,000.

Trade unions

- The Bill proposes to clarify that a non-citizen can only be a member of a trade union if they hold a valid work permit. The non-citizen is to be required to renew their trade union membership on 31 December of each year by producing a copy of their work permit to the secretary of the trade union.

- Trade union to be required to have their yearly accounting period end on 31 December unless otherwise specified in the rules of the trade union.

- Trade unions to also be required to submit the number of migrant members holding a valid work permit as of 31 December of the preceding year to the Registrar of Associations at the time of submitting its annual return.

Termination of employment

- The Bill proposes to require an employer to grant an employee an oral hearing before deciding whether to terminate their employment for misconduct or poor performance. The Bill therefore proposes to remove the option for the employer to simply rely on the employee's written explanations. Where the employee is required to answer the charges of misconduct or poor performance in writing, it will need to be followed by an oral hearing.

- While an employer is currently required to provide to the employee, at their request, any information or documents relating to the charges before an oral hearing, the Bill proposes to require the employer to instead make such information or documents available for inspection to the employee or their representative.

- The Bill also proposes to impose a limitation period of 15 days for an employee to register a claim for reinstatement with the supervising officer of the Ministry of Labour. The supervising officer is then to have 30 days to determine whether the complaint is bona fide and refer it to the ERT.

- Further, the Bill seeks to require the ERT to determine complaints referred to it within a period of 60 days instead of 90 days from the date of referral.

PRGF / Retirement benefits

- An employer is exempt from contributing to the PRGF in respect of employees for whom it contributes to a private pension scheme. The Bill proposes to subject such exemption to the condition that the contribution that the employer pays to the private pension scheme is not less than what would otherwise be payable to the PRGF.

- Further, the administrator of a private pension scheme or the governing body of a self-administered pension scheme is to ensure and certify that the monthly contribution of every employer is not less than what would otherwise be payable to the PRGF.

- The Bill proposes to do away with the formula to calculate the lump sum payable to a part-time worker upon his retirement and instead harmonises the formula to calculate the lump sum payable to a part-time worker and a full-time worker. The notional calculation for both a full-time and part-time worker shall be on the basis of 26 days a month.

- A surcharge of 10% to be imposed on an employer for failing to pay any PRGF contributions, plus interest at the rate of 1% per month for so long as the contributions remain unpaid.

- The employer to be required to pay 15 days' remuneration per year of service to an employee where the employee has not been paid a retirement benefit under a private pension scheme sponsored by the employer.

Corporates

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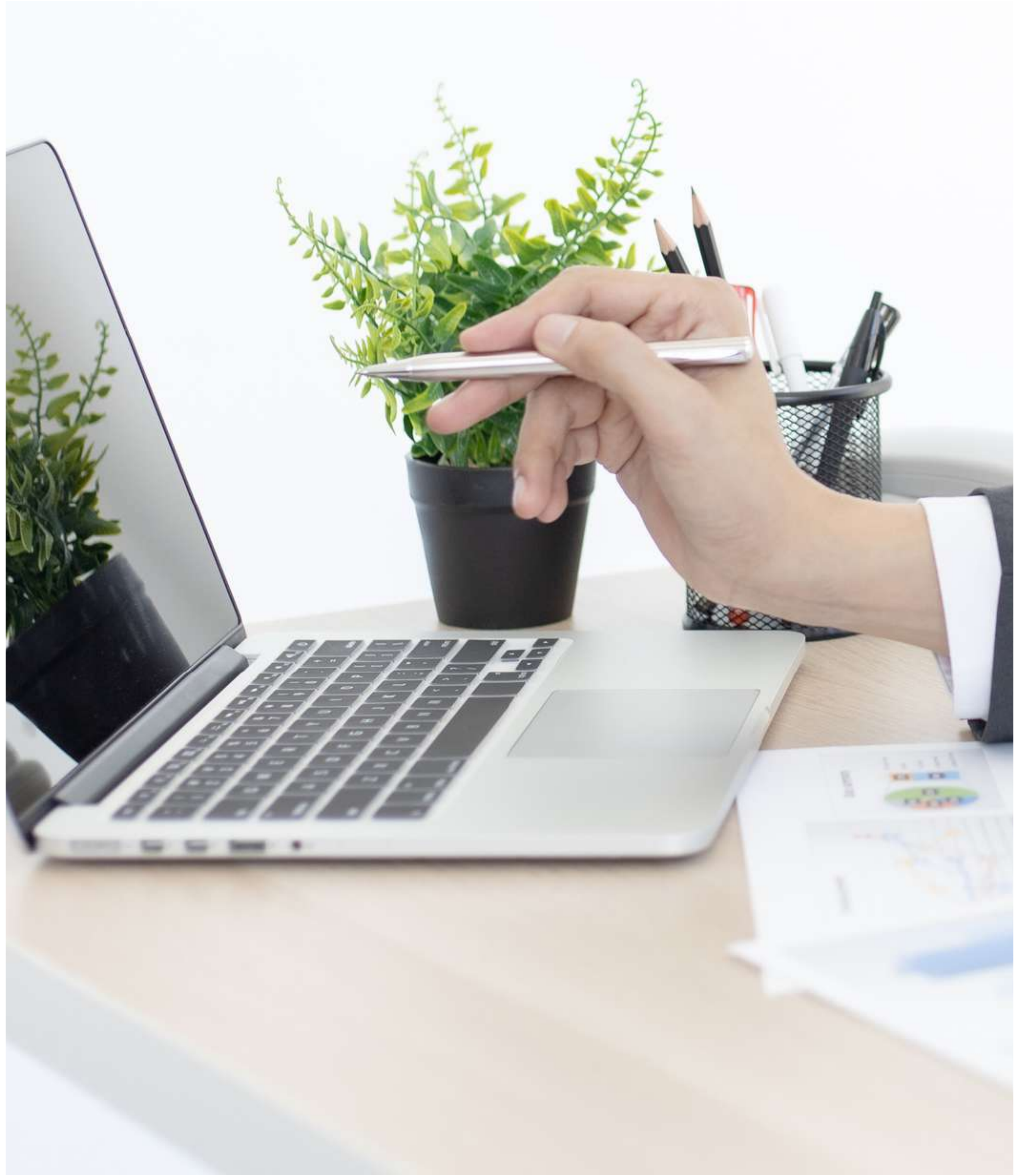
Company law

- The Bill proposes to clarify that the service address of a company under the Companies Act has to be in Mauritius.

- A public listed company to be required to have a minimum of 25% of women on its board of directors.

- A company to be allowed up to 1 month from the date of resignation or death of the last remaining director to appoint a replacement director, failing which the ROC would be entitled to remove the company from its register.

- The board of directors of a company to be required to send a copy of the company's annual report to its shareholders, or the financial statements to shareholders who elect not to receive the annual report at least 21 days (instead of 14 days) before the annual meeting of shareholders. The annual report or financial statements to be sent in such form as the ROC may approve, although the shareholders retain the right to receive a hard copy within a reasonable time.



ESG / Sustainability

- The Bill proposes to set up a National Contact Point for Responsible Business Conduct for the purpose of the OECD Guidelines for Multinational Enterprises on Responsible Business Conduct. These Guidelines consist in recommendations addressed to multinational enterprises to enhance the business contribution to sustainable development and address adverse impacts associated with business activities on people, planet and society.

- The functions of the National Contact Point would be to inter alia raise awareness among businesses and other stakeholders on certain matters addressed in the Guidelines and contribute to the resolution of such issues.

Financial Services

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Administrative and compliance matters

- The Chief Executive of the FSC is to be entitled to terminate the licence of a licensee for failing to pay administrative penalties.
- The Bill proposes to require an FSC licensee to submit an independent compliance report on such terms and conditions as the FSC may determine.
- The Enforcement Committee is to be entitled to initiate disciplinary proceedings against a licensee for breach of AML/CFT legislation.
- The Bill further proposes to disapply any statutory limitation period in respect of an action of the FSC for recovery of annual fees and charges.
- The Bill proposes to clarify that a certificate of good standing issued by the FSC in respect of an authorised company will also refer to its standing in terms of fees and reporting obligations.

Investment funds

The Bill proposes to allow closed-end funds and collective investment schemes to be used as structures to invest in money market instruments or debt instruments including loans, debt obligations or similar instruments.

VCCs

The current legislation (introduced in 2022) allows a company to operate as a VCC where the FSC has authorised it to operate a “VCC fund”, which includes any sub-funds and special purpose vehicles created in accordance with the VCC Act and the company’s constitution. In addition to VCC funds, the Bill contemplates the use of a VCC to operate a family office or other activities that may be specified by the FSC in their rules. The primary objective of the company is to be specified in the VCC’s written constitution. The FSC Rules in question would provide for (a) the criteria, requirements and obligations applicable to a VCC, sub-fund or special purpose vehicle, and (b) the taking of fees and the levying of charges.

Private pension schemes

- The current legislation requires the approval of the FSC for any transfer of all or part of a private pension scheme to another person. The Bill proposes to specify that such transfer would be to another private pension scheme established under Mauritius law or to an insurance company through an annuity buyout.

- The Bill also proposes to allow the Minister of Finance to make regulations to provide for a regulatory framework for the setting up of private pension schemes to provide pension coverage to persons who work in the informal sector.

VAITOS

- The Bill proposes to allow a Virtual Asset Custodian, being the holder of a class “R” licence issued by the FSC, to hold custody of security tokens or such other instruments as the FSC may approve.

- The Bill also proposes to remove the requirement for an issuer of initial token offerings to submit an approval letter issued by the virtual asset exchange before carrying out the business activities of an issuer of initial token offerings.

- The FSC Rules relating to VAITOS to provide prudential standards in respect of a virtual asset register for any person who holds a virtual asset.

- Any person holding a Custodian (digital assets) licence issued by the FSC to be deemed to be licensed, from 06 August 2023, as a class “R” Virtual Asset Custodian on such terms and conditions as the FSC may determine.

Real Estate

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Transfer of shares in company reckoning immovable property

- Where a person acquires more than 20% of the shares issued in a company and those shares give them a right of ownership, occupation or usage of immovable property, the Bill proposes to require that person, for the purposes of registering the transfer deed with the Receiver of Registration Dues, to submit information on the open market value of that property and the number of shares issued to that person during the previous 3 years.

- For transfer of shares exceeding MUR 200,000 in value and requiring a supporting certificate from a professional accountant, the Bill proposes to clarify that the registration duty and land transfer tax is to be levied either on the value declared in the deed of transfer or in the accountant's certificate, whichever is the higher.

- The Bill also proposes to clarify that the Registrar-General may assess the value of any transferred property not only where the Registrar-General is dissatisfied with the value mentioned in the deed of transfer but also where the Registrar-General is dissatisfied with the value stated in a supporting certificate from a professional accountant.

Home Ownership Scheme

In 2021, the legislator introduced a scheme allowing the buyer of eligible property to a refund of 5% of its declared value, the refund being capped at MUR 500,000. The scheme currently applies to acquisitions or reservations made between 01 July 2021 and 30 June 2023, subject to certain conditions. The Bill proposes to extend the Home Ownership Scheme by another year until 30 June 2024.

Home Loan Payment Scheme

The scheme introduced in 2021 provides for the Registrar-General to pay to an eligible borrower 5% of the amount disbursed under a secured housing loan, up to MUR 500,000. The scheme currently applies where the deed witnessing the loan is signed and registered between 01 July 2021 and 30 June 2023, subject to certain conditions. The Bill proposes to extend the Home Loan Payment Scheme by another year until 30 June 2024.

Acquisition of property by non-citizens

- In 2022, Mauritius introduced an additional registration duty of 10% on the value of the immovable property (excluding VAT) to be levied on a non-citizen who acquires property outside of certain existing schemes and where the value of that property is at least USD 350,000. The Bill proposes to impose that additional levy only where the value of the property is USD 500,000 or more.

- In 2021, Mauritius removed the requirement for the Prime Minister's approval where a non-citizen or non-resident wished to purchase or dispose of property under certain legislative schemes such as the Invest Hotel Scheme, Property Development Scheme, Smart City Scheme, etc. The Bill proposes to extend that exemption in respect of property under the Sustainable City Scheme.

Tax arrears

- The Bill proposes to disregard any penalty and interest on registration duty and land transfer tax outstanding as at 31 May 2023 where such arrears are fully paid by 31 March 2024 and the person withdraws any ongoing legal proceedings challenging the payment of the duty and taxes.

Foreign contractors

- The Bill proposes to allow a foreign contractor to provide consultancy work or carry out construction works without the collaboration of a local consultant or contractor where there is no local person with the necessary experience or expertise in a field of specialisation or class of works for the implementation of a project. In that case, the foreign contractor will require the approval of the Construction Industry Development Council to undertake the work.

- Where a foreign contractor has been awarded a contract for a utility scale renewable energy project for an installed capacity exceeding 2 megawatts, the Bill proposes to require that foreign contractor to subcontract at least 25% of the contract value (excluding procurement of equipment) to a local contractor with at least 10 years' experience in the construction industry.

Registration of EIA consultants

The Bill proposes to require consultants to register with the Construction Industry Development Board in order to carry out environment impact assessments. The purpose of this measure, according to the Budget Speech, is to ensure that the assessors are fit and proper to carry out the assessments for the needs of an Environment Impact Assessment.

Immigration

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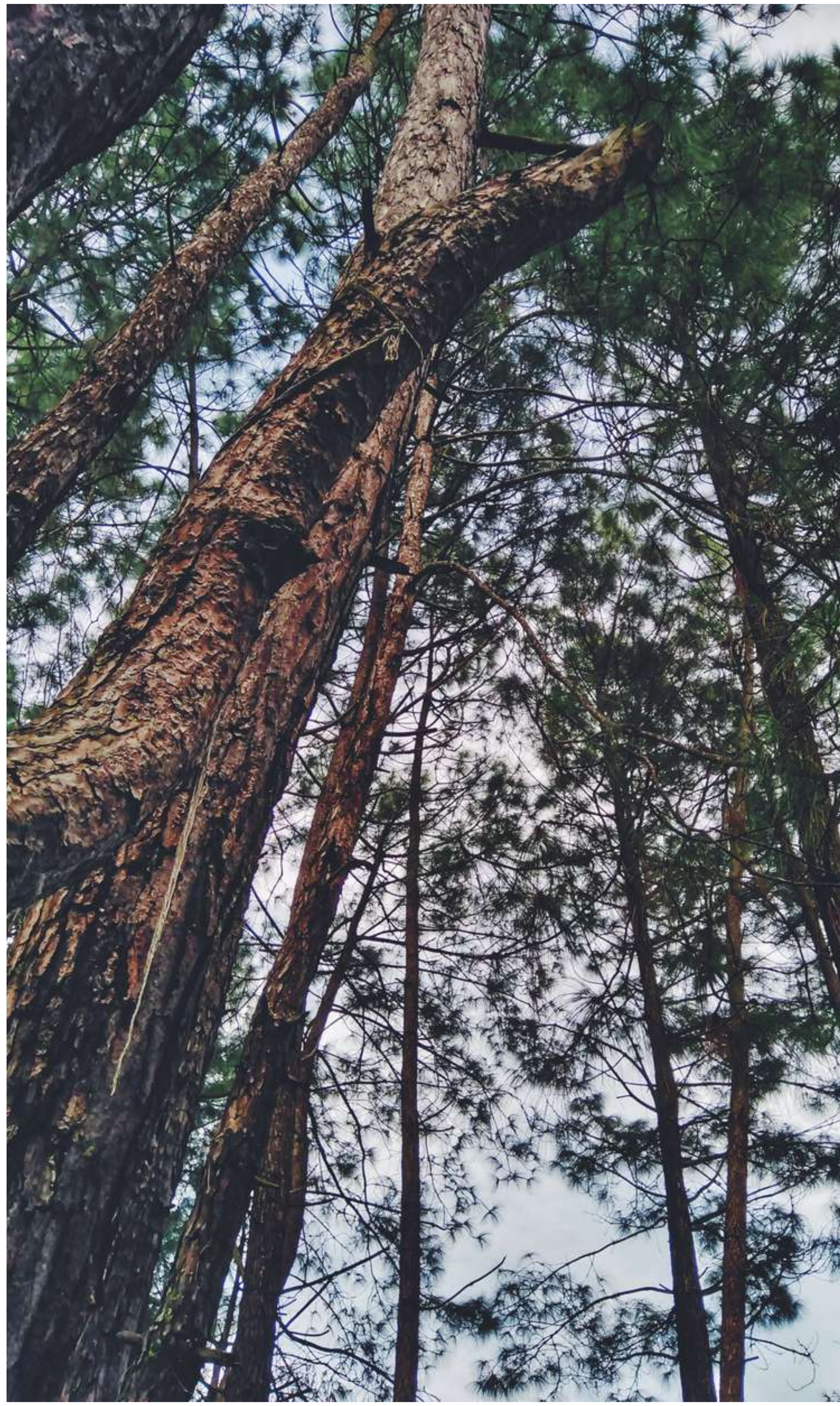
Premium Investor Scheme

- The Premium Investor Scheme is currently available to promote emerging sectors, pioneering industries and first movers, innovative technologies and industries, and other targeted economic activities as the Minister of Finance may approve. The Bill proposes to enlarge the scope of the Premium Investor Scheme by including:

    - projects relating to the manufacture of materials for renewable energy technology;
    - the acquisition or taking over of the whole or part of a Government undertaking;
    - the acquisition of more than 50% of the shareholding held by Government in a company; and
    - a project implemented under an appropriate ESG framework and having met a minimum ESG score as certified by a recognised rating agency.

- According to the Budget Speech, the inclusion of ESG-related projects under the Premium Investor Certificate Scheme is aimed at better positioning Mauritius as an ESG-rated investment destination platform as per ESG Index Risk Map, supporting Climate-Smart Development in Africa, encouraging potential investors and companies to adopt climate-smart solutions for their forthcoming projects.



Occupation permits

- Investors applying for occupation permits are currently required to bring an initial investment of USD 50,000 or its equivalent in freely convertible foreign currency, which may consist of a minimum of cash transfer of USD 25,000 and the equivalent of the remaining value to be in high technology machines and equipment. The Bill proposes to require an investor seeking to satisfy these conditions to submit:
  - a certified bank statement from his country of origin or residence showing sufficient proof of funds; and
  - a written undertaking to transfer the initial cash investment from abroad into his bank account in Mauritius within 60 days from the issuance of his occupation permit.

- Professionals applying for occupation permits are currently subject to different minimum salary thresholds ranging from MUR 30,000 to MUR 60,000 per month depending on their sectors. The Bill proposes to align the minimum salary requirement to MUR 30,000 per month across all sectors.

- The young professional occupation permit to no longer be restricted to certain specified fields.

- The family occupation permit is currently available to applicants making a contribution of USD 250,000 to the COVID-19 Projects Development Fund. The Bill proposes to remove that requirement and allow a retired non-citizen to apply for the family occupation permit simply by showing (a) a minimum amount of USD 18,000 in the person's bank account and (b) a guaranteed minimum income of USD 1,500 per month.

Residence permit

The Bill proposes to allow a non-citizen to apply for a residence permit where that non-citizen acquires a residential property under the Property Development Scheme related to senior living, provided that the purchase price is more than USD 200,000 and the non-citizen is above 50 years of age. The spouse, dependent child, parent or other dependent of the acquirer would also be eligible for a residence permit.

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Lawyers with a commercial mind

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