



INTERCONTINENTAL TRUST

International Tax & Management Services

INTERCONTINENTAL TRUST NEWSLETTER

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MAURITIUS BUDGET 2013

The 2013 Mauritius budget witnesses the continuity of last year's innovation in the development of the Global Business sector

In this 2013 Budget, the Honorable Minister of Finance and Economic Development is further emphasizing on making Mauritius an “International Financial Centre of Excellence”. The 2013 budget aims at encouraging more substance and yet higher value added activities. The main measures impacting on the Global Business sector are as follows:

- Creation of a framework to allow the setting up of Regional Treasury Centres and Regional Headquarters administration.
- Creation of a regime for Non-Treaty based Funds that will enjoy tax-free status.
- Enactment of a Limited Liability Partnership Bill.
- Extension of the present network of Double Taxation Agreement (“DTA”) and Investment Promotion and Protection Agreements (“IPPA”) with African Countries.
- Signature of a Tax Information Exchange Agreement (“TIEA”) with India.
- Signature of an Investment Bilateral Treaty with the USA.
- Issuance of Tax Residency Certificate (“TRC”) to Global Business Companies only upon compliance with commercial substance requirements including a service fee on issuance of the TRC.

Add-ons to the Africa Strategy

- Visa exemption or Visa delivery on arrival for nationals from 29 additional African countries.
- Extension of diplomatic representations with the appointment of Honorary Consuls in every major city on the continent.
- Signature of 5 additional Double Taxation Agreement with African countries.
- Freeport Status granted to companies wishing to carry out specific manufacturing activities entirely for export to Africa.

Other amendments to be included in regulations pertaining to the Global Business Sector:

- The Securities (Collective Investment Schemes and Closed-End Funds) Regulations 2008 will be amended to allow the setting up of special purpose funds for conducting investments outside Mauritius.
- The Limited Partnerships Act will be amended to clarify the confidentiality provisions for LPs owned by Global Business Company.
- Some of the amendments that will be included in the Financial Services Act are as follows:
 - Automatic and rule-based penalties implemented by the Financial Services Commission for non-compliance including in cases of late filing of documents and late payment.
 - Licence fees for Management Companies based on Turnover.
 - Time limit of 3 months for the registration of all documents pertaining to global business activities at the Registrar-General's Department, except for immovable property or movable property in Mauritius.
 - Enable FSC to issue directives to its licensees to any principles and practices of corporate governance laid down in the Code of Corporate Governance.
 - Clarify the circumstances when a Global Business Company Category 1 can deal with residents.

Live in Mauritius

- Amendment to the system of permits and permanent residence to allow more opportunity to foreigners to acquire property in Mauritius.



Intercontinental Trust Ltd is regulated by the Financial Services Commission in Mauritius.

For further information or clarification on the 2013 Mauritius Budget, please contact us:

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DISCLAIMER

The information in this newsletter has been prepared by Intercontinental Trust Limited based on the budget speech delivered the Vice-Prime Minister and Minister of Finance and Economic Development, The Honourable Xavier Luc Duval to the National Assembly on 09 November 2012. The Budget proposals may be amended significantly before enactment.

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