



# BUDGET 2026/2027

# HIGHLIGHTS

03

..... **Editorial**



06

..... **Key Takeaways**



07

..... **Economic Outlook**



10

..... **Global Business**



15

..... **Work & Live in Mauritius**



18

..... **Ease of Doing Business**



20

..... **Unlocking Innovation**



23

..... **Fiscal Policies**



CONTENT





# EDITORIAL

## Staying the Course: From Fiscal Discipline to Future-Ready Growth

The Honourable Dr. Navinchandra Ramgoolam, Prime Minister and Minister of Finance, presented his second National Budget on Friday 19 June 2026 into a markedly more demanding world than his first: a Middle East war had closed the Strait of Hormuz for more than three months and sent oil prices to record highs, straining the import bills of an economy that buys nearly all its fuel and import much of its food, and only a fragile, conditional United States-Iran framework, concluded in the days before the Budget, has since eased crude back towards US\$80. Against that backdrop, this Budget is the second instalment of a reform programme begun a year earlier. If the 2025-2026 Budget was about halting fiscal deterioration and restoring national credibility, this one is about holding that line and converting early stability into durable growth - a Budget of continuity and fine-tuning that, as the Prime Minister was candid to acknowledge, stays with the difficult choices rather than reaching for the easier ones, in the knowledge that an economy cannot be rebuilt in a single year.

### Fiscal Consolidation, Not Austerity

The Budget is deliberately framed around fiscal consolidation rather than austerity, anchored on four guiding principles: responsibility, solidarity, economic efficiency and social justice. The Mauritian economy showed clear signs of improvement in 2025. Headline inflation fell to 3.7%, unemployment eased to 5.7%, gross official foreign-currency reserves reached USD 10.3 billion, tourism earnings reached a record Rs 103 billion (USD 2.2 billion), and the economy grew by 3.2%. The financial services sector expanded by 5%.

For the year ahead, the Prime Minister projects a budget deficit of 3.7%. Public-sector debt is expected to ease from 87.8% of GDP to 85.5% by June 2027, with a stated ambition to bring it below 80% by 2029.

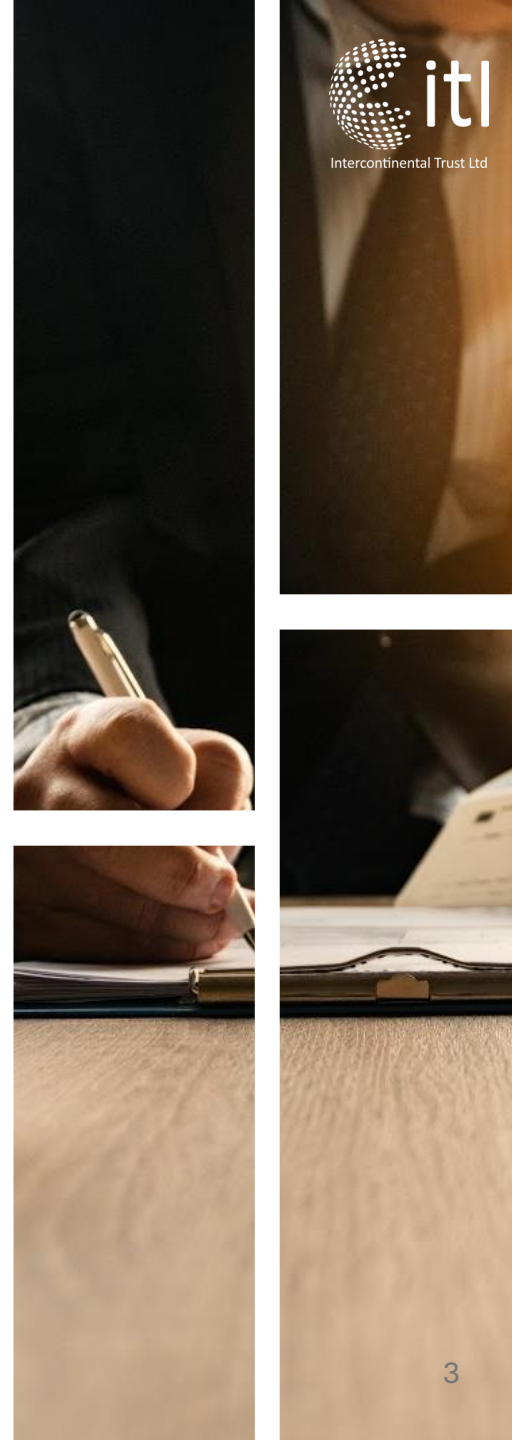
The Government also wants to lead by example through savings at the top. Members of Parliament will now be entitled to only one duty-free car per mandate, rather than one every three years. For the most senior officeholders - including the President, Vice-President, Prime Minister and Deputy Prime Minister - multiple non-contributory state pensions are being ended. The emoluments of the serving President and Vice-President, and the pensions of their predecessors, will also become fully taxable.

The message is deliberate: it signals solidarity with the nation as the country holds its course on fiscal discipline.

“ USD 1 Bn

Port Development of an Island  
Container Terminal project under a  
G-to-G arrangement with India

”



# EDITORIAL (contd.)

## Building a Future-Ready Economy

At the heart of the Budget is the ambition to build a future-ready economy. The growth strategy spans several pillars, beginning with leveraging AI and digitisation, which the Prime Minister places at the front of the agenda. Over the coming year, Government intends to enable or train 50,000 Mauritians in practical AI. Mauritius's participation in Google's subsea-cable initiative is also expected to strengthen the island's digital connectivity with South Africa, India and Singapore.

The remaining pillars complete an investment-led growth agenda:

1. **Start-ups and SMEs:** a dedicated Start-Up Act and a ten-year income-tax holiday for qualifying start-ups.
2. **Economic space:** a new high-tech Special Economic Zone and an ambition to double goods exports to USD 3 billion within five years.
3. **Existing sectors:** modernisation of manufacturing, agriculture and tourism through new legislation and a sustainability-led tourism blueprint.
4. **Blue economy:** investment in oceanic research, aquaculture and fisheries as a long-term growth frontier.
5. **Port development:** an Island Container Terminal - a USD 1 billion project under a Government-to-Government arrangement with India - forming part of a wider masterplan to position Mauritius as a premier regional port.

Taken together, these pillars signal a clear intent: to move Mauritius from a consumption-driven model towards a production-led, export-oriented and technology-enabled economy, while supporting sustainable tourism and strengthening the country's visibility abroad. First impressions matter when entering a country, and with that in mind, a new e-Visa system and biometric e-gates at the airport should replace long immigration queues with a faster, scanner-based process.



## Financial Services: Private Wealth Management and Extension of PER

For the financial services sector, the standout measure is the introduction of a Private Wealth Management Licence. The policy direction is clear: Mauritius wants to become a genuine home for wealth managers and family offices.

The Partial Exemption Regime (PER) has also been widened, so that income derived by investment advisers and asset managers from dealing in loans, mortgage-backed assets and invoice financing can now benefit from the 80% partial exemption.

Equally significant are the proposed AI assistant at the Financial Services Commission and the AI-powered tools on the national licensing platform. These should help deliver the faster turnaround times that the sector has long identified as a competitive necessity.



# EDITORIAL (contd.)

## Safeguarding the Reputation: Compliance and the ESAAMLG Review



Beneath the growth narrative, the Budget also stays the course on the compliance agenda that underpins the entire Mauritius International Financial Centre as it prepares for the Eastern and Southern Africa Anti-Money Laundering Group (ESAAMLG) mutual evaluation due in 2027.

## The National Contributory Retirement Scheme



Another encouraging move is the rebuilding of the country's pension architecture. The old National Pension Fund will be replaced by the National Pension and Provident Fund (NPPF), designed to support the payment of a decent retirement pension.



The reintroduction of the NPPF carries an additional benefit that the financial sector would welcome. As members' contributions build year after year, the NPPF could become a large and steadily growing pool of long-term Mauritian savings. If properly managed, these funds could flow back into the domestic economy and bolster liquidity on the Stock Exchange of Mauritius. A national pension fund of real scale could breathe new life into the capital market - supporting local listed companies, adding depth and liquidity, and providing the patient long-term capital needed to finance the country's growth ambitions. In other words, a reform designed to protect pensioners could also help finance Mauritius's future.



## Concluding Remarks

Among the most consequential of these reforms is the rebuilding of the pension architecture, which confronts one of the State's heaviest fiscal burdens directly. The basic retirement pension alone already absorbs nearly 25% of recurrent government spending, and an ageing population will only deepen that pressure in the years ahead - making the move to the NPPF as much a fiscal necessity as a social one.

This is, above all, a Budget of continuity. It is one that consolidates the discipline of the past year and sets a clear course away from a consumption-driven economy towards one built on efficiency, production, exports and technology.

## Kesaven Moothoosamy

*Executive Director*



# KEY TAKEAWAYS

# 2.

**3.5%**

Real GDP Growth (FY 26/27 Estimate)  
FY 2025/26 : 3.1%



**USD 17.6Bn**

Rs 842.9 Bn (Nominal GDP, FY 26/27 estimates)  
FY 2025/26 : Rs 776.8Bn



**USD 9.8Bn**

Gross Official FX Reserves (May 2026)



**3.7%**

Headline Inflation (2025 annual average)



**5.7%**

Unemployment Rate (2025 - 3-decade low)



**USD 0.59Bn**

Rs 28.1Bn (Budget deficit, FY 26/27 estimates)  
FY 2025/26: Rs 46.5Bn

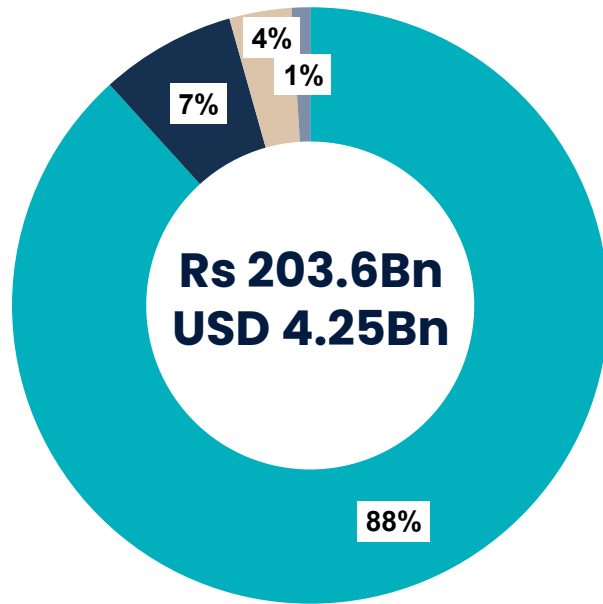




# ECONOMIC OUTLOOK

# GOVERNMENT REVENUE: YEAR-ON-YEAR COMPARISON

FY 2025/26 Revised Estimates



■ Tax Receipts ■ Social Contributions ■ Other Revenue ■ Grants

## VARIANCE

Total Revenue  
**+Rs 31.9Bn**

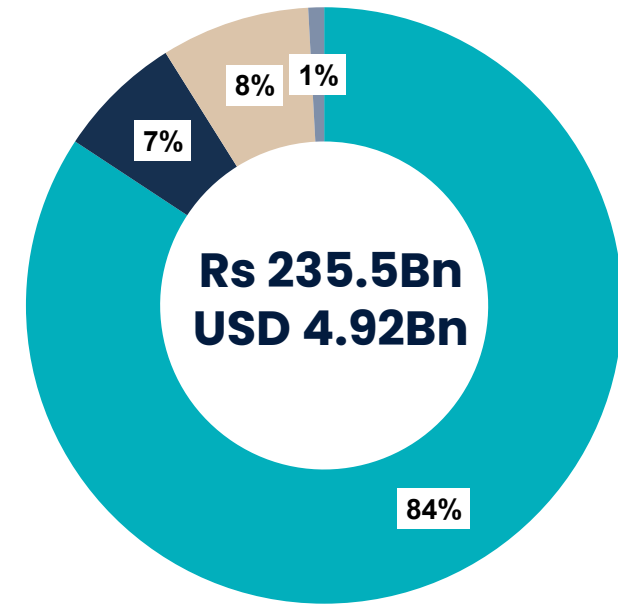
Tax Receipts  
**+Rs 18.7Bn**

Social Contribs  
**+Rs 1.0Bn**

Other Revenue  
**+Rs 12.1Bn**

[Chagos] +Rs 10.6Bn  
**conditional**

FY 2026/27 Estimates



■ Tax Receipts ■ Social Contributions ■ Other Revenue (incl. Chagos) ■ Grants

## WHY FY 2025/26 MISSED BY AROUND Rs 20 Bn

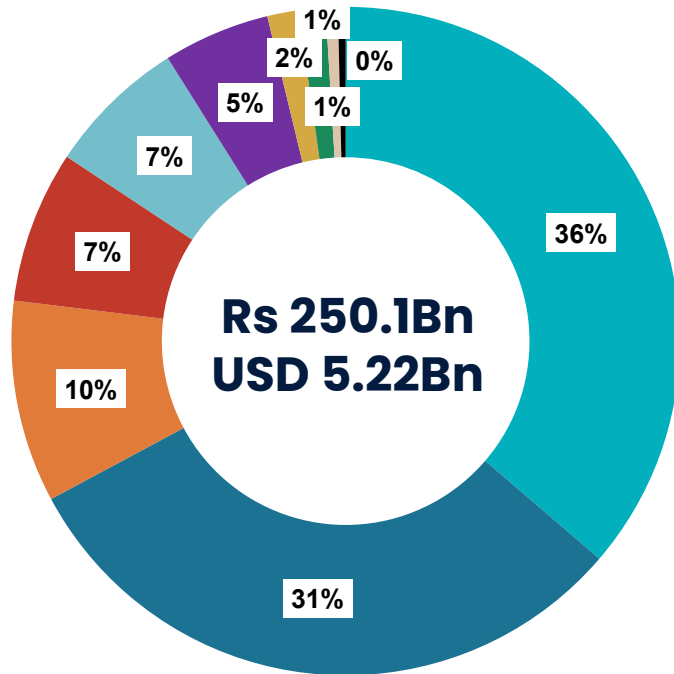
- ▶ Chagos Agreement not ratified by UK - USD 0.21 (Rs 10.0Bn) not received [conditional]
- ▶ Lower income tax (individuals + corporates + TDS): USD 1.324 Bn (Rs 63.44 Bn) budgeted → USD 1.21 Bn (Rs 57.85 Bn) actual = - USD 0.114 (-Rs 5.6 Bn)
- ▶ Weaker VAT receipts: USD 1.34 Bn (Rs 64.23 Bn) budgeted → USD 1.3 Bn (Rs 62.3 Bn) actual = -USD 0.04 Bn (-Rs 1.9Bn)
- ▶ Motor vehicle-related duties: excise USD 0.09 Bn (Rs 4.371 Bn) → USD 0.071 Bn (Rs 3.4 Bn) + registration duty USD 0.04 Bn (Rs 1.925 Bn) → USD 0.02 (Rs 0.962 Bn) = -USD 0.02 Bn (-Rs 2.0Bn) combined

## FY 2026/27 REVENUE RECOVERY MEASURES

- ▶ New 35% PIT band on income > Rs 12M - replaces Fair Share (individuals)
- ▶ New Insurance Premium Tax (5%) from Jan 2027
- ▶ Excise hikes: tobacco/alcohol +10%, sugar 12→15c/g
- ▶ ICT non-resident income tax: software/SaaS suppliers now subject to MU income tax

# GOVERNMENT EXPENDITURE: YEAR-ON-YEAR COMPARISON (BY FUNCTION)

FY 2025/26 Revised Estimates

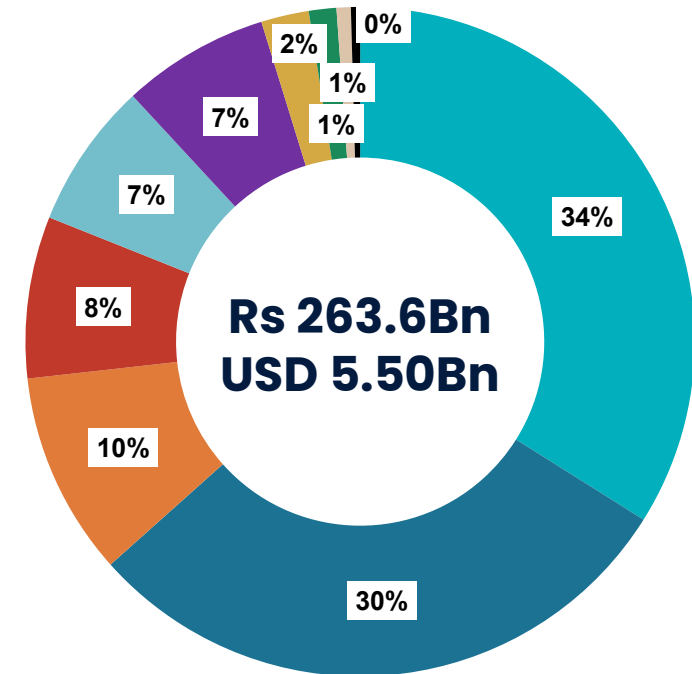


- Social Protection
- General Public Services
- Education
- Health
- Public Order & Safety
- Economic Affairs
- Housing & Community
- Environmental Protection
- Recreation, Culture & Religion
- Defence

## BIG MOVERS

- Economic Affairs**  
**+Rs 5.8Bn (+45.3%)**
- Housing & Comm.**  
**+Rs 2.3Bn (+61.9%)**
- Health**  
**+Rs 2.2Bn (+11.8%)**
- Pub. Order/Safety**  
**+Rs 1.7Bn (+10.0%)**
- Social Protection**  
**-Rs 1.3Bn (-1.5%)**

FY 2026/27 Estimates

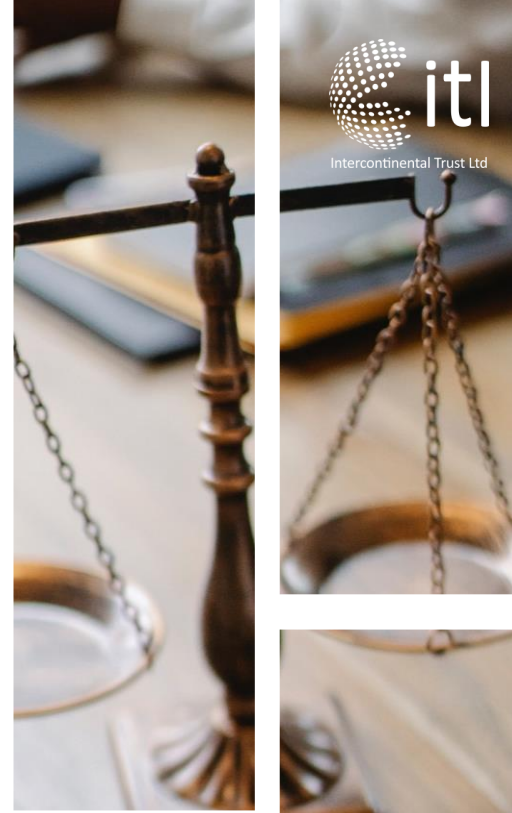


- Social Protection
- General Public Services
- Education
- Health
- Public Order & Safety
- Economic Affairs
- Housing & Community
- Environmental Protection
- Recreation, Culture & Religion
- Defence

Note: General Public Services includes Interest Payments (Rs 26.9Bn rev. / Rs 30.1Bn est.) and Transfers to Local Govt/RRA. Social Protection -1.5% reflects BRP → SAP structural reform; OldAge sub-function drops Rs 65.9Bn → Rs 42.8Bn. Total excludes Contingencies & Infrastructure in Preparation (Rs 3.05Bn). Source: Appendix B Table B2 (FY 2026/27).



# GLOBAL BUSINESS & FINANCIAL SERVICES



## NEW FINANCIAL ACTIVITIES AND WEALTH SERVICES

- **Private Wealth Management Licence** – A new dedicated licence will be introduced to develop Mauritius as a wealth management and family office hub.
- **Open Banking Framework** – A new framework will enable the secure sharing of customer financial data between licensed banks, virtual asset service providers, and authorised fintech providers.

### Virtual assets, stablecoins & tokenisation

- **Stablecoins and Tokenisation** – Clear regulatory rules will be introduced for the issuance of an investment in stablecoins, and for the tokenisation of real-world assets.
- **Fintech Licensing and Passporting** – The FSC will introduce a shared fintech licensing and passporting framework, a modular private wealth management licence, and a pension income drawdown framework.
- **National Fintech Governance Committee** – A new committee will be established to coordinate and oversee the implementation of fintech strategies in Mauritius.

## REGULATORY REFORMS AND LICENSING FRAMEWORK

- **Variable Capital Companies** – Protected Cell Companies may now convert into Variable Capital Companies, ensuring full legal continuity for restructuring entities.
- **Partial Exemption Regime** – Core income generating activities for Investment Advisers and Asset Managers are broadened to include management of loan receivables, mortgage-backed exposures, and invoice financing portfolios.
- **Captive Insurance** – The 10-year captive insurance tax holiday extended by a further **5 years** for captives licensed before **19 June 2026**
- **Debenture Holder representative exemption** - Global Business Companies and Authorised Companies issuing debentures exclusively outside Mauritius are no longer required to appoint a Debenture Holders' Representative.
- **Global Business Entity Definition** – A trust whose settlor or beneficiaries are residents, and a foundation whose founder or beneficiaries are residents, are **excluded** from the Global Business Entity definition.



- **Foreign Digital Service Providers** – Foreign suppliers of digital or electronic services are no longer required to register for VAT, appoint a tax representative, or disclose client details in Mauritius, provided they meet prescribed conditions.
- **VAT on Payment Services to GBCs** – Payment services provided by BOM-licensed payment service providers to GBCs are made zero-rated, ensuring a level playing field with banks.
- **VAT on Management Services** – Services supplied by FSC-licensed management companies to GBCs, qualifying trusts, and qualifying foundations are reclassified from zero-rated to VAT exempt.
- **FSC on-site inspection powers** – The FSC empowered to carry out on-site inspection at the request of foreign supervisory body.
- **Misleading information to FSC** - The offence of submitting false or misleading information will be extended to apply to past licensees of the FSC, not only current ones.
- **GBC signatory governance** - Global Business Licensees required to comply with FSC guidelines on bank signatory arrangements, i.e appointment of at least one approved officers of a licence management company as signatory.
- **Conservatorship Framework** – The FSC is empowered to appoint a conservator for licensees facing financial or operational difficulties, protecting clients, creditors, and assets; immunity is extended to administrators and conservators acting in good faith.

## BANKING SECTOR REFORMS

- **New Legislative Architecture** – Three landmark pieces of legislation - a new Bank of Mauritius Bill, a new Banking Bill, and a Resolution Regime - will be introduced before end of 2026, replacing a framework dating back to 2004.

## QDMTT - KEY UPDATES FOR MNEs



### Investment Fund Exemption –

Investment funds and real estate investment vehicles are exempted from QDMTT where they are the parent entity of an MNE, with retrospective effect from 1 July 2025.



- **Extended Amendment Window** – Taxpayers may now amend a QDMTT return within 3 years of submission, extended from the previous 2-year window.
- **Filing Deadline** – The QDMTT return submission deadline is set at no later than 15 months from the end of the month in which the fiscal year ends.
- **Penalty Reduction** – The non-payment penalty for QDMTT is reduced from 5% to 2.5%, easing the compliance burden on affected MNEs.
- **Intra-Group Adjustments** – Consolidated adjustments relating to intra-group transactions are now allowed in the computation of net income or loss, in line with OECD GloBE rules.

## AML/CFT

- **2027 ESAAMLG Mutual Evaluation** – Full readiness for the 2027 ESAAMLG Mutual Evaluation is a top priority with expected legislative, investigative, and intelligence reforms aligned to meet that deadline.
- **National Crime Agency** – A new National Crime Agency will be established, consolidating investigations into serious fraud, corruption, money laundering, and complex transnational crimes.
- **AI-Powered Financial Intelligence** – The Financial Intelligence Unit will deploy advanced AI systems to improve financial intelligence analysis and accelerate the detection of suspicious transactions.
- **Supervisory Technology** – Regulatory authorities will make increasing use of SupTech solutions to strengthen AML/CFT/CPF oversight across the financial sector.
- **FIAMLA Amendments:** Third-party administrators will be excluded from AML/CFT obligations given their purely administrative role for licensed insurers.

## VIRTUAL ASSETS / INITIAL TOKEN OFFERING SERVICES ACT

- **Senior Executives** – Senior executives of virtual asset service providers must now satisfy both Mauritius residency and senior management position requirements.
- **Investor Protection** – Unlicensed persons are prohibited from soliciting Mauritian investors for virtual asset transactions or initial token offerings.

## COMPANIES ACT AMENDED

- Name reservation at the Registrar of Companies extended from 2 to 6 months, for both companies and partnerships.
- The Registrar will now accept equivalent official documents from foreign authorities as evidence of company registration - including extracts from official registries and electronic registration confirmations.

## OTHER SALIENT MEASURES

### “ Tax Residence Certificate (TRC)

Fees for the issuance of a TRC are increased as follows:

- collective investment schemes from USD 1,000 to USD 2,000;
  - individuals from Rs 1,000 to Rs 2,000; and
  - all other applicants from USD 200 to USD 500.
- ”



## OTHER SALIENT MEASURES (contd.)

### Beneficial ownership obligations expanding

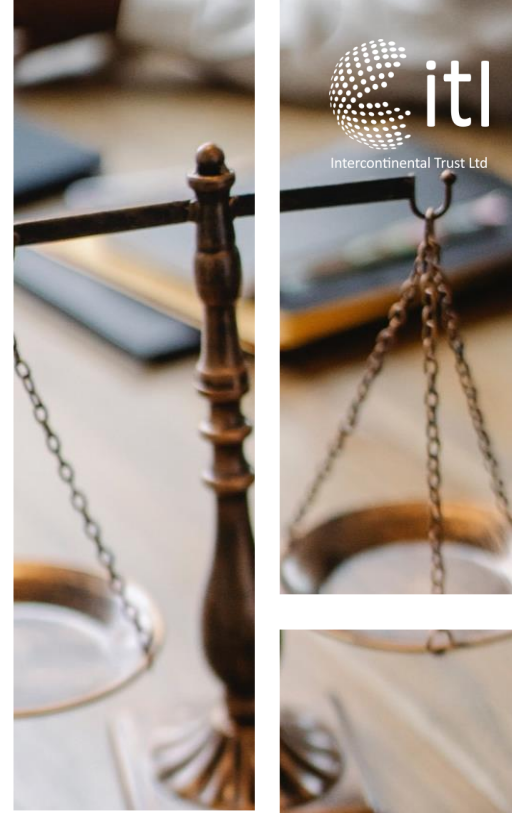
- Companies, partnerships and foundations must include the **date of birth** of beneficial owners in their register; existing entities have until **30 June 2027**.
- BO maintenance and filing extended to **Sociétés**, with a transitional period.

### Crypto-Asset Reporting Framework

- MRA empowered to collect information from Reporting Crypto-Asset Service Providers for automatic exchange under the **OECD Crypto-Asset Reporting Framework**.

### Sustainability reporting

- Framework will be introduced for **sustainability reporting** (voluntary or mandatory by entity type and size), with FRC enforcement powers - relevant to larger client entities.





# WORK & LIVE IN MAURITIUS

## OCCUPATION PERMITS

Category	Measure	Previous	New
Investor	Entry investment	USD 50,000 (Cat 1) or USD 100,000 (Cat 2)	USD 100,000 (merged, single threshold)
	Turnover requirement	Category 1 (USD 50,000)  Yr 1: Rs 1.5m  By Yr 5: Rs 20m cumulative  From Yr 6: Rs 5m/yr	From Yr 3: Rs 5m/yr  From Yr 5: Rs 8m/yr
Self-employed	Turnover requirement	Category 2 (USD 100,000)  Yr 1: Rs 1m  By Yr 5: Rs 15m cumulative  From Yr 6: Rs 5m/yr	For Innovative Start-ups, performance indicators will be introduced.
		Yr 1: Rs 75k  By Yr 5: Rs 6m cumulative  From Yr 6: Rs 1.5m/yr	From Yr 3: Rs 2m/yr  From Yr 5: Rs 3m/yr
Professional	Structure & salary floor	Two categories:  ProPass: Rs 30,000/mth;  Expert Pass: Rs 250,000/mth	Single category, min. basic salary at Rs 50,000/mth

“

**A Streamlined Regime**  
for Investor OP and  
Professional OP

”



## NEW AND ABOLISHED CATEGORIES

- A new Technical Category will be introduced, under a Government-to-Government framework, where an Occupation Permit will be granted for an initial period of 3 years, renewable thereafter.
- The standalone Family Occupation Permit will be abolished.
- G+2 Scheme: no new leases authorising sale of apartments on State land / Pas Géométriques, and no sale of such apartments to foreigners. Already-approved leases and existing owners are unaffected.

## RESIDENCY & INVESTMENT - THE GOLDEN VISA

1. Golden Visa holders investing the minimum USD 1 million will be eligible to apply for a Permanent Residence Permit
2. Work permits for domestic workers accompanying a Golden Visa holder to be processed within 5 working days

## ATTRACTING & RETAINING FOREIGN TALENT

- A comprehensive migration policy will be implemented to attract foreign talent and address skills mismatch
- National E-Diaspora Platform to be established by the EDB to harness diaspora expertise
- Public Procurement Act to be amended to allow public bodies to directly engage qualified diaspora experts



### Easier Entry & Travel

- Electronic Travel Authorisation (E-Visa) to be introduced for all non-citizens prior to travel, reducing arrival queues and reinforcing border security
- Application fee of USD 50 for residence permit extended to spouses of Mauritian citizens and their dependents
- Residence permits may be issued in digital, card or paper format

The Prime Minister's absolute discretion to deprive residency or cancel a visa "in public interest" is removed



### Foreign Students - Study and Stay

- Foreign students may work part-time up to 30 hours a week during school holidays, up from 20
- Post-study work visas to encourage foreign graduates to remain and address the skills gap
- Centralised "Study in Mauritius" portal and an Online Student Visa on the EDB's NELS



### Acquisition of Residential Property under EDB Schemes

- The duties and taxes applicable on the transfer of residential properties under the EDB property schemes will be reviewed.





# EASE OF DOING BUSINESS

# BUSINESS



## BUSINESS REGISTRATION & LICENSING



01

A new Business Facilitation Bill will be introduced to address bottlenecks, with the principle of silent agreement.



02

The period for reserving a company or partnership name at the Registrar of Companies extended from 2 to 6 months.



03

A person will be allowed to display a copy of their business registration card in any format at the principal place of business.



04

The EDB will undertake a comprehensive review to streamline business licensing and permitting procedures.

To enhance the effectiveness of investment policies, AI technologies will be deployed as follows:

A multilingual AI chatbot will be deployed on the National Electronic Licensing System Platform for 24/7 investor support.






A similar AI tool will be introduced at the Financial Services Commission.





# UNLOCKING INNOVATION




## A MAURITIUS START-UP REVOLUTION

-  A dedicated Start-Up Act to be introduced, anchoring a new start-up ecosystem
-  An Accelerator Scheme at the EDB, a digital patent management system, and a dedicated start-up labour framework drawing on international best practices
-  A high-level public-private Start-Up Council to oversee implementation and coordination
-  A 10-year income tax holiday for start-ups, applicable from the day of operations
-  Innovation Scholarship of up to Rs 500,000 in seed funding awarded to 10 university students, through the National Research and Innovation Institute

## AI CAPACITY BUILDING

- Mauritius to participate in Google’s America-India Connect subsea connectivity programme, with the aim of adding resilience to existing submarine cable systems and strengthening strategic routes towards South Africa, India and Singapore
- Government is engaging with leading American and European AI and cloud companies to explore opportunities for AI infrastructure and AI-enabled services serving Mauritius, the Indian Ocean and the SADC region
- 50,000 Mauritians to be enabled or trained in practical AI use over the next year - comprising 25,000 trained in practical AI skills (with the private sector), 5,000 public officers, plus 8,000 teachers and 12,000 students
- A “Champion of AI” Programme launched with the Indian Government to develop a network of AI leaders driving responsible AI adoption and transformation across organisations
- National AI Learning Platform - Rs 25m allocated - offering structured training, certification and an AI Innovation Start-Up Programme

## SME SUPPORT

-  An SME Bill to create a more conducive business environment
-  Extension of customs duty exemption on eligible utility vehicles to registered SMEs operating in transformative sectors
-  A single digital platform, developed by SME Mauritius, consolidating all schemes, grants, tax incentives and financing facilities



## RESPONSIBLE AI & CYBERSECURITY

- A National Artificial Intelligence Guideline to be issued for governance and responsible use of AI in higher education and the civil service
- Rs 13 million provided for: Cyber Forensic laboratory to strengthen investigative capabilities; national cybersecurity survey to assess preparedness and improve resilience; setting up Information Security Management Systems across Government
- The Computer Emergency Response Team of Mauritius (CERT-MU) will establish a national fraud reporting and response mechanism to better protect citizens and businesses from cyber fraud and scams
- The Bank of Mauritius will roll out a Threat Intelligence Sharing Platform to facilitate real-time exchange of cybersecurity intelligence among banks

“ **From USD 1.5 billion to USD 3 billion in five years.**

The new Côte d’Or Special Economic Zone targets a doubling of goods exports, anchored by 100% foreign ownership, a dedicated data-centre tariff and 30-year renewable leases.

”

## THE CÔTE D’OR SPECIAL ECONOMIC ZONE

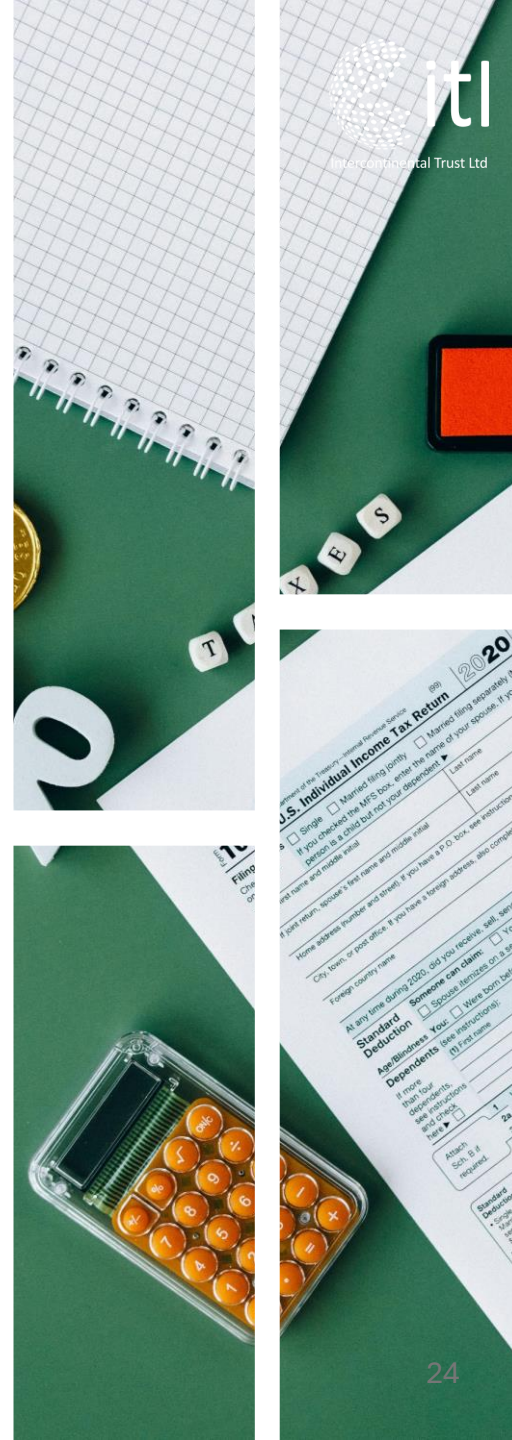
- A high-tech SEZ on 83 arpents at Côte d’Or, targeting AI, digital sectors and advanced manufacturing
- Export target: increase exports of goods from USD 1.5 billion today to USD 3 billion within five years
- SEZ incentive scheme: projects must dedicate at least 70% of land to approved activities and meet sustainability standards, e.g. LEED

Under the Scheme, a comprehensive package of incentives will be granted to different categories of investors such as Developers, Operators, Founders and Financiers:

Incentive	Detail
Foreign ownership	100% foreign ownership allowed
Tax & duties	Reliefs and exemptions on duties and taxes; VAT recovery on buildings and capital goods
Electricity	Special Data Centre Electricity Tariff
Permits	Fast-track work/occupation permit delivery for foreign construction contractors and specialised technical personnel
Developer rent	Concessionary rental at 40% of market rate for 10 years
Developer lease	30-year leases, renewable for two further 30-year periods



# FISCAL POLICIES



## MEASURES FOR INDIVIDUALS

### Personal Income Tax - New Top Band

- A new top rate is introduced. Income from Rs 1 million to Rs 12 million remains taxed at 20%, while chargeable income above Rs 12 million will now be taxed at 35% - a band that replaces the Fair Share Contribution for individuals

Chargeable income band	Rate
First Rs 500,000	0%
Next Rs 500,000	10%
Rs 1 million to Rs 12 million	20%
Above Rs 12 million	35%

## PENSION & RETIREMENT

- Exemption threshold on lump sum received as pension, retiring allowance or severance allowance raised from Rs 3 million to Rs 3.5 million
- A new Retirement Savings Bond to be introduced, offering an attractive annual interest rate of up to 6% for individuals saving for retirement

## INSURANCE PREMIUM TAX

- A new Insurance Premium Tax of 5% on short-term general insurance, applying to new and renewed policies from 1 January 2027



### Property (First-Time Buyers)

- Registration Duty exemption on bare land raised: first Rs 3 million of value, up from Rs 2.5 million
- Registration Duty exemption on a house or apartment raised: first Rs 6 million, up from Rs 5 million
- Owners of agricultural land, previously excluded, now benefit from the first-time buyer scheme - correcting a longstanding exclusion



### New Property Levy on G+2 Apartments

- A special levy of 10 percent will be imposed on the sale of G+2 apartments constructed on State land/ Pas Géométriques; does not apply to notarial reservation contracts already signed



## MEASURES FOR COMPANIES

### Corporate Income Tax

Investment Tax Credit: 15% a year over 3 years (45% in total) for manufacturing companies on new plant and machinery (excluding motor cars), AI solutions and patents; unrelieved credit carried forward over 10 years; the credit, due to end 30 June 2026, is extended to 30 June 2029

The 3% reduced corporate tax rate on export of goods will no longer apply to profits from exports of live animals

Taxation of ICT service providers: a non-resident company supplying software, software licences, applications and maintenance services, and distance maintenance of programmes and ICT equipment, becomes subject to income tax in Mauritius



### Partial Exemption Regime:

Core income generating activities for an Investment Adviser or Asset Manager broadened to include management of non-securities instruments such as loan receivables, mortgage-backed exposures and invoice financing portfolios



### FAIR SHARE CONTRIBUTION & QDMTT

- Fair Share Contribution: the test requiring supplies above Rs 24 million or VAT registration is removed; liability now rests solely on chargeable income exceeding Rs 24 million in an accounting year
- QDMTT: investment funds and real estate investment vehicles exempted as parent entity of an MNE, deemed effective 1 July 2025; intra-group consolidated adjustments allowed in the net income/loss computation; filing deadline set at 15 months from fiscal year-end; amendment window extended from 2 to 3 years; non-payment penalty reduced from 5% to 2.5%

### CORPORATE CLIMATE RESPONSIBILITY LEVY

- Offsetting of unused tax credits, including foreign tax credits, against the levy is no longer allowed
- The levy becomes payable quarterly under the Advance Payment System, phased in at 25% (FY 2026/27), 50% (FY 2027/28), 75% (FY 2028/29) and full APS from FY 2029/30



## CSR

- A company may now retain up to 25% of its CSR Fund (down from 50%) and must remit at least 75% to the National Social Inclusion Foundation

## VAT - CORPORATE MEASURES

- For Global Business: management-licence services supplied to Global Business Licensees, qualifying trusts and foundations become VAT exempt, instead of zero-rated
- Payment services provided to Global Business Licensees by a BoM-licensed payment service provider become zero-rated
- Foreign suppliers of digital/electronic services: no VAT registration required where supply is exclusively to a VAT-registered person (reverse charge applies); no tax-representative requirement; no compulsory registration below Rs 3 million annual turnover
- Online marketplaces and digital platforms confirmed within the coverage of digital and electronic services

## TAX ADMINISTRATION (AFFECTING COMPANIES)

- MRA Compliance Agreements: a new framework for early resolution of tax matters prior to assessment; full cooperation may result in penalty waiver; the taxpayer waives the right to object or appeal on agreed matters
- Crypto-Asset Reporting Framework: OECD CARF implemented; the MRA to collect and automatically exchange information from Reporting Crypto-Asset Service Providers
- Assessments beyond the statutory limit: the MRA empowered to raise assessments beyond statutory limits in cases of fraud or willful neglect

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### Looking Ahead - Tax System Review

A High-Level Committee to be set up under the Ministry of Finance to fundamentally review the tax system for fairness, efficiency and international competitiveness; to include tax experts and be supported by the IMF and other international experts

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