



BEYOND ENTITIES, BUILDING LEGACIES

Mauritius Finance Act 2025

GWMS Global Business Update 54

Global Business Sector Focus and Key Tax Reforms

Introduction

We have the pleasure to provide you with a brief overview of the 2025-2026 Mauritius Budget measures, relating to the Global Business Sector and salient features that non-citizens contemplating relocating to, investing into and working in Mauritius may find of pertinence.

The budget speech was read in the Mauritius Parliament on Friday 5 June 2025 by Dr. the Honourable Navinchandra Ramgoolam, Prime Minister & also the Minister of Finance. These proposals were debated in parliament and The Finance Act 2025 was officially assented by the President of Mauritius on 08 August 2025.

Only those measures which, in our opinion, may be of interest to an international audience are included here. You are strongly recommended to seek specific advice before acting on any information contained herein.



GWMS Insights

Fair Share Contribution (FSC) - Corporates

Non-citizens currently operating through domestic companies should carefully reassess their structures in light of these changes, as they may face unintended tax or regulatory exposure. Even if a non-citizen wishes to carry on business in Mauritius, this can be structured through a Global Business entity, which falls outside the scope of the new FSC levy while also providing a future-ready platform to operate internationally through the same vehicle. Global Business Entities (Entities holding a Global Business Licence, Authorised Company, Trust, Foundation), other companies & income exempt from tax such as those with tax holidays are exempted from FSC.

Qualified Domestic Minimum Top-Up Tax (QDMTT)

This measure is subject to substance-based income exclusion, as may be prescribed. It is worth noting that some key jurisdictions, such as India and South Africa, have not yet introduced QDMTT, while others, like the UK and Singapore, have implemented it with carve-outs and incentives (e.g. innovation boxes, R&D reliefs). We trust that the substance-based exclusions to be announced in Mauritius will be calibrated at a competitive level, in line with global peers, to safeguard the attractiveness of the IFC.



GWMS Insights

Alternative Minimum Taxation

The same consideration as under FSC Corporates apply here as well

Partial Exemption Mechanism

Partial Exemption of 80 per cent has been extended to a company holding a Virtual Asset Service Provider (VASP) licence issued by the Financial Services Commission. Following the clarification provided for VASP licence holders, market participants may reasonably expect that the same restrictive approach will apply to other categories of income already benefiting from the Partial Exemption regime, such as interest, dividends, and similar streams.

Rationale of the tax measures

The corporate and personal tax measures, including the simplified personal tax brackets, form part of fiscal consolidation to raise revenue and streamline tax collection. The government has stressed that these are limited to a three-year horizon, and taxpayers should plan accordingly while remaining flexible for future changes.



GWMS Insights

Tighter Non-Citizen Property & Permit Rules

✓ Time for a Smarter Strategy

The changes reflect a policy shift to ensure that non-citizen property ownership and residence contribute meaningfully to the economy and are aligned with long-term commitment to Mauritius. Given the tighter rules on duties, taxes, and permits, non-citizens should seek expert advice to identify the most suitable permit pathway and adopt a streamlined approach for faster, compliant implementation.



Kamal Hawabhay
Managing Director



Corporate Tax Reforms

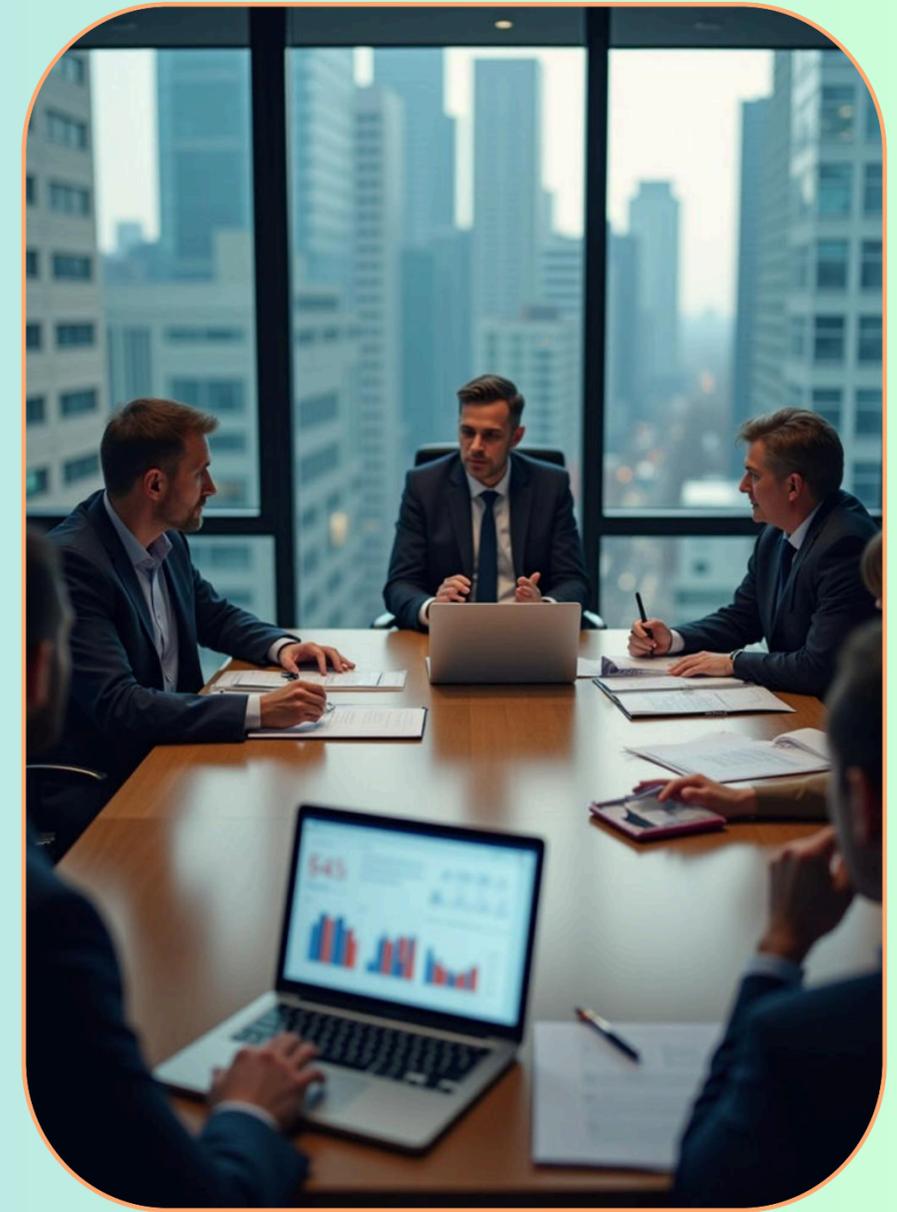
A new tax measure called the “Fair Share Contribution” (FSC) has been introduced both for individuals and corporates with leviable income above a defined threshold.

Corporate income tax remains at 15% + a levy (introduced in 2024) of 2% on chargeable income for companies with turnover > MUR 50 million (~USD1.2mio).

Mauritius has now also adopted the Qualified Domestic Minimum Top-Up Tax (QDMTT) and the Alternative minimum tax (AMT)

Partial exemptions of 80% exemption on previous income streams remain unchanged with some additions.

Exporters continue to benefit from a 5% effective tax rate.



Taxation -Fair Share Contribution Corporates

Leviable Income	Chargeable income and supplies exceeding MUR 24M
Category	FSC Rate
Banks	5% + 2.5% on resident transactions (excl. GBCs)
Exporters, taxed at 3%	2%
Other domestic companies, subject to tax at 15%	5%
Effective Date	Income derived from 1 July 2025 to 30 June 2028.

Taxation -Fair Share Contribution Corporates

Exemptions	Global Business Entities (Entities holding a Global Business Licence, Authorised Company, Trust, Foundation), other companies & income exempt from tax such as those with tax holidays
Impact	Non citizens of Mauritius using domestic companies should seek structuring advice to manage exposure.
Cap & other restriction	<ul style="list-style-type: none">• Banks/telecoms capped at 35% of total tax burden (including FSC, CSR, CCR levy, and income tax).• Not creditable against income tax. Payable via VAT return quarterly.

Taxation - Qualified Domestic Minimum Top-Up Tax (QDMTT)

Rationale	QDMTT introduced as part of OECD's Pillar Two rules to ensure that in-scope entities are subject to a minimum effective tax rate of 15% in Mauritius. The objective is to safeguard Mauritius's fiscal sovereignty and reinforce its reputation as a transparent OECD-aligned financial centre.
Scope	Mauritius-based entities (including sociétés and joint ventures) that are part of a qualifying MNE group with consolidated group revenue of at least EUR 750M in at least two of the last four fiscal years; and having an effective tax rate below 15% in Mauritius in a given fiscal year
Exclusion	Nonprofit organisations, pension funds, investment funds, insurance investment entities, real estate investment vehicles and other entities as may be prescribed.
Carve out	This measure is subject to substance-based income exclusion, as may be prescribed.

Taxation Measures -Alternative minimum tax (AMT)

Rationale	To raise collection of income tax, specified profitable companies benefiting from certain tax incentives, tax deductions or credits will henceforth be required to pay at least a minimum tax of 10% of their book profits, irrespective of accumulated tax losses.
Scope	Hotels, insurance companies, companies acting as financial intermediaries, companies engaged in real estate activities and telecommunication companies.
Exclusion	Global Business Entities (Entities holding a Global Business Licence, Authorised Company, Trust, Foundation), other companies & income exempt from tax such as those with tax holidays

Taxation Measures -Other

Ams length Transactions: Companies now required to prepare and maintain records in relation to related parties' transactions in a format which will be prescribed

Partial Exemption of 80 per cent has been extended to a company holding a Virtual Asset Service Provider licence issued by the Financial Services Commission. The partial exemption shall be granted solely if the income is derived from the activities covered by the licence and the prescribed substance conditions are satisfied.

✓ GWMS Note: Following the above stated *modus operandi* of the Partial Exemption mechanism, a presumed assumption is that the same mechanism shall henceforth apply to existing Partial Exemption mechanism applying to other specified income.

Taxation - Individual

INCOME TAX BRACKET (MUR)	INCOME TAX RATE
0 – 500,000	0%
500,001 – 1,000,000	10%
Above 1,000,000	20%
Effective Date	1 July 2025



Taxation Individual- Fair Share Contribution

Leviable income	Chargeable Income + dividends (excluding from Global Business Entities i.e Entities holding a Global Business Licence, Authorised Company, Trust, Foundation) + certain other income from lump sum related to pension etc
Fair Share Contribution	15 per cent of the Leviable Income in excess of MUR 12 million rupees annually
Effective Period	1 July 2025 up to 30 June 2028

Taxation - Individuals

GWMS Insights & Impact

- ✓ Non-citizens working or residing in Mauritius should reassess their remuneration structures to account for higher marginal tax rates under the progressive regime.
- ✓ Dividend income from GBCs and ACs continues to be tax-efficient for expatriates and HNWIs, providing opportunities to extract income at lower effective tax cost.
- ✓ Individuals in the HNWI bracket should evaluate the use of trusts, corporate structures, and careful income planning to manage their overall exposure.

Taxation on immovable property

Non-citizens acquiring a residential property under an EDB Property Scheme, on or after 1 July 2026,

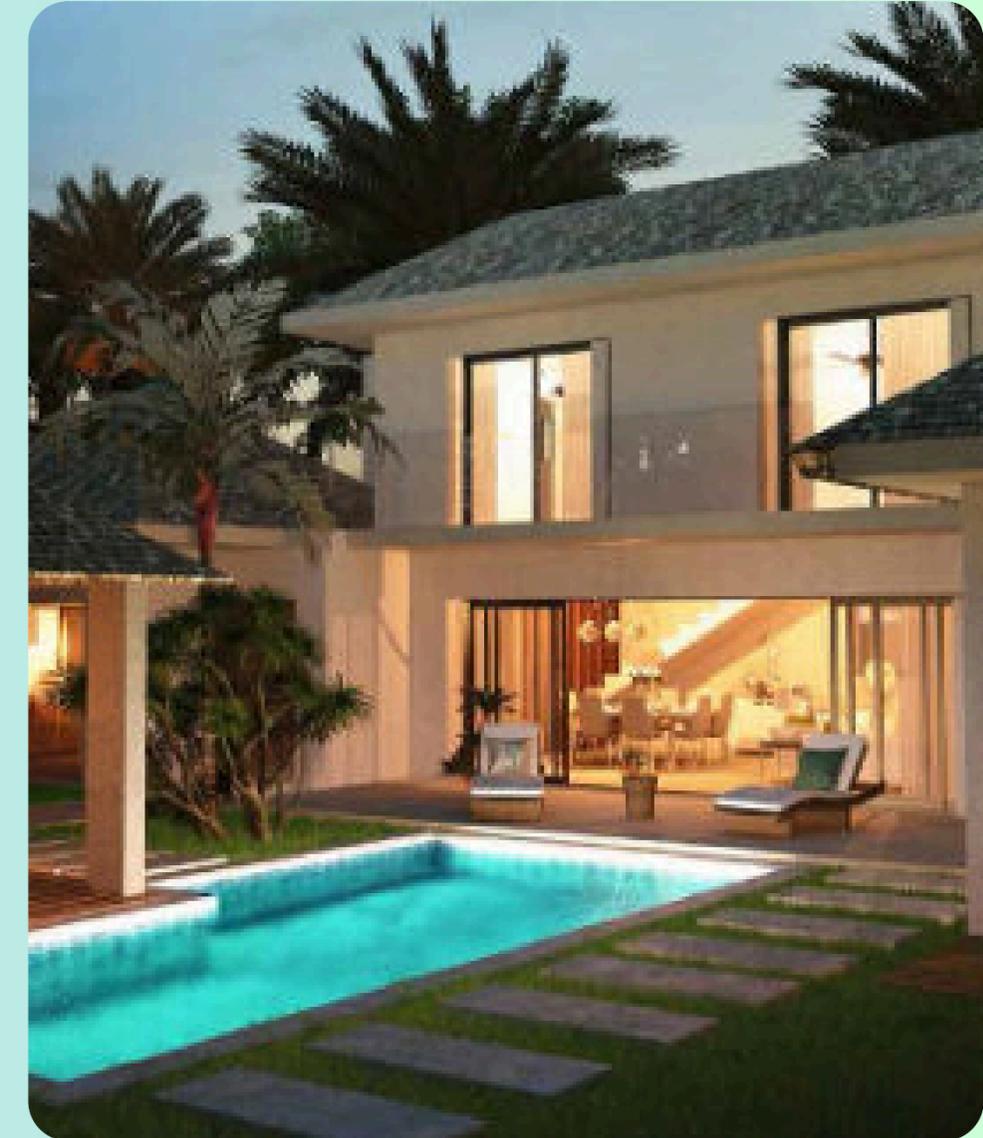
Registration duty of 10% instead of 5% on value of the property

- Land transfer tax where a non-citizen acquires a residential property, on or after 1 July 2026, from:
- A citizen, under any of the EDB Property Schemes or qualifying apartments; or
- A non-citizen, in the case of resale of residential properties initially acquired under the prescribed schemes

10%

Capital gains, wealth, or property taxes levied in Mauritius.

0%



Non Citizens - New Permit & Property Acquisition Criteria

Previously non-citizens holding a residence permit could acquire one residential property outside of EDB-approved schemes (above USD 500,000). This is no longer allowed. Foreign nationals can now only acquire property through the EDB-approved schemes

Retired Non-Citizen Residence Permit
No minimum stay required and permit holders may now invest in businesses (but not be employed or derive salary & benefits)

Initial transfer: USD 2,000 within 60 days of permit date
Thereafter: USD 24,000/year or USD 2,000/month
Permit validity: 10 years

Professional (New Categories Introduced)

New category: ProPass: basic salary of Rs 50,000/month
new category : Expert Pass: Basic salary of Rs 250,000/month



Occupation Permits (OP)

Investor	Initial investment: USD100,000 must be transferred within 60 days Turnover targets: MUR 1 million as from Year 1 MUR 15 million cumulative by Year 5 Renewal: MUR 5 million/year from Year 6
Self-Employed	Initial investment of USD 50,000 within 60 days Must be engaged in services sector only Requires 3 letters of intent, 2 from local Mauritian clients Business income targets: MUR 750,000 from Year 1 MUR 6 million cumulative by Year 5 Renewal: MUR 1.5 million/year from Year 6
Family Occupation Permit	Contribution of USD 250,000 to the COVID-19 Projects Development Fund



Permanent Residence Permits (PR)

Minimum period for applying for a PR	Extended from 3 to 5 years
Alternative eligibility criteria for PR	Non citizen holding valid occupation permit or residence permit for 5 years AND who meets new turnover, income or investment limits
Investor	5 years of investor OP + minimum annual turnover of MUR15m/year or MUR 75m cumulative for 5 years preceding PR application
Professional	5 years of professional OP + Rs 400,000/month salary for 5 years preceding PR application

Permanent Residence Permits (PR)

Self-Employed

5 years of self employed OP+MUR 3m/year or Rs 15m cumulative for 5 years preceding the application.

Retired Non-Citizen

5 years of retired OP + USD 200,000 (may be in installments) transferred over 5 years preceding the application

OTHER

- New Short-Term Occupation Permits (can work up to 9 months, extendable once) is introduced.
- Spouses of OP holders may now apply for their own OPs
- OP holders may own shares in their employer's business (but not as majority shareholders)



Regulatory Changes

Companies Act

Beneficial owners or ultimate beneficial owners are now required to provide a written declaration confirming that they are the beneficial owners or ultimate beneficial owners of a company incorporated on or before 7 August 2025 shall comply with the new requirements by 30 June 2026

Financial Services Act

- No regulatory approval required for existing shareholders, in case of an issue or a transfer of shares, change in legal or beneficial interest above 5%, provided no change in control but notification to the FSC will still be required by licensee
- Change in director to be notified to the FSC within 7 days

Foundation Act, Limited and Limited Liability Partnerships

New requirements relating to identification of beneficial owners or ultimate beneficial owners, declaration, record keeping and changes.



Administrative & Compliance Reforms

- Registration of Tax Agents -Any person who submits a tax return on behalf of a taxpayer or represents a taxpayer before the MRA, ATDR Panel or ARC must be registered as a tax agent
- Reduction of the time limit to raise an assessment in respect of filed income tax returns, from 3 years to 2 years
- Reduction of the time limit to raise an assessment in respect of filed VAT returns, from 4 years to 2 years
- Notaries, banks, insurers, and other prescribed entities can now submit deeds electronically.
- Electronic Bill of Exchange, Mortgage, Deeds or similar documents signed with an electronic or digital signature are now legally valid.



Thank you!

Do you have any questions?

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