



A Global Business Company holding a Category 1 Global Business Licence (GBL1) is locally incorporated or registered as a branch of a foreign Company. It conducts business strictly with non-residents of Mauritius and in foreign currencies.

BASIC STRUCTURE

- Resident secretary required
- Company Constitution optional
- Corporate directorship not allowed
- Meetings of the board of directors are held and chaired in Mauritius
- A minimum of two directors resident in Mauritius
- Annual meeting must be held every year, not later than 15 months after previous meeting, and not later than 6 months after balance sheet date

TAXATION

- No capital gains tax
- No inheritance tax
- No thin capitalisation rules
- No stamp duties or capital taxes
- Effective tax rate of 3% due to network of Double Taxation Avoidance treaties
- No withholding tax on payment of dividends, interest or royalties

TAX RETURN FILING

Annual return: within 6 months of the financial year end
Quarterly advance return: within 3 months of quarter end

WITHHOLDING TAX ON DISTRIBUTIONS TO SHAREHOLDERS

Capital duty Nil, unless company holds (with special permission) immovable property in Mauritius

TAX RESIDENCY & DOUBLE TAXATION

In order to benefit from the DTA network, a GBL1 holder must qualify as a resident company and obtain a Tax Resident Certificate (TRC) from the Mauritius Revenue Authority

The GBL1 holder undertakes only qualified businesses through a licensed Management Company and is regulated by the Financial Services Commission. The GBL1 entity needs to show that there is substantial control in Mauritius to qualify as a resident and thus benefit from the advantages of the Double Taxation Avoidance treaties.

A GBL1 is permitted to engage in the following activities:

- Fund management
- Asset management
- Financial services
- Consultancy services
- Licensing and franchising
- Insurance
- Information and communications technologies
- Employment services
- Logistics and/or marketing
- Operational headquarters
- Pension Funds
- Shipping and shipping management
- Trading
- Aircraft financing and leasing
- such other business activity as may be approved by the Financial Services Commission

A residency certificate can only be obtained if the following basic conditions are met:

- Have at least two resident directors in Mauritius of sufficient calibre to exercise independence of mind and judgement
- Chair and initiate board meetings from within Mauritius
- Maintain, at all times, the principal bank account in Mauritius and channel banking transactions through this local bank account
- Registered office and all statutory records maintained in Mauritius
- Keep and maintain, at all times, accounting records in Mauritius
- Prepare statutory financial statements and have such financial statements audited in Mauritius
- Appoint a local qualified company secretary
- A branch of a foreign company may have access to Mauritius tax treaties, provided that residency requirements are met by the branch. In addition, a foreign company may incorporate in Mauritius to continue business; provided the law in the country of origin allows



GENERAL PROPERTIES, STATUTORY OBLIGATION & OPTIONS

GENERAL PROPERTIES | CAPITAL & SHARES

- No minimum capital
- Minimum number of shares is one
- Corporate or individual shareholder allowed
- A minimum of one shareholder who should not be a Mauritian resident
- Par value shares in different currencies allowed, excluding Mauritian Rupee

STATUTORY OBLIGATIONS

- A GBL1 holder is required to file audited accounts annually with the Financial Services Commission, with such accounts prepared in accordance with internationally accepted accounting standards and submit annual tax returns to the Mauritius Revenue Authority.

GENERAL OVERVIEW	
Company Law	Mauritius Companies Act 2001
Type of activities	Provided that the ultimate purpose of the company is to make an investment or provide a product or a service outside Mauritius, it can engage in any activity.
Can seek benefits of treaty?	Yes
Currency	Any, but not normally in Mauritius Rupee.
Registered Office	Mauritius
FORMATION	
Time to establish	15 to 20 business days. 20-30 business days for an investment fund or financial business activity.
CDD/KYC required	Yes - required on registered owners, beneficial owners, directors, account signatories.
Business plan must be provided	Yes
Nominee shareholder and professional directors can be used to expedite formation	Yes
TAX	
Corporate income tax	Headline tax rate: 15%. But, maximum effective rate is 3% (15% on chargeable income less foreign tax credit). If proof of foreign taxes cannot be provided, claim is allowed for a deemed tax credit of 80% of Mauritius tax payable. Consequently, the maximum effective rate is 3%.
Capital Gains Tax	Nil
Tax Sparing Relief	Allowable under domestic law.
Inheritance Tax	Nil
Can seek benefits of treaty	Yes
Tax Return Filing	Annual return: within 6 months of the financial year end. Quarterly advance return; within 3 months of quarter end.
Withholding Tax on distribution to Shareholders	Nil
Capital Duty	Nil, unless company holds (with special permission) immovable property in Mauritius.
General minimum conditions for grant of Tax Residence Certificate	Maintain, at all times, the principal bank account in Mauritius. Keep and maintain, at all times, accounting records in Mauritius. Prepare statutory financial statements and have such financial statements audited in Mauritius. Provide for meetings of directors, to include at least 2 directors from Mauritius. At least 2 directors, resident in Mauritius, of sufficient calibre to exercise independence of mind and judgement.



SHARE CAPITAL / SHAREHOLDERS

Permitted capital	Any amount. Different classes of shares can be issued and rights of the different classes may differ. Shares can be of par value or no par value.
Type of shares	Shares may be redeemable, non-voting or confer preferential, special or limited rights to income, capital or voting as specified in the constitution (by-laws).
Distributions subject to solvency test	Solvency test applies generally to investment companies/Collective Investment Schemes/Closed-end Funds.
Bearer shares	Not allowed.
Residency of shareholders	Any country, including Mauritius.
Minimum number of shareholders	One
Type of entity	Category One Global Business Company (GBL1)
Meetings	Chaired in Mauritius. Annual meeting within 6 months of financial year end.

DIRECTORS

Local resident Director	Minimum: 2. Preferably, at least 2 in Mauritius, to avoid tax residency elsewhere.
Board meetings	Held anywhere, but for tax efficiency purposes, meetings of directors to include a majority of directors (or at least 2) from Mauritius. Telephonic meetings allowed anywhere.

ACCOUNTS

Preparation of accounts	Yes
Place where financial statements must be prepared	Mauritius
Accounting standards	The norm is IFRS. Also acceptable: US, UK and South African GAAPs. Other GAAPs: acceptable with prior approval of the FSC. Full flexibility as to adoption of accounting standards.
Audit statutorily required	Yes
Local auditor statutorily required	Yes
Filing of financial statements with authorities	Yes, within 6 months of year end, except for (a) companies involved in certain financial services and (b) companies with not less than 100 shareholders, where a 3 months deadline applies.
Public access to financial statements	No

CONFIDENTIALITY

Notify authorities for each share allotment	Generally: Yes. Collective Investment Scheme (Open ended entities): No
Nominee shareholder can be used	Yes
Beneficial ownership disclosed to authorities	Yes, to the FSC. Funds: Only identity of fund manager/promoter is disclosed to the FSC. However, the FSC may request for information on investors, if necessary. Information confidentially kept.
Type of entity	Category One Global Business Company (GBL1)
Exchange of information	Strict confidentiality is enshrined in the Law. Generally, no disclosures shall be made by the FSC, to any court, tribunal, committee of enquiry or other authority in Mauritius, or elsewhere. Except on a court order, made only if the court is satisfied that the confidential information is bona fide required for the purpose of any enquiry or trial into, or relating to, the trafficking of narcotics, drugs, arms trafficking or money laundering. However, in line with global initiatives for more transparency and exchange of information in financial services and cross border transactions, the FSC is allowed to enter into an arrangement or an agreement for the exchange of information with a foreign supervisory institution having responsibility to supervise financial institutions and the conduct of financial markets and the provision of financial services. Provided the FSC is satisfied that the foreign supervisory institution has the capacity to protect the confidentiality of the information so imparted. Mauritius has in place a network of Double Taxation Agreements and hence the Mauritius Revenue Authority is allowed to obtain and exchange information under the relevant provisions of these treaties.

OTHERS

Migration in allowed	Yes
Migration out allowed	Yes
Conversion from GBC1 to GBC2 and vice versa	Allowed



DOUBLE TAXATION TREATY AGREEMENTS

So far, Mauritius has concluded 43 tax treaties and is party to a series of treaties under negotiation. The Treaties currently in force are:

COUNTRY	MIMIMUM DURATION TO CONSTITUTE PERMANENT ESTABLISHMENT		MAXIMUM TAX RATES APPLICABLE IN THE STATE OF SOURCE		
	Building Site etc.	Furnishing of services	Dividends	Interest*	Royalties
Barbados	6 months	(iv)	5%	5%	5%
Australia	-	-	-	-	-
Bangladesh	>12 months	> 12 months	10%	normal rate	normal rate
Belgium	> 6 months	(iv)	5% & 10%	10%	Exempt
Botswana	> 6 months	> 6 months (ii)	5% & 10%	12%	12.50%
China	> 12 months	> 12 months(iii)	5%	10%	10%
Congo	> 12 months	> 12 months	0% & 5%	5%	Exempt
Croatia	> 12 months	(iv)	Exempt	Exempt	Exempt
Cyprus	> 12 months	> 9 months (ii)	Exempt	Exempt	Exempt
Egypt	> 6 months	> 6 months	5% & 10%	10%	12%
France	> 6 months	(iv)	5% & 15%	same rate as under domestic law	15%
Germany	> 12 months	(iv)	5% & 15%	Exempt	10%
Guernsey	> 12 months	> 9 months	Exempt	Exempt	Exempt
India	> 9 months	(iv)	5% & 15%	same rate as under domestic law	15%
Italy	> 6 months	(iv)	5% & 15%	same rate as under domestic law	15%
Kuwait	> 9 months	(iv)	Exempt	Exempt	10%
Lesotho	> 6 months	> 6 months (ii)	10%	10%	10%
Luxembourg	> 6 months	(iv)	5% & 10%	Exempt	Exempt
Madagascar	> 6 months	(iv)	5% & 10%	10%	5%
Malaysia	> 6 months	(iv)	5% & 15%	15%	15%
Malta	> 12 months	> 12 months	Exempt	Exempt	Exempt
Monaco	> 12 months	> 12 months	Exempt	Exempt	Exempt
Mozambique	> 6 months	> 6 months (ii)	8%, 10% & 15%	8%	5%
Namibia	> 6 months	> 6 months (ii)	5% & 10%	10%	5%
Nepal	> 6 months	> 6 months (ii)	5%, 10% & 15%	10% & 15%	15%
Oman	> 6 months	(iv)	Exempt	Exempt	Exempt
Pakistan	> 6 months	(iv)	10%	10%	12.50%
Rwanda	> 6 months	> 6 months	10%	10%	10%
Senegal	> 9 months	> 9 months (i)	Exempt	Exempt	Exempt
Seychelles	> 12 months	> 6 months (ii)	Exempt	Exempt	Exempt
Singapore	> 9 months	(iv)	Exempt	Exempt	Exempt
South Africa	> 12 months	> 6 months (ii)	5% & 10%	10%	5%
Sri Lanka	> 6 months	> 6 months (ii)	10% & 15%	10%	10%
State of Qatar	> 6 months	> 6 months (ii)	Exempt	Exempt	5%
Swaziland	> 6 months	> 6 months(ii)	7.5%	5%	7.50%
Sweden	> 12 months	(iv)	0% & 15%	Exempt	Exempt
Thailand	> 6 months	> 6 months (ii)	10%	10% & 15%	5% & 15%
Tunisia	> 12 months	(iv)	Exempt	2.50%	2.50%
Uganda	> 6 months	> 4 months (ii)	10%	10%	10%
United Arab Emirates	> 12 months	> 12 months	Exempt	Exempt	Exempt
United Kingdom	> 6 months	(iv)	10% & 15%	Same rate as under domestic law	15%
Zambia	> 9 months	(iv)	5% & 15%	10%	5%
Zimbabwe	> 6 months	(iv)	10% & 20 %	10%	15%

- i. where interest is taxable at rate provided in the domestic law of the State of source or at reduced treaty rate, provision is usually made in the treaty to exempt interest receivable by a Contracting State itself, its local authorities, its Central Bank/all banks carrying on bona fide banking business and any other financial institutions as may be agreed upon by both Contracting States.
- ii. within any 12-month period
- iii. within any 24-month period
- iv. no specific provision made in respect of furnishing of services.

