



MAURITIUS

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Article 1

5th Global Forum Competent Authorities Conference, Mauritius

Mauritius hosted the 5th Global Forum Competent Authorities Conference. The conference which took place on the 7th and 8th July 2016 was organized by the Organisation for Economic Cooperation and Development (OECD) in collaboration with the Mauritius Revenue Authority (MRA).

The Conference brought together more than 110 Competent Authorities from 66 jurisdictions. There was fruitful discussion from delegates on the various topics on the 2 days agenda. Some of the interesting topics related to issues such as:

- Requests for information arising from Data Leaks;
- Perspectives on collecting beneficial ownership information;
- Ensuring compliance by Financial Institutions with the requirements of the AEOI Standard;
- Competent Authorities and Base Erosion Profit Shifting (BEPS), etc.

The Conference also provided the delegates with opportunities to meet their counterparts in person and even for discussing some outstanding cases. This platform is ideal for fostering co-operation between Tax Authorities.

Article 2

Some salient features of new tax measures

The National Budget presented by the Minister of Finance in July 2016 unveiled a number of fiscal measures to be effective in Fiscal Year 2016/2017. Some of the new tax measures relating to tax administration are provided below.

(a) Alternative Dispute Resolution

An Alternative Dispute Resolution mechanism will be introduced at the Mauritius Revenue Authority for expeditious resolution of tax appeal cases exceeding Rs 10 million with the exception of disputes relating to Customs and Excise. Once a taxpayer's request is agreed based on established criteria, an Alternative Dispute Resolution Panel will then be set up consisting of 3 members. The member chairing the Panel will be an independent person, i.e. one who has not been involved in the dispute at all. It also needs to be mentioned that one of the members will be from the Attorney-General's Office.

(b) Collection of Social Security Contributions by MRA

To centralize collection from taxpayers under a single institution, the MRA will be called upon to act as a collecting agent for the Ministry of Social Security, National Solidarity and Reform Institutions for collecting contributions to the National Pension Fund, the National Savings Fund, the HRDC training levy and the Workfare Programme Fund. This measure will not only reduce the hassles to employers but also allow them to benefit from the wide range of e-services and e-payment facilities developed by the Revenue Authority. The harmonization of the collection system is going to bring added benefit to the Government in terms of reduced costs, enhanced compliance, recovery of arrears amongst others.

(c) Expression of doubt about the interpretation and application of law in tax return

A disclosure regime will be introduced to allow a taxpayer through his income tax return to express doubt about the interpretation and application of the law regarding any item to be included in his tax return. This will be treated as the taxpayer having made a full and true disclosure thus granting the taxpayer protection from penalties and interest in respect of that particular item where a genuine doubt has been expressed.

(d) Tax Clearance Certificate

Prior to being allocated a Government contract above Rs 5 million, a contractor will have to produce a tax clearance certificate provided by the MRA confirming that he has filed his tax returns and paid his all his taxes.

The above are some of the measures announced in the last Budget Speech. They will hopefully come into force once the Finance Act is promulgated.