

TAXAND

**TAXAND ASIA -
REGULATORY
UPDATES**

13 August 2020

Moderated by
Henrietta Kristanto
Managing Partner at
PB Taxand

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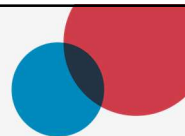
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AUSTRALIA

Kieran Egan
Corrs Chambers Westgarth

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AUSTRALIA



COVID-19 Related Measures

Tax

- Accelerated tax depreciation and instant asset write offs
- Administrative deferrals for tax payments
- Jobkeeper scheme
- Foreign company residence and thin capitalization
- States taxes
- Cash flow assistance measures

Commercial

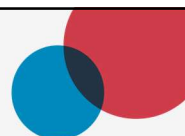
- Retail and commercial leasing measures
- Changes to foreign investment thresholds



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AUSTRALIA



Australian Taxation Office Taxpayer alerts

TA 2020/1

- Non-arm's length arrangements and schemes connected with the development, enhancement, maintenance, protection and exploitation (DEMPE) of intangible assets

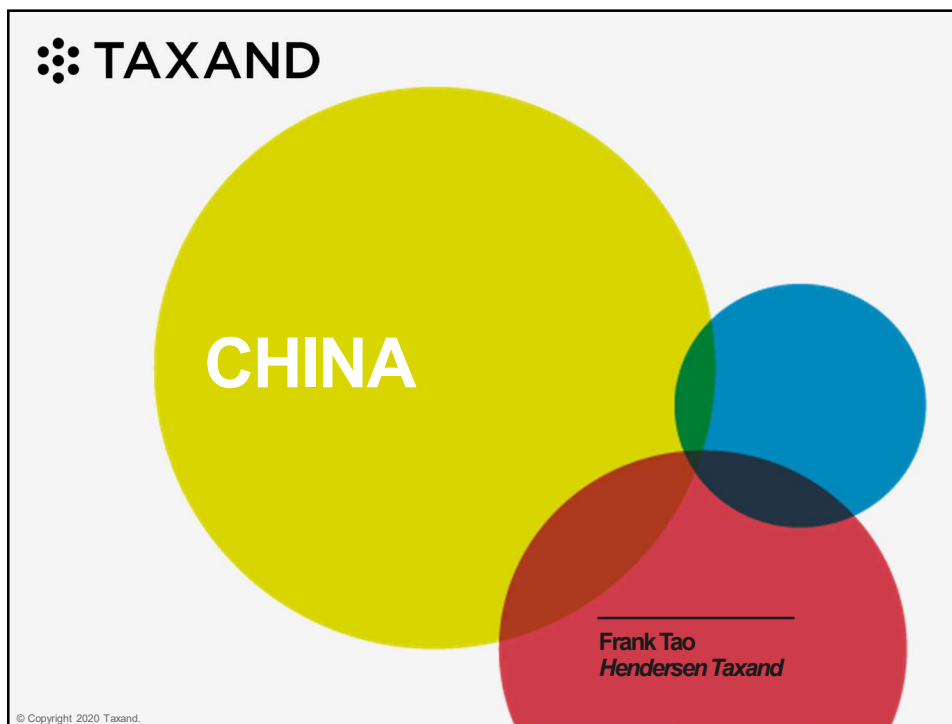
TA 2020/2

- Mischaracterised arrangements and schemes connected with foreign investment into Australian entities



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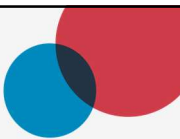


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CHINA

Frank Tao
Henderson Taxand

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CHINA

COVID-19 Updates

National state level authorities, including the Ministry of Finance (MOF), the State Taxation Administration (SAT), Ministry of Human Resources and Social Security (MOHRSS) and the General Administration of Customs (GAC), together with provincial and local governments, have reacted quickly in the early 2020 to set out a string of tax reliefs and other preferential measures to support enterprises and citizens during the pandemic.

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CHINA

COVID-19 Updates – Tax Measures

Item	Descriptions
Protective treatments and supplies	Equipment expenditures, which are incurred to increase production capacity by companies engaged in the production of key supplies for epidemic prevention and control, are allowed to full CIT deduction in a single year and apply for full refund of incremental retained VAT on a monthly basis. Allowances and bonuses obtained by individuals participating in the epidemic control and prevention, and medicines and medical supplies given out to individuals for the purpose of prevention of coronavirus COVID-19 will be exempted from China Individual Income Tax ("IIT"). This policy has been extended to 31 December 2020.
Loss-carried-forward	For industries that were significantly affected during the outbreak, especially for transportation, catering, accommodation and tourism, CIT losses incurred in 2020 will be extended from five years to eight years.



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CHINA

COVID-19 Updates – Tax Measures

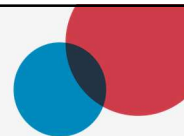
Item	Descriptions
Donations	Chinese government guaranteed the exemptions for the donors until 31 Dec 2020. These exemptions cover goods donated through charity organizations, government authorities, or directly donated to the hospitals which leading coronavirus containment are entitled to be exempted from VAT and Surtax. Besides, the donations made by enterprises or individuals through qualified organizations or government authorities can be fully deducted for CIT and IIT purposes as well.
VAT on small-scaled	Chinese State Council has also decided to exempt VAT for small-scaled taxpayers in Hubei province (where Wuhan locates in) and reduced the VAT collection rate from 3% to 1% for small-scaled taxpayers in other areas, from 1 March to 31 December 2020.
Deferred EIT on small & low-profit	Chinese State Council has allowed small low-profit enterprises to defer the payment of EIT between 1 May 2020 and 31 December 2020 to the first tax filing period of year 2021.



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CHINA



COVID-19 Updates – Social Measures

The Chinese government provided a lot of Social Security deferral payments and subsidies, deferring payments and subsidizing the small and medium-size enterprises' rates and the Social Security payments.

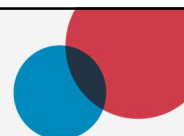
Company Status	Social Security Items	Descriptions
Small and mid-size enterprises	Three types of social security*	Employer portion has been exempted from 1 February 2020 to 31 December 2020.
Big-size enterprises	Three types of social security	Employer portion has been halved from 1 February 2020 to 30 June 2020.

* Three types of social security: Unemployment Insurance, Endowment insurance, and Workplace Insurance.



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CHINA




COVID-19 Updates – Social Measures

Preferential treatment varies in different cities, for e.g., Beijing and Shanghai as examples,

City	Descriptions
Shanghai	Employer portion of Medical Insurance decrease from 10.5% to 10%.
	The 50% of the total unemployment insurance in the preceding year can be refunded to the employers which do not lay off employees or reduce layoffs and satisfy the criteria.
	The latest payment deadline has been postponed by 3 months.
Beijing	The latest payment deadline has been postponed by 5 months but not later than 20 December 2020.



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INDIA

Rohit Jain
Economic Laws Practice

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RECENT UPDATES/ AMENDMENTS

Widening the scope of Equalization levy (EL)

The Parliament passed the Finance Act, 2020 with the following key amendments:

- EL is levied @ 2% on consideration received or receivable by e-commerce operator from e-commerce supply of goods or services to:
 - A person resident in India;
 - A person who buys such goods or services using Internet Protocol (IP) address located in India;
 - A non-resident in the specified circumstances
- EL is not applicable if:
 - Turnover of the e-commerce operator is less than INR 20 million (approx. USD 0.289 million) during the Financial Year (FY); or
 - E-commerce operator has a Permanent Establishment (PE) in India; or
 - EL is leviable on online advertisement and related activities

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RECENT UPDATES/ AMENDMENTS

COVID-19 Related Incentives

Relaxations in filing return of income

Particulars	Existing due-date	Revised due-date
Furnishing return of income for FY 2018-19	31 March 2020	30 September 2020
Furnishing return of income for FY 2019-20	31 October 2020	30 November 2020
Furnishing of tax audit report	30 September 2020	31 October 2020

Relaxations in filing of withholding tax return

Particulars	Existing due-date	Revised due-date
Withholding tax return for quarter ending March 2020	30 June 2020	31 July 2020
Withholding tax return for quarter ending June 2020/ September 2020	31 July 2020/ 31 October 2020	31 March 2021

Tax Assessment

Existing timeline/ due-date	Revised timeline/ due-date
Due-dates falling upto 31 December 2020	31 March 2021
Due-dates falling upto 31 March 2021	30 September 2021



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RECENT UPDATES/ AMENDMENTS

Other statutory relaxations

- Rate of interest for delayed payment of tax reduced to 0.75% per month provided payment made on or before 30 June 2020. No penalty or prosecution will be initiated for such delay
- 100% deduction available with respect to donations made to PM CARES Fund (a national emergency fund to provide relief to those affected by COVID-19)
- Date for commencement of manufacture or production of articles or things or providing any services for the Special Economic Zone (SEZ) units for claiming income-linked deduction extended to 30 September 2020 for units which received necessary approval by 31 March 2020
- Validity of lower/ nil withholding tax certificates pertaining to FY 2020-21 extended to 30 June 2020
- Payments to non-residents having PE in India, where the applications for lower/ nil withholding is pending, withholding tax will be subject to subsidised rate of 10% including surcharge and cess, on such payments till 30 June 2020 of FY 2020-21, or disposal of their applications, whichever is earlier
- Safe Harbour Rules notified for FY 2019-20. Rates applicable from FY 2016-17 to FY 2018-19 will continue to apply for FY 2019-20



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RECENT JUDICIAL PRECEDENTS

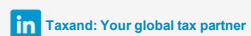


Project office does not constitute a fixed place PE in India sans 'core business' activity

- Recently, the Hon'ble Supreme Court (SC) dismissed the departmental appeal filed in case of Samsung Heavy Industries and held that project office does not constitute a fixed place PE in India sans 'core business' activity
- The judgment reaffirms the stand taken in various other SC judgments that, the condition precedent for applicability of Article 5(1) of the tax treaty is that it should be an establishment 'through which the business of an enterprise' is wholly or partly carried on
- The profits of the foreign enterprise are taxable only when its core business activities is carried on through the PE
- Project Office established to carry out auxiliary activities would fall within Article 5(4)(e) of the tax treaty



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RECENT JUDICIAL PRECEDENTS



India-Belgium tax treaty do not envisage a 'see through' approach and accordingly, indirect transfer provisions not taxable under the India-Belgium tax treaty

- Recently, the Income-tax Appellate Tribunal (ITAT) granted treaty benefit under India-Belgium tax treaty in case of indirect transfer of shares of Indian company
- ITAT observed that Article 13(5) does not permit a 'see-through' approach and accordingly, even if indirect transfer provisions are taxable under the domestic tax laws in India, the same may not be taxable under the India-Belgium tax treaty in the absence of any specific amendment
- As taxpayer has transferred shares of Singapore company, ITAT held that pre-condition for taxing capital gains under Article 13(5) of the India-Belgium tax treaty is not satisfied
- Accordingly, ITAT applied general/ residuary clause of Article 13 [i.e. Article 13(6)] and hence, indirect transfer of shares of Indian company is not taxable in India



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FOREIGN TRADE POLICY

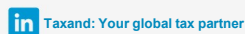


Covid measures

- India has extended its Foreign Trade Policy 2015-20 up to 31 March 2020
- Period to claim incentives, exemptions, benefits, etc over the intervening period of February to July 2020 has been extended by 3-12 months
- Likewise, period to fulfill obligations corresponding to benefits/ exemptions/ incentives availed under the policy, due for expiry between February to July 2020 has also been extended by 3-9 months
- Timelines for status units to be Net Foreign Exchange Positive extended/ relaxed
- Various periodic filings (such as obligation fulfilment status, performance reports, etc), validity of status certificates has also been suitably extended
- Preferential certificate of origin allowed for filing/ issuance through electronic means
- All proceedings to be conducted & accepted electronically



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INTERNATIONAL TRADE



Alignment of policies to boost 'Make in India' program & protect domestic industry

- **Actions implemented (illustrative)**
 - Altering export/ import policies of various products
 - Embargo on import of 101 defence items
 - Safeguard duty on Digital Offset Printing Plates
 - Antidumping duty on Solar Cells, whether or not assembled in modules or panels
- **Proposal in works (illustrative)**
 - Increasing tariffs for key imports
 - Inclusion of 370+ items within mandatory Indian Standards compliance regime by March 31, 2021
 - Safeguard and antidumping duty measures in several other cases

Imports from China

- Sensitivity around Chinese imports persists due to additional surveillance & geopolitical developments



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GOODS AND SERVICES TAX



Covid measures

- The due dates for various compliances extended. The staggered plan for filing returns & payment of taxes extends up to September 2020. The deferral is coupled with waiver of/ lower interest rates
- Clarification issued to suggest that where any advance was subjected to GST and subsequently the transaction was cancelled, the tax already could be adjusted forward or sought as refund
- E-invoicing implementation deferred to 1 October 2020
- Extension of limitation period for filing relating to dispute resolution

Recent key judicial pronouncements

- **VKC Footwear | High Court** - Allowed refund of input services credit too, owing to inverted duty structure
- **Repeco Home Finance | Tribunal LB** - Service tax cannot be levied on foreclosure charges
- **SBBJ | Tribunal** – Indian banks not liable to services on foreign bank charges when mediating between Indian importers/ exporters & foreign bank concerned

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INDONESIA



Renate Alice
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INDONESIA

TAX INCENTIVES IN THE COVID – 19 PANDEMIC PERIOD

REDUCTION OF CORPORATE TAX RATES


- Corporate Tax of 22% for fiscal year 2020 to 2021
- Corporate Tax of 20% starting Fiscal Year of 2022


REDUCTION OF CORPORATE TAX RATES


Additional reductions on corporate tax by 3% from the reduced rate, provided for public listed companies

REDUCTION OF CORPORATE INCOME TAX INSTALLMENT

- 30% reduction
- For certain sectors (1.013 Business Field Classifications / KLU)



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INDONESIA

TAX INCENTIVES IN THE COVID – 19 PANDEMIC PERIOD

ACCELERATED VAT REFUND

- Accelerated for 6 months
- The threshold for preliminary VAT Refund is increased to IDR 5 Billion


EXEMPTION ON ARTICLE 22 INCOME TAX ON IMPORTS


The Taxpayer will have to obtain Tax Exemption Letter (SKB) to utilize the facility

TAXES BORNE BY GOVERNMENT


- Article 21 Income Tax designated for employees with annual income not exceeding IDR 200million
- Final Income Tax of SMEs



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KOREA

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Yulchon LLC



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KOREA – PROPOSAL FOR 2020 TAX LAW AMENDMENT

Proposal I – COVID-19 Related Incentives

- Significant expansion of the scope of assets subject to investment credit
- Higher incentive for increased investment (as compared to average investment for the last three years)
- Extension of the carry-forward period for certain tax deductions such as R&D credit, new growth technology credit, etc. (from 5 years to 10 years)
- Extension of the carry-forward period for unused foreign tax credits (from 5 years to 10 years)
- Extension of the tax loss carry-forward period (from 10 years to 15 years)
- Increase in “U-turn” tax incentive (e.g. corporate income tax reduction) available to Korean MNEs relocating their overseas manufacturing activities, etc. back to Korea
- Gradual decrease in the rate of securities transaction tax over three years (listed : 0.25% → 0.23% → 0.15%, unlisted : 0.45% → 0.43% → 0.35%)
- Increase in the scope of the VAT traders subject to simplified VAT compliance (including lower VAT rate)

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KOREA – PROPOSAL FOR 2020 TAX LAW AMENDMENT

Proposal II - Cross Border Taxation Regimes

- Improvement of the effectiveness of MAP (conflicts with domestic litigation procedures will be eased)
- Introduction of a legal basis for delegation for arbitration of MAP (subject to amendment of tax treaties)
- Expansion of the scope of passive income subject to CFC regime (capital gains have been newly included)
- Expansion of the scope of foreign related party under the TP regulations (equity interest held by spouse, lineal ascendants and descendants will be taken into account)
- Extension of the roll-back period for APA → Bi-APA : from 5 years to 7 years, Uni-APA : from 3 years to 5 years
- Streamlining documentation requirements and extension of filing due dates under the TP regulations
- Improvement of the hybrid mismatch prevention regime (there will be no change in the substance of the regime but compliance burden will be reduced)
- Abolishment of the deduction method of foreign tax relief (only credit method will be allowed)
- Inclusion of expired foreign tax credit carry-over in deductible expenses
- Taxation of income from crypto assets derived by non-resident corporate and individual
- Inclusion of overseas crypto asset transaction accounts in the scope of foreign account report obligation

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MALAYSIA

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CONTENTS

1. Key Regulatory Updates: Legislative changes arising from BEPS
2. Economic Recovery from COVID-19: Key tax measures

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BASE EROSION AND PROFIT SHIFTING (BEPS)

- 2013

 - **BEPS** project was established by OECD/G20 to address tax avoidance & harmful tax practices
- 2015

 - OECD/G20 announced 15-point Action Plan to address BEPS
- 2017

 - Malaysia joined the Inclusive Framework of the BEPS project as an associate to implement **4 minimum standards**, including:
Action 5: Countering Harmful Tax Practices
- 2018

 - The Forum of Harmful Tax Practices (FHTP) identified certain incentives and Labuan tax regime as "**harmful tax practices**"
- 2018 - 2019

 - Legislative changes to the Labuan tax regime and various tax incentives

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LEGISLATION CHANGES TO LABUAN TAX REGIME

- ❖ **Introduction of Substance Regulations**
 - **21** Labuan business activities
 - Minimum number of **full time employees** and **annual OPEX** in Labuan

- ❖ **Intellectual property income**
 - Subject to tax at 24% (no preferential tax rate is given)

- ❖ **Restriction on tax deduction**
 - for payments made by Malaysian residents to Labuan companies
 - Lease rental – 25% (not allowed)
 - Interest – 25% (not allowed)
 - Other payments – 97% (not allowed)

- ❖ Can transact in Malaysian Ringgit and with Malaysian residents

Effective 1 January 2019

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LEGISLATION CHANGES TO LABUAN TAX REGIME

Before	After				
<div style="border: 1px solid #ccc; padding: 5px; margin-bottom: 5px;"> Labuan trading activities - 3% on net audited profits </div> <div style="border: 1px solid #ccc; padding: 5px;"> Labuan non-trading activity - <u>Not</u> subject to tax </div>	<div style="text-align: center; margin-bottom: 10px;"> Labuan business activity + Comply with substantial activity requirements </div> <table border="1" style="width: 100%; border-collapse: collapse; margin-bottom: 10px;"> <thead> <tr> <th style="background-color: #F08080; text-align: left; padding: 2px;">Labuan trading activity</th> <th style="background-color: #F08080; text-align: left; padding: 2px;">Labuan non-trading activity</th> </tr> </thead> <tbody> <tr> <td style="padding: 2px;">- 3% on net audited profits</td> <td style="padding: 2px;">- <u>Not</u> subject to tax</td> </tr> </tbody> </table> <div style="text-align: center; margin-bottom: 10px;"> Labuan business activity + Do <u>not</u> comply with substantial activity requirements </div> <div style="background-color: #F08080; padding: 5px; margin-bottom: 10px;"> Labuan trading activity & Labuan non-trading activity - 24% on net audited profits </div> <div style="text-align: center; margin-bottom: 10px;"> <u>NOT</u> a Labuan business activity </div> <div style="background-color: #F08080; padding: 5px;"> - Taxed at 24% on chargeable income under the Income Tax Act 1967 </div>	Labuan trading activity	Labuan non-trading activity	- 3% on net audited profits	- <u>Not</u> subject to tax
Labuan trading activity	Labuan non-trading activity				
- 3% on net audited profits	- <u>Not</u> subject to tax				

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KEY CHANGES TO INCENTIVES

01 Substance requirements

- Adequate number of full time employees in Malaysia
- Adequate amount of annual operating expenditure and investment in Malaysia

02 No ring fencing

- No distinction on tax treatment between domestic and cross-border transactions





03 IP incentive


- Nexus approach will be adopted – by linking the benefits afforded to the IP income to the research and development expenditure incurred to develop that IP
- More details to be released

04 Key tax incentives amended

- Principal Hub
- Multimedia Super Corridor (MSC)
- Bionexus




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ECONOMIC RECOVERY FROM COVID-19: KEY TAX MEASURES




Economic stimulus package


- ❖ 27 Feb 2020 – PRIHATIN Rakyat Economic Stimulus Package
- ❖ 27 Mar 2020 – Second PRIHATIN Rakyat Economic Stimulus Package
- ❖ 6 Apr 2020 - Additional PRIHATIN SME Economic Stimulus Package
- ❖ 5 June 2020 - Short-term Economic Recovery Plan (PENJANA)




Short-term Economic Recovery Plan (PENJANA)

- ❖ Worth RM35 billion
- ❖ Comprising 40 initiatives aimed at providing additional measures to the PRIHATIN Stimulus Packages announced previously
- ❖ Spur the nation's economic recovery from the COVID-19 pandemic which has also crippled the global economy.



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ECONOMIC RECOVERY FROM COVID-19: KEY TAX MEASURES

01 – Various incentives for tourism industry, incl. tourist tax exemption, service tax exemption

02 - Income tax rebate for new SMEs of up to RM20,000 per YA

03 - Stamp duty exemption for SMEs on instruments executed for merger and acquisition transactions

04 - Stamp duty exemption for the purchase of residential properties priced between RM300,000 and RM2.5 million

05 – Tax deduction / capital allowance claim on personal protective equipment incurred for employees

06 – Income tax exemption for foreign companies relocating their manufacturing operations to Malaysia

07 – Investment Tax Allowance for 5 years for local companies relocating their foreign manufacturing operations to Malaysia

08 – Real Property Gains Tax exemption for disposal of up to 3 units of residential property by Malaysian citizens

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Taxand Mauritius

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MAURITIUS

Ensuring compliance to international standards

- Mauritius will implement the following measures to comply with the five remaining
- recommendations under the Financial Action Task Force (FATF) Action Plan by September
- 2020:
 1. Risk-based supervisions in accordance with the recommendations of the FATF
 2. Targeted outreach programmes to promote clear understanding of money laundering and terrorist financing risks
 3. Increased reporting of suspicious transactions
 4. Targeted financial sanctions in cases of terrorist financing
 5. Timely access to beneficial ownership information
- New AML/CFT legislation will be introduced to complement existing legislative framework
- A dedicated and specialised Financial Offences Court will also be set up



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MAURITIUS

Improving the ease of doing business

The following initiatives have been announced to enhance our business environment:

- Review, re-engineering and streamlining of relevant licenses issued by institutions in the context of facilitating businesses and investments
- Central repository for all business information and licences through a digital platform
- Expedited implementation of the centralised KYC project by the Bank of Mauritius
- Fees for reinstating companies will be reviewed downwards from Rs 15,000 to Rs 5,000 and requirements for giving notice shall be done online
- Registration of ultimate beneficial owners as well as VAT registration will be done at the time of business registration and company incorporation
- Minimum amount for permanent residency through investment or acquisition of immovable property under an existing scheme will be reduced from US\$500,000 to US\$375,000
- Minimum investment amount for obtaining an occupational permit (OP) will be reduced from US\$100,000 to US\$50,000
- The spouse of an OP holder will not need a permit to invest or work in Mauritius
- OP holders will also be allowed to bring their parents to live in Mauritius

Exchange Rate: 1 USD = MUR 40



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MAURITIUS



Improving the ease of doing business (continued)

- The Economic Development Board will be the only agency responsible for determining and recommending applications for the OP
- Non-citizen holders of an OP, residence permit or permanent residence permit will be allowed to acquire one plot of serviced land not exceeding 2,100m² for residential purposes within smart cities
- This measure will be open for a period of two years ending 30 June 2022
- The minimum monthly salary for ICT professionals to obtain an occupation permit is Rs 30,000, for others Rs 60,000
- Mauritius is presently ranked 13th globally in the World Bank's Ease of Doing Business Report 2020. A series of measures will be implemented to improve the country's ranking, with a strong focus on digitalisation
- The Banking Act will be amended to transfer the responsibility for supervision of money lenders from the Bank of Mauritius to the Financial Services Commission (FSC)



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New incentives

An eight-year income tax holiday will be granted to:-

- A company engaged in the manufacture of nutraceutical products provided it starts its operations on or after 4 June 2020
- A company engaged in the manufacturing of pharmaceutical products, medical devices or high-tech products will apply to a company that has started its operations on or after 8 June 2017
- A company engaged in higher education as a branch campus approved by Higher Education Commission on or after 4 June 2020
- A company engaged in inland aquaculture provided operations start after 4 June 2020



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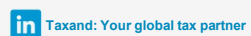
MAURITIUS

Income Tax Act

- **Income Tax Rates**
 - Headline Tax Rate – 15%
 - 3% tax applicable for
 - i. Export activities including paper trading
 - ii. Freeport operators and private Freeport developers engaged in retreading used tyres and recycling of waste for local market
- **Accelerated depreciation**
 - Capital expenditure incurred on electronic, high precision machinery/equipment and automated equipment will be allowed as a deduction in the year in which it is incurred
 - Green technology equipment, which is depreciated over two years, will now include equipment and machinery used for eliminating, reducing or transforming industrial waste.
- **Double deduction on expenditure**
 - Medical Research and Development carried out in Mauritius
 - Acquisition of patents and franchises plus costs to comply with international quality standards and norms



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MAURITIUS

Income Tax Act

- **Double tax deduction on investment**
 - Enterprises affected by COVID-19 will be entitled to a double tax deduction on their investment in plant and machinery during the period 1 March 2020 to 30 June 2020.
- **Alternative minimum tax on companies carrying on life insurance business**
 - A company carrying out life insurance business will pay tax based on the existing system of taxation or under an alternative minimum tax, whichever is higher
 - The alternative minimum tax will be computed at 10% of profit attributable to shareholders adjusted for capital gains or losses



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MAURITIUS



Income Tax Act (continued)

Partial exemption regime

The partial exemption regime on interest income does not cover:

- (i) non-bank deposit taking institutions
- (ii) money changers
- (iii) foreign exchange dealers
- (iv) insurance companies
- (v) leasing companies
- (vi) companies providing factoring, hire purchase facilities or credit sale facilities



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Tax administration

Assessment Review Committee

The case of an aggrieved party who repeatedly fails to attend or to be represented when convened before the Committee will be struck out if such failure is not due to illness or other reasonable cause.

Income tax refunded by the Mauritius Revenue Authority (MRA)

Tax refunds will be standardised to 60 days for all taxpayers.

E-service platform

The MRA will further develop its e-service platform to improve efficiency and transparency in service delivery to taxpayers.

Value Added Tax Act

Where a transaction is not at arm's length, the market value of the supply should be taken as the taxable value.

Digital and electronic services provided through the internet by foreign suppliers for consumption in Mauritius will be subject to VAT.



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MAURITIUS



Individual income tax

Income tax threshold

- The existing income exemption thresholds are being increased by amounts ranging from Rs 15,000 to Rs 80,000 effective from 1 July 2020.

Solidarity Levy

- The Solidarity Levy applicable to resident individuals will be increased to 25% and will apply on chargeable income plus dividends in excess of Rs 3 million
- The Pay As You Earn (PAYE) system will apply to the Solidarity Levy.

National Pension Fund (NPF)

- The NPF will be abolished and replaced by the Contribution Sociale Généralisée (CSG), which will be effective from 1 September 2020.
- For monthly salary up to Rs 50,000 – Employee 1.5% Employer 3%
- For monthly salary exceeding Rs 50,000 – Employee 3% Employer 6%



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MAURITIUS



Companies Act

With a view to improving our business environment, and to increase shareholder protection, the Companies Act will be amended to:

- Define conducts deemed prejudicial to shareholders and engage director's liability for prejudicial conduct
- Provide that the Board of Directors of entities listed on the Stock Exchange of Mauritius should comprise at least two independent and non-executive directors

In addition:

- Registration of ultimate beneficial owners as well as VAT registration will be done at the time of business registration and company incorporation
- Fees for reinstating companies will be reviewed downwards from Rs 15,000 to Rs 5,000 and the requirements for giving notice shall be done online



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