

MAURITIUS – GLOBAL BUSINESS LICENSE CATEGORY 1

Companies holding Category 1 Global Business License are resident in Mauritius and consequently subject to tax; however, they benefit from both tax credits and a longstop tax rate of 3%. Correctly structured and managed Mauritius GBL1 companies may access Mauritius' network of 28 tax treaties. Neither capital gains nor withholding taxes are levied. Consequently, Mauritius GBL1 companies are used by tax practitioners and businesses to structure investments into Mauritius' treaty partners, which include Belgium, Botswana, China, Croatia, Cyprus, France, Germany, India, Italy, Kuwait, Luxembourg, Madagascar, Malaysia, Mozambique, Namibia, Nepal, Oman, Pakistan, Rwanda, Singapore, South Africa, Sri Lanka, Swaziland, Sweden, Thailand, Uganda, UK and Zimbabwe.

Mauritius GBL1 Companies are governed by The Companies Act, 2001 and regulated by the Mauritius Financial Services Commission. They are subject to compliance and reporting regimes similar to those of Hong Kong or UK

All companies seeking to benefit from this status are granted licenses on a case by case basis by the regulatory authorities in Mauritius. This procedure demands the submission of a detailed business plan and Disclosure of Beneficial Ownership to Government Authorities.

Principal Corporate Legislation

The Companies Act 2001. Financial Services Development Act 2001.

Type of Law

Common Law.

Type of Company for International Trade and Investment

Category 1 Global Business License

Procedure to Incorporate

Once name approval has been obtained, three copies of the Memorandum and Articles of Association are submitted, together with a notice of the First Directors, Secretary and location of the Registered Office, and consent forms signed by the Officers.

Restrictions on Trading

Category 1 Global Business License can undertake banking or insurance business or solicit funds from the public, if the relevant authorities have licensed them.

Powers of Company

A company incorporated in the Mauritius has the same powers as a natural person.

Language of Legislation and Corporate Documents

English and/or French.

Shelf Companies Available

No.

Time to Incorporate

3-5 weeks.

Name Restrictions

Any name that is identical or similar to an existing company or any name that suggests the patronage of the President or the Government of Mauritius.

Language of Name

English or French.

Registered Office Required

Yes, must be maintained in Mauritius, and must be maintained at the office of a licensed management company.

Names Requiring Consent or License

The following names or their derivatives: assurance, bank, building society, Chamber of Commerce, chartered, co-operative, government, imperial, insurance, municipal, royal, state or trust or any name which in the opinion of the Registrar suggests the patronage of the President or the Government of Mauritius.

Suffixes to Denote Limited Liability

Limited, Corporation, Incorporated, Public Limited Company, Société Anonyme, Société Anonyme à Responsabilité Limitée, Sociedad Anónima, Berhad, Proprietary, Naamloze Vennootschap, Besloten Vennootschap, Aktiengesellschaft or the relevant abbreviations.

Disclosure of Beneficial Ownership to Government Authorities

Yes, not public.

Compliance

Authorized and Issued Share Capital

The usual authorized share capital is US\$ 1 million with all of the shares having a par value. The minimum issued share capital is two shares of par values.

Classes of Shares Permitted

Registered shares, preference shares, redeemable shares and shares with or without voting rights.

Taxation

Companies pay a fixed annual license fee of US\$ 1,500 and a once-off license application fee of US\$ 500 to the Financial Services Commission.

On incorporation, a once-off fee of US\$ 200 is payable to the Registrar of Companies. Thereafter a further US\$395 is payable annually.

Companies holding Category 1 Global Business License are resident in Mauritius for tax purposes and are not subject to capital gains taxation and there are no withholding taxes on the payment of dividends, interest or royalties from Companies of the same status.

There are no stamp duties or capital taxes. They are liable to taxes at a rate of 15%.

Double Taxation Agreements

Mauritius has an extensive double tax treaty network which includes treaties with the following countries: Belgium, Botswana, China, Croatia, Cyprus, France, Germany, India, Italy, Kuwait, Luxembourg, Madagascar, Malaysia, Mozambique, Namibia, Nepal, Oman, Pakistan, Rwanda, Singapore, South Africa, Sri Lanka, Swaziland, Sweden, Thailand, Uganda, UK and Zimbabwe.

License Fees

US\$ 1,500 to the FSC. US\$ 395 to the Registrar of Companies.

Financial Statement Requirements

Companies holding Category 1 Global Business License are required to prepare audited financial statements, which must be filed with the Financial Services Commission.

Directors

Companies holding Category 1 Global Business License require a minimum of one Director who must be a natural person. Treaty access requires a minimum of two local directors.

Company Secretary

Companies holding Category 1 Global Business License require the appointment of a qualified company secretary, who must be resident in Mauritius.

Shareholders

Companies holding Category 1 Global Business License require a minimum of one shareholder and the same rule applies if the company is to be a wholly owned subsidiary.