



Dale International Trust Company Limited

EU removes Seychelles from tax havens blacklist

Following a meeting of the Economic and Financial Affairs Council of the European Union (EU) on Tuesday 5th October 2021, Seychelles was removed from Annex I of the list of non-cooperative jurisdictions for tax purposes, which is more commonly referred to as the "EU Blacklist". Moving to the EU grey list suspends sanctions ("Defensive Measures") invoked as a result of being on the EU blacklist.

It should be noted that over the years, Seychelles has continuously worked towards strengthening availability, access, and exchange of information and several key pieces of legislations have been enacted and/or amended since 2020 as follows:

- Beneficial Ownership Act 2020 – whereby the definition of Beneficial Owners has been aligned to the Financial Action Task Force and OECD requirements
- Limited Partnerships (Amendment) Act 2021
- International Business Companies (Amendment) Act 2021
- Foundations (Amendment) Act 2021
- Trusts Act 2021

Further to its removal from Annex 1, Seychelles has now been moved to Annex II of the list of non-cooperative jurisdictions (the "EU Grey list") and is currently awaiting a Supplementary Review in 2022 so as to be removed from Annex II as well. With the new rules on availability of information now passed, Seychelles is building a track record under the new system, ready to demonstrate the success of the new regime in the on-site visit of the Global Forum (scheduled in 2022).

Should you require any additional information or wish to have guidance as to how establish a company or foundation in Seychelles, our team at RV & BEP Services Ltd shall be more than happy to assist you, please send an email to Seychelles@rvbep.com.



Why set up a Global Business Company in Mauritius?

After months of confinement, Mauritius has recently fully reopened its borders allowing international visitors once again on its territory which is good news for the Global Business Sector, one of the main pillars of Mauritius' economy. Regulated by the Companies Act 2001 and the Financial Services Development Act 2001, a Global Business Company (GBC) allows individuals residing abroad to either set up a division for a foreign company or incorporate a local company in Mauritius from where main business operations are carried out.

Among the many advantages of setting up a GBC in Mauritius, the main ones are:

- Companies can benefit from the Double Taxation Agreements, provided the requirements are met.
- No capital gains tax, and no withholding tax on payment of dividends, interests or royalties.
- Companies are liable to a low tax rate of only 15%. For certain activities it can be reduced to 3%.
- No minimum stated capital for setting up the company
- Any currency except the Mauritian Rupee can be used.

Mauritius Exits the UK's List of High-Risk Countries

Following the exit of Mauritius from the Financial Action Task Force (FATF) list of jurisdictions under increased monitoring, the United Kingdom has removed Mauritius from its high-risk countries list under the UK Money Laundering and Terrorist Financing (Amendment) (No. 3) (high-risk countries) Regulations 2021. This not only highlights the significant efforts made by Mauritius to fight money laundering, terrorist financing and the proliferation of weapons of mass destruction but also marks another major step towards strengthening its reputation as a suitable and trustworthy jurisdiction.



Overseas Family Office

Mauritius is the representation of political, economic and social stability. With its strong legislative frameworks designed to protect investors such as the Investment Promotion and Protection Agreements (IPPAs) along with its qualified workforce and low tax rate, Mauritius provides investors with a favorable environment to conduct business which ensures security and certainty and hence regarded as the perfect choice of destination for the establishment of Overseas Family Offices.

Amendments to the Financial Services Act 2007 introduced the Overseas Family Office Scheme which is divided into two licenses namely, the Overseas Family Office (Single) License and the Overseas Family Office (Multiple) License, both catering for the domiciliation of high net worth families by providing various services ranging from Trusteeship services, Estate Planning, Asset Management and Protection, Management of Philanthropic services, Family Education, Legal services, Fund management to Administration and Management of concierge services and Tax optimization, among others.

Setting up Overseas Family Offices in Mauritius also comes with its benefits such as:

- Corporate Tax Residency in Mauritius
- Obtaining Work and Residence permits for immediate family members in Mauritius
- Eligibility to acquire immovable properties in Mauritius
- Tax holidays for 5 years for income derived by the Overseas Family Office, provided the requirements are met.

With its good reputation as a business destination as can be highlighted by FATF's decision to put Mauritius on the white list on 21st of October 2021, Mauritius indeed provides a worthy environment for the setting up of Overseas Family Offices.

FATF's On-Site Visit Outcome: Mauritius Exits the Grey List

The on-site inspection by the Financial Action Task-Force Africa/Middle East Joint Group delegation lasted for three days, from 13th September to 15th September 2021, which included verification of recently implied strategies to reinforce the AML/CFT system within the country and also to scrutinize the sustainability of those implemented measures to fight against Money Laundering and Terrorism Financing issues. It is an important part in the journey of Mauritius towards withdrawal from the FATF Grey list. In the meeting which recently occurred, it was concluded that Mauritius is in compliance with 39 out of 40 of the FATF recommendations, which generated a sense of confidence among the population that the attempt of Mauritius to strengthen its AML/CFT system has not gone in vain and has been a fruitful attempt. The removal of our island from the grey list became a reality this 21st October 2021 which has further promoted Mauritius as a safe financial platform for guaranteed investment.



Why Dale Trust?

Our team of seasoned professionals carries worldwide experience and credentials which are essential elements to service clients. We assist at each step of your project and deliver solutions to businesses and high net worth individuals from advisory to elaboration and implementation of projects, structuring, formation services, management services and professional outsourcing and also back office services.

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Dale International Trust Company Limited is a member of the MSI Global Alliance and Mauritius Finance.

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