



## **Dale International Trust Company Limited**

### **Tax Status Of Trusts And Foundations**

The Finance (Miscellaneous Provisions) Act 2021 amended the Income Tax Act 1995 (“ITA”) so as, henceforth, Trusts and Foundations are no longer able to file a declaration of non-residence for income tax exemption under sections 46(3) and 49A(3) of the ITA. However, for Trusts and Foundations established before 30 June 2021 there is a grandfathering provision up to the year of assessment 2024/2025.

The rationale for amending the ITA was to ensure that Foundations and Trusts benefitting from a preferential tax regime comply with the OECD standards, including substantial activity requirements. As per the latest report issued by the OECD in August 2021, it was noted that the OECD’s re-assessment of Mauritius as a non-harmful tax regime affirms the country’s position as a compliant jurisdiction which constantly aligns with the latest international practices and standards.

### **42nd Eastern and Southern Africa Anti Money Laundering Group (ESAAMLG) Task Force of Senior Officials and 21st Council of Ministers Virtual Meetings**

The applications made by Mauritius for the upgrading of Recommendations 8, 24 and 33 were considered and had been rated as follows:

- (a) Recommendation 8 (Non-Profit Organisations) from Non-Compliant to Largely Compliant;
- (b) Recommendation 24 (Transparency and Beneficial Ownership of Legal Persons) from Partially Compliant to Largely Compliant; and
- (c) Recommendation 33 (Statistics) from Partially Compliant to Compliant.

Following the upgrading of the above three Recommendations, Mauritius is now Compliant or Largely Compliant in 39 out of the 40 Financial Action Task Force (FATF) Recommendations on Technical Compliance with only Recommendation 15 (New Technologies) rated as Partially Compliant.



## Registration of Trademark in Mauritius

The applicable legislation of Registration for Trademark in Mauritius is the Patents, Industrial Designs and Trademarks Act 2002.

Mauritius has been a member of the Agreement on Trade-Related Aspects of Intellectual Property Rights since 1995 and the Paris Convention since 1976. Rights holders can file trademarks, service marks and collective marks in the country, as well as obtain protection for well-known marks. Further, the Nice Classification system is applicable and multi-class applications are available.

Mauritius adopts first-to-file basis for trademark application. Mauritius trade marks are valid for 10 years from the filing date and are renewable every 10 years thereafter. Subsequent to the approval of the trademark registration, the registered owner of a trademark is granted exclusive rights to use the trademark and protect it from infringement.

You can contact our team at [mauritius@dale-trust.com](mailto:mauritius@dale-trust.com) for more information on trademark registration in Mauritius.

## Why set up a Trust?

The Covid-19 pandemic has made it difficult to plan our future. A year after the outbreak and the world is still adapting to the “new normal” while remaining uncertain of what lies ahead. This has led to people fighting to safeguard their assets and protect their family’s future. Establishing a Trust with Dale Trust can help you feel more secure about your assets and wealth in these unprecedented times.

A Trust can be defined as a legal arrangement whereby one party, the settlor, transfers right to hold assets and property on trust to another party, the Trustee, for the benefit of the beneficiary. Mauritian Trusts are governed by The Trusts Act 2001.

Mauritius is known for being a credible jurisdiction for the setting up of Trusts for numerous reasons.

- Keep your confidentiality;
- Enjoy a low tax rate;
- Estate Planning; and
- Avoid Forced Heirship.

## Work and live in Mauritius or Retire and live in Mauritius – New Permits – Following Enactment of the Finance (Miscellaneous Provisions) Act 2021



## **Family Occupation Permit**

The Family Occupation Permit (“FOP”) is a new category of Occupation Permit and is issued to the applicant, his spouse, dependent child, parent, other dependent or a person exclusively working for the family unit. The applicant or his/her spouse can take up employment in Mauritius. The criteria for the FOP is contribution of USD 250,000 or its equivalent in freely convertible foreign currency to the Covid-19 Projects Development Fund.



## **Premium Investor Scheme**

The holder of a Premium Investor Certificate will benefit from:

(a) rebates, exemptions and preferential rates, in relation to taxes, duties, fees, charges and levies under any enactment;

(b) facilities, grants and exemptions in relation to land and buildings, infrastructure and public facilities, utilities and labour requirements, including foreign labour as the Minister may approve.

The Premium Investor Scheme is an additional category of Occupation Permit. For a project to be eligible under the Premium Investor Scheme, it must meet the below requirements:

- relate to the manufacture of pharmaceuticals; or medical devices; or
- involve a minimum investment of 500 million rupees in emerging sectors; pioneering industries and first movers; innovative technologies and industries; or such targeted economic activities as the Minister may approve and complies with such guidelines as the Economic Development Board may issue.



## **The Pathway of Mauritius Towards Withdrawal from The FATF List**

At its June 2021 Plenary, the FATF has made “the initial determination that Mauritius has substantially completed its Action Plan and warrants an on-site assessment to verify that the implementation of Mauritius’s AML/CFT reforms has begun and is being sustained, and that the necessary political commitment remains in place to sustain implementation in the future.”

This is a determining step towards exiting the FATF List of “Jurisdictions Under Increased Monitoring”. Mauritius has been commended by the FATF for the progress achieved in addressing the strategic deficiencies especially under difficult circumstances caused by the COVID-19 pandemic.

The FATF has conducted an onsite visit following which a decision will be taken by the FATF, at its Plenary scheduled for October 2021, on the delisting of Mauritius from the grey list.

We are confident that the efforts taken by Mauritius to strengthen its AML/CFT regime and its financial system will be recognised by the FATF.

### **Mauritius Looking Forward To Full Reopening Of Borders In October 2021**

Mauritius is looking forward to the full reopening of its borders on 1st October, when vaccinated international travellers will be welcomed in without restrictions. Visitors who present a negative PCR test taken in the 72 hours before their departure will be able to explore the island freely from the moment they arrive.



### **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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