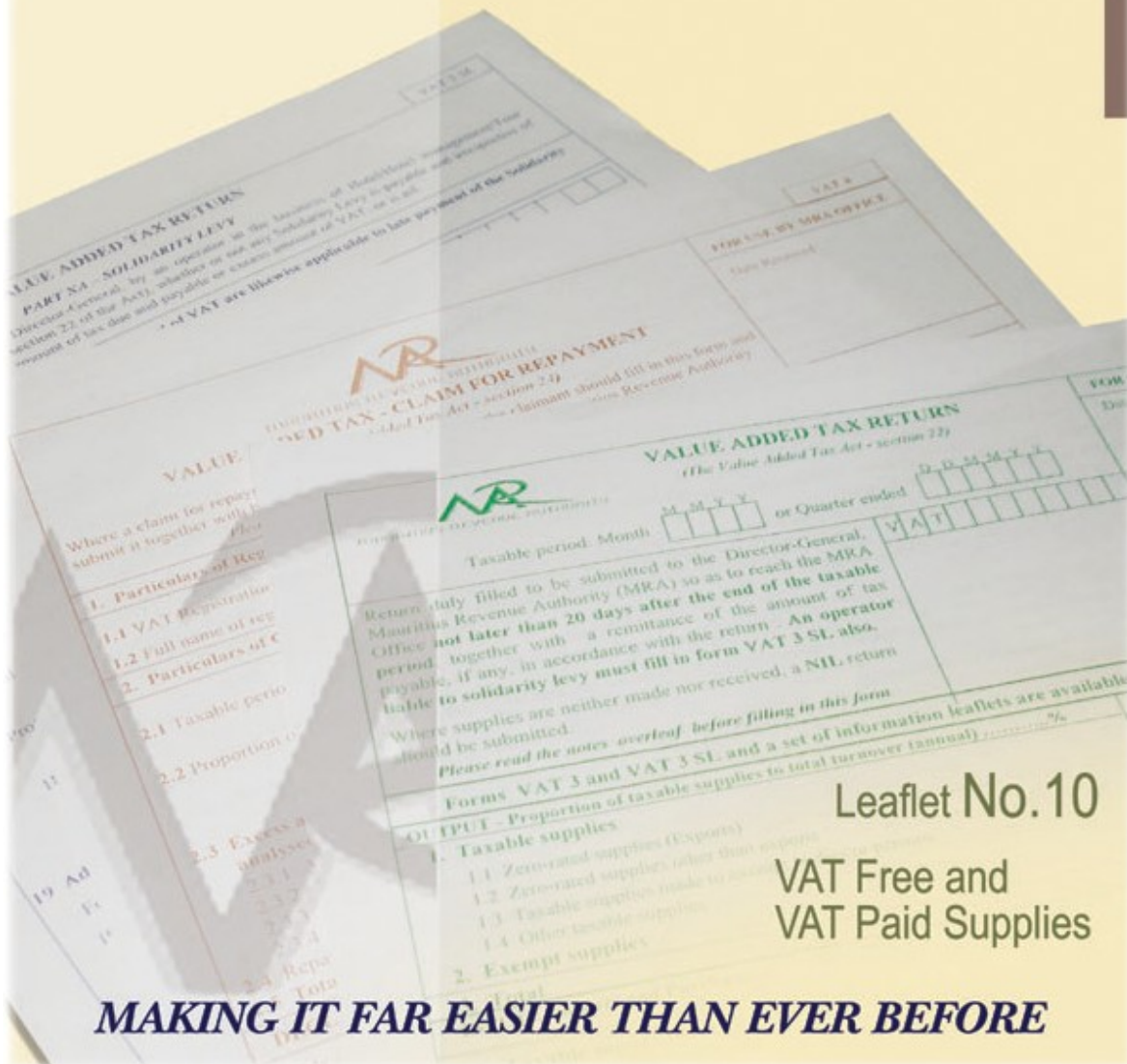


VALUE ADDED TAX GUIDE



Leaflet No.10

VAT Free and
VAT Paid Supplies

MAKING IT FAR EASIER THAN EVER BEFORE

CONTENTS

PAGE

FOREWORD

VAT Free and VAT Paid Supplies

1

1 Introduction

2

2 Definition of “visitor”

3 VAT paid Supplies attracting VAT refund

3.1 Operation of the system

3.2 Procedures to be followed

3.3 Refund of VAT

3

4 Supplies free of VAT to visitors

4

4.1 Goods to be supplied free of VAT

4.2 Prerequisites to operate the system

4.4 Delivery of Goods

5

6

Annex I

7

Annex II

8

Annex III

9

Annex IV

10



**VAT Free and VAT Paid Supplies
Information
Leaflet No. 10**

1. FOREWORD

This leaflet describes the procedures approved by the Director General, Mauritius Revenue Authority to allow VAT registered persons to make VAT free supplies to visitors.

The system will be operated with the collaboration and assistance of the Mauritius Chamber of Commerce and Industry (MCCI).

Every VAT registered person who wishes to make VAT free supplies to visitors shall inform the Director General and shall comply with the conditions laid down by the Director General for the operation of the system.

This leaflet is for information only. For the legal provisions, you may consult the Value Added Tax legislation.

**Further information may be obtained from,
The Service Counter
Mauritius Revenue Authority,
Ground Floor, Efram Court,
Cnr Mgr. Gonin & Sir V. Naz Streets,
Port Louis.**

**Tel: 207 6000 Fax: 211 8099
HOTLINE: 207 6010
E-mail: headoffice@mra.mu
Website: <http://mra.gov.mu>**



MAURITIUS REVENUE AUTHORITY

Introduction

Regulation 14 of the Value Added Tax Regulations 1998 provides that any VAT registered person may, subject to such conditions as may be imposed by the Director General, make:

- VAT paid supplies of taxable goods to a visitor, the amount of VAT paid being refundable under customs control, to the visitor at the time of his departure from Mauritius; or
- Supplies of taxable goods free of VAT to a visitor provided that the goods are delivered under customs control to the visitor at the port or airport.

2. Definition of "visitor"

Visitor is defined in section 2 of the Value Added Tax Act as a person holding:

- (a) a foreign passport; and
- (b) a valid ticket for travel by air or sea to a foreign airport or port.

3. VAT paid Supplies attracting VAT refund

3.1 Operation of the system

- Any VAT registered person may make VAT paid supplies to a visitor, the amount of VAT being refundable under Customs control to the visitor at the time of his departure from Mauritius, provided that –
 - the goods are not spirits, wine, cigarettes or other tobacco products; and
 - the VAT registered person complies with the procedures will described below.

3.2 Procedures to be followed

- A VAT registered person willing to operate the system should notify the Director General, MRA, with copy to the MCCI as per format at Annex I.



- Payment for the goods must be made only in Mauritius Currency, Pound Sterling, South African Rand, US Dollar or Euro. For the purposes of computing the amount of VAT payable on the goods the rate of exchange in force at the time of sale in accordance with the Notice published in the Gazette under the Customs Tariff Act has to be applied.
- A sales receipt as per Annex II has to be issued. This should be of A4 size, serially numbered and prepared in 4 legible copies.
- The VAT registered person has to hand over the goods to the visitor and forward immediately after the sale, a copy of the sales receipt by fax or by any other electronic device to –
 - the MCCI Refund Counter at the airport in the case of departure from SSR International Airport (Tel: 637-4100, Fax: 637-6249);
 - the Customs Officer at the port in the case of departure of the visitor from Mauritius by sea; (Tel: 242-8146, Fax: 242-8147); or
 - the Customs Officer in Rodrigues, in the case of departure of the visitor from Rodrigues on an international flight (Tel: 832-0261, Fax: 832-0261).

3.3 Refund of VAT

- Where VAT paid supplies are made, the visitor may, at the time of his departure, claim refund of the VAT paid at the MCCI Refund Counter in the Departure lounge at S.S.R. International airport, or the Customs Officer at the port or the Customs Officer in Rodrigues airport depending on the place of departure. He will have to present to the appropriate Customs Officer the goods together with receipts in duplicate relating to those goods and his passport or other travel documents.



MAURITIUS REVENUE AUTHORITY

- In the case of refund at the MCCI Refund Counter, the refund to the visitor would be made in Pound Sterling, South African Rand, US Dollar or Euro, whichever is acceptable to the visitor;
- In the case of departure at the Port or from Rodrigues on an international flight the visitor will have to provide necessary details of his bank account to enable the MRA to credit his account
- For every refund a deduction of 100 rupees would be made in respect of administrative charges. No refund shall be made where the amount refundable before deduction of administrative charges is less than 200 rupees in the aggregate in respect of purchases made in one shop.

4 Supplies free of VAT to visitors

4.1 Goods to be supplied free of VAT

- Supply of goods free of VAT, with delivery under customs control at the port or airport is restricted to the following items:
 - 1) articles or jewellery of precious metal of a selling price exceeding 20,000 rupees per item.
 - 2) articles of natural or cultured pearls, precious or semi-precious stones (natural, synthetic or reconstructed) of a selling price exceeding 20,000 rupees per item.
 - 3) watches of a selling price exceeding 20,000 rupees per item.
 - 4) cameras or video cameras of a selling price exceeding 20,000 rupees per item.
 - 5) laptop computers
 - 6) cellular telephones of a selling price exceeding 20,000 rupees per item
 - 7) ship models



4.2 Prerequisites to operate the system

1. The business premises should be located in an area widely visited by tourists and should provide a pleasant and convenient environment.
2. The VAT registered person must keep appropriate records and comply with the relevant provisions of the VAT Act.

4.3 Procedures to be followed

- A VAT registered person willing to make supplies free of VAT to visitors should make an application on the approved form which is obtainable from the Office of the MRA or may be downloaded from its website. (Annex III)
- On being satisfied that the VAT registered person complies with the above conditions, the Director General will authorise the operation of the system. In the case of a shop in Rodrigues this will apply only to sales made to a visitor leaving Rodrigues on an international flight.
- Upon authorisation, the VAT registered person has to make appropriate arrangements with the MCCI.
- Where goods are supplied free of VAT to a visitor, payment may be made in any currency acceptable to the VAT registered person.
- Goods sold free of VAT should be placed in a package, which must be sealed in the presence of the visitor, signed by him and countersigned by the VAT registered person.
- At the time of sale, the VAT registered person has to issue a sales receipt as per Annex IV, This should be of A4 size, serially numbered and drawn in 4 copies, marked "original", "duplicate", "triplicate" and "quadruplicate" respectively.



- The operator should hand over the original and duplicate to the visitor, affix the triplicate on the package and retain the fourth copy as part of his records.
- The VAT registered person should transfer the package to
 - the airport to be placed in the custody of the MCCI for delivery under customs control to the visitor at the time of his departure, in case of departure from S.S.R International Airport,
 - the Customs Officer at the port in case of departure of the visitor by sea; or
 - the Customs Officer at Rodrigues Airport, in the case of departure of the visitor from Rodrigues on an international flight.

4.4 Delivery of Goods

In case of departure from S.S.R International Airport, on presentation of the original and duplicate sales invoices, the MCCI will hand over the package, under customs control, to the visitor at the MCCI counter in the departure lounge.

The visitor should acknowledge having received the goods on the original and duplicate receipts.

In case of departure by sea or from Rodrigues on an international flight the package will be handed over by the appropriate Customs Officer.



Annex I



MAURITIUS REVENUE AUTHORITY

VALUE ADDED TAX

(The Value Added Tax Act 1998)

Notification to make VAT paid supplies attracting VAT refund to visitors
(Regulation 14)

Form duly filled in to be forwarded to the Director-General, Mauritius Revenue Authority

PARTICULARS OF APPLICANT

VAT Registration Number

V	A	T							
---	---	---	--	--	--	--	--	--	--

Full name of registered person

PLACES OF BUSINESS AT WHICH VAT PAID SUPPLIES ARE TO BE OFFERED -

Addresses (1)

(2)

(3)

(For any additional places of business, please attach a separate sheet showing the address of each of the places of such business)

CONTACT DETAILS

Name of contact person :

Tel :

Fax :

Email :

Date

Signature

Capacity in which acting



MAURITIUS REVENUE AUTHORITY

Annex II

VAT PAID SUPPLIES TO VISITOR

Original **Receipt** Serial No.....
Date of Sale

VAT Registration Number

V	A	T							
---	---	---	--	--	--	--	--	--	--

Full name of registered person
Address

Item	Model	Brand	Description of Goods subject to VAT	Quantity	Unit Price	Foreign	Total

Total sale value in words Total excl. VAT
VAT 15%
Rate of exchange@ Total

The rate of exchange shall be that in force at the time of the sale and in accordance with the Notice published in the Government Gazette under section 7 of the Customs Tariff Act. VAT in Rs

DECLARATION

Visitor's surname	Other Names	I hereby certify that the particulars shown herein have been verified with the passport or travel documents of the visitor. Name Signature Capacity in which acting
Permanent address	Passport No	
.....	Date of Issue	
.....	Date of Expiry	
Nationality	Flight No./Voyage No.	
.....	Date of departure	

FOR OFFICIAL USE

I certify that the above visitor produced his goods on

Departure by Flight No./Voyage No.* to

Signature of Customs Officer

Name.....

Identity No

*Delete as appropriate

ACKNOWLEDGEMENT OF RECEIPT OF VAT REFUND

I acknowledge having received the amount of
being refund of VAT on goods mentioned above
Signature of Visitor

Name.....

Date


TERMS AND CONDITIONS

- 1 The visitor, at the time of his departure and on presentation to the proper Customs Officer of the goods, passport or other documents, the original and duplicate of this receipt, may claim a refund of any VAT paid on those goods.
- 2 An administrative fee is deductible from the amount of VAT payable to the visitor.
- 3 Where the visitor has made more than one purchase at different dates, the administrative charge deductible is to be calculated at the rate of exchange in force on the date of the first purchase.
- 4 Refund of VAT will be made in Pound Sterling, South African Rand, US Dollar or Euro, whichever is acceptable to the visitor.
- 5 No refund of VAT will be made where the amount otherwise refundable before deduction of administrative charges is less than Rs 200 in the aggregate in respect of purchase made in any shop.



MAURITIUS REVENUE AUTHORITY

Annex III

 MAURITIUS REVENUE AUTHORITY VALUE ADDED TAX <i>(The Value Added Tax Act 1998)</i> Application to make supplies free of VAT to visitors <i>(Regulation 14)</i> Form duly filled in to be forwarded to the Director-General, Mauritius Revenue Authority	For use by MRA office
	Date received
	Approved
	Refused

PARTICULARS OF APPLICANT

VAT Registration Number

V	A	T							
---	---	---	--	--	--	--	--	--	--

Full name of registered person

PLACES OF BUSINESS AT WHICH VAT FREE FACILITIES ARE TO BE OFFERED -

Addresses (1)

.....

(2)

.....

(3)

.....

(For any additional places of business, please attach a separate sheet showing the address of each of the places of such business)

DESCRIPTION OF MAIN TYPES OF GOODS TO BE SUPPLIED VAT FREE TO VISITORS

.....

.....

.....

.....

DECLARATION

I, Mr/Ms*

(full name of signatory in BLOCK LETTERS)

hereby declare that all particulars and information in this form and in any accompanying sheets are true and complete.

Date Signature

* Delete as appropriate Capacity in which acting



MAURITIUS REVENUE AUTHORITY

Annex IV

VAT FREE SUPPLIES TO VISITOR

Original **Receipt** Serial No.....
Date of Sale

VAT Registration Number

V	A	T							
---	---	---	--	--	--	--	--	--	--

Full name of registered person
Address

Item	Model	Brand	Description of Goods subject to VAT	Quantity	Unit Price	Currency	Total

Total sale value in words	Total excl. VAT
.....	VAT 15%
.....	Total

DECLARATION

Visitor's surname	Other Names	I hereby certify that the particulars shown herein have been verified with the passport or travel documents of the visitor. Name
Permanent address	Passport No	
.....	Date of Issue	
.....	Date of Expiry	
.....	Flight No./Voyage No.	
Nationality	Date of departure	
		Capacity in which acting

FOR OFFICIAL USE

I certify that the above visitor produced his goods on

Departure by Flight No./Voyage No.* to

Signature of Customs Officer

Name.....

Identity No

*Delete as appropriate

ACKNOWLEDGEMENT OF RECEIPT OF GOODS

I acknowledge having received the goods mentioned above

Signature of Visitor

Name.....

Date

Note: Goods purchased VAT free by visitor will be delivered at the Port or Airport under Customs control to the visitor at the time of departure, on presentation to the proper Customs Officer of his passport or any other travel documents, the original and duplicate of this receipt.

