Notes - How to fill in your Statement of Income

1 A CPS Statement of Income should be submitted to the Director General, MRA by every individual deriving business income (including income from profession, vocation or occupation) and rental income and whose total gross CPS income for the preceding income year exceeded 4 million rupees.It does not apply to an individual in respect of gross income derived from the cultivation of sugar cane or the growing of tobacco

2 You may opt to calculate your chargeable income for a CPS quarter based on either **Method 1** or **Method 2**.

Method 1 - The chargeable income for a quarter in the income year ending 30 June 2022 should be computed by reference to the chargeable income, net income and the total net income of the preceding income year as follows:

$$\frac{25}{100} \times \text{chargeable income} \times \frac{\text{net income falling under CPS}}{\text{total net income}}$$

Method 2 - Compute the gross income derived in the CPS quarter and deduct therefrom the expenses incurred in the production of that gross income.

Where the chargeable income in respect of the CPS quarter is computed by applying **Method 1**, no CPS statement should be submitted in case the tax payable for the CPS quarter does not exceed 500 rupees.

3 **Business expenses**

Expenses incurred exclusively in the production of gross income are deductible. Expenses of a private nature and expenses incurred in the production of exempt income are not allowable.

Where in respect of certain items of expenditure the amount is not known at the time of making the Statement of Income, an estimate of the expenditure for the quarter may be included in the Statement of Income.

4 **Annual allowance**

4.1 Depreciation is not an allowable deduction. You may instead, in the CPS quarter, deduct **25% of the annual allowance** on capital expenditure incurred on the items listed below.

	Capital expenditure incurred on	**Rate of annual allowance % of** Base value	cost
1	Industrial premises excluding hotels	-	5
2	Commercial premises	-	5
3	Hotels	30	-
4	Plant or Machinery – (a)costing or having a base value of 60,000 rupees or less		100
	(b)costing more than 60,000 rupees – (i) ships or aircrafts	20	-
	(ii) aircrafts and aircraft simulators leased by a company engaged in aircraft leasing		100
	(iii) motor vehicles	25	-
	(iv) Computer hardware and peripherals and computer software	50	
	(iva) electronic, high precision machinery or equipment and automated equipment		100
	(v) furniture and fittings	20	-
	(vi) other	35	-
5	Improvement on agricultural land for agricultural purposes	25	
6	Research and development, including innovation, improvement or development of a process, product or service	-	50
7`	Golf courses	15	-
7A	Acquisition of patents	25	-
7B	Green technology equipment	-	50
7C	Landscaping and other earth works for embellishment purposes	-	50
7D	Acquisition of a solar energy unit		100
8	Acquisition or improvement of any other item of a capital nature which is subject to depreciation under the normal accounting principles	-	5

Where a person, carrying on business other than tour operator or car rental, has incurred capital expenditure on or after 1 January 2011 on a motor car costing more than three million rupees, the annual allowance shall be 25% of the base value, limited to three million rupees in the aggregate. Base value means cost less any amount allowed by way of annual allowance.

5 **Entitlement to Income Exemption Threshold**

An individual who is resident in Mauritius in the income year ending 30 June 2022 is entitled to claim an Income Exemption Threshold (IET) or additional exemption for dependent child pursuing undergraduate course.

Do not claim an IET under this section if you have already claimed an IET in your Employee Declaration Form (EDF) for PAYE purposes.

You should deduct only 25% of your IET in the CPS quarter.

Deduction in respect of dependent child cannot be claimed by both spouses. In case your spouse has claimed an IET in respect of Category B, C, or D, you may claim an IET in respect of Category A or F only.

An individual is not entitled to claim for the income year ending 30 June 2022 an IET in respect of

(a) Category B, if the net income and exempt income of his dependent in that income year exceeds 110,000 rupees;

(b) Category C, if the net income and exempt income of his second dependent in that income year exceeds 80,000 rupees;

(c) Category D, if the net income and exempt income of his third dependent in that income year exceeds 85,000 rupees.

(d) Category E, if the net income and exempt income of his fourth dependent in that income year exceeds 80,000 rupees.

(e) Category G, if the net income and exempt income of his dependent in that income year exceeds 110,000 rupees;

You are not entitled to claim IET in respect of category F or G unless you have attained the age of 60 on or before 30 June 2021 and do not derive income from employment, profession, vocation, trade, business and agriculture either in your own name or through a société/succession. However, you may claim IET in respect of Category F or G in case you are suffering from permanent disablement, irrespective of your age and source of income.

"Dependent" means either a spouse, a bedridden next of kin under his care, child under the age of 18 or a child over the age of 18 and who is pursuing full-time education or training or who cannot earn a living because of a physical or mental disability.

''Bedridden next of kin'' , in respect of a person, means the bedridden father, mother, grandfather, grandmother, brother or sister of that person or of his spouse, provided the bedridden next of kin is

(a) eligible to the carer's allowance payable under the National Pensions Act; and

(b) under the care of that person

"Child" means

(a) an unmarried child, stepchild or adopted child of a person;

(b) an unmarried child whose guardianship or custody is entrusted to the person by virtue of any other enactment or of an order of a court of competent jurisdiction;

(c) an unmarried child placed in foster care of the person by virtue of an order of a court of competent jurisdiction.

6 Additional exemption in respect of dependent child pursuing undergraduate course.

(a) Where a person has claimed an Income Exemption Threshold in respect of category B, C, D or G and the dependent is a child pursuing a non-sponsored full-time undergraduate course in Mauritius at an institution recognised by the Tertiary Education Commision or outside Mauritius at a recognised institution, the person may claim an additional exemption per CPS quarter in respect of that child amounting to Rs. 56,250.

(b) The additional exemption is not allowable :-

(i) in respect of more than four children;

(ii) in respect of the same child for more than 6 consecutive years;

(iii) where the tuition fees, excluding administration and student union fees, are less than Rs 34,800 for a child following an undergraduate course in Mauritius;

7 **Calculation of Tax**

The tax for the CPS quarter is calculated as per table below:

Chargeable Income	Tax Rate
Less or equal to Rs 162,500	10%
Greater than Rs162,500	15%

8 **Tax Deducted at Source**

If tax has been deducted at source from the gross income derived by you during the CPS quarter, you may claim a credit in respect of the tax deducted during the quarter by the payer.

9 **Penalty and Interest**

(i) Where a Statement of Income is submitted after the due date, a penalty of Rs 2,000 per month or part of the month,up to a maximum of Rs 6,000 is payable.

(ii) Late payment of tax carries a penalty of 5% of the amount of tax unpaid and interest at the rate of 0.5% per month.

10 Due date for submission of Statement of Income and payment of tax -

In respect of quarter	Due date
1 July to 30 September	2 days, excluding Saturdays and public holidays, before the end of December
1 October to 31 December	31 March
1 January to 31 March	2 days, excluding Saturdays and public holidays, before the end of June