

Rs. 112.6 Billion: A rise in revenue collected by the MRA



The Annual Press Conference of the MRA was held on Thursday 13th October 2022 at the seat of the MRA, Eham Court, Port-Louis. Mr. Sudhamo Lal, the Director-General of the Mauritius Revenue Authority (MRA) made a presentation to members of the media in the presence of the Management Team of the MRA.

In his presentation, Mr. Lal stated that the MRA collected a total of Rs 112.6 billion, of which Rs 106.5 billion was remitted to the Consolidated Fund for the Financial Year 2021/22. This 26% growth in revenue collections was unprecedented in the history of the MRA and was boosted by economic recovery and sustained by MRA efforts to improve its efficiency in revenue collections.

Mr. Sudhamo Lal underlined that, in addition to the taxes and duties which the MRA collects for the Consolidated Fund, the organisation has also been entrusted with the responsibility of collecting other taxes/contribution. For instance, NSF collection goes directly into the National Savings Fund which is used to pay gratuity on retirement. The Training Levy is remitted to the HRDC for the refund of training costs.

Value Added Tax (VAT)

The net VAT collection was Rs 38,266 M, and it grew by 33.9%. It is worth underlining that, there is a hike in VAT on importation; triggered by an increase in two main sectors:

1. **Trading (+35.5% or +Rs 4.5 billion)**
2. **Manufacturing (+47.8% or +Rs 1.2 billion)**

Mr. Sudhamo Lal explained that there is a surge in VAT due to the opening of the borders with the accommodation and food service activities, registering a growth of +320.3% or +Rs 2.4 billion of additional receipts.

Personal Income Tax

The Personal Income Tax collections (PIT) of Rs 14 billion were up by 21%, he said. Moreover, the Solidarity Levy receipts collected from Annual Returns and through PAYE system was Rs 2.4 billion.

Corporate Income Tax

The Corporate Tax collections amounted to Rs 16.5 billion, i.e. 40% more than preceding year's collections.



Income declared and Tax Paid by Legal Professionals

During the presentation made by the Director-General, details on the income declared and tax paid by Legal Professionals such as notaries, barristers and attorneys were disclosed. The growth in gross income has averaged 25% annually since 2006 and the growth in tax payments grew on average by 14% during the same period. It is noted that in 2006 there were 25 legal professionals declaring net income of more than Rs 3 million in a year. In 2021, there were 156 professionals in this category, he said.

Income declared and Tax Paid by Medical Practitioners

The MRA has reviewed the income declared and tax paid by medical practitioners over a 14 year period (2006-2020) to determine any future strategy for managing the auditing of these professionals. Speaking about the income declared and tax paid by Medical Practitioners, he said that the growth in gross income has averaged 25% annually since 2006 and the growth in tax payments grew on average by 35% during the same period. In 2006, there were 2 medical practitioners declaring net income of more than Rs 3 million in a year. In 2021, there were 181 professionals in this category, he added.

Forthcoming Projects

E-Invoicing

E-Invoicing is a process that allows the transfer of billing information between a seller and a buyer through the tax authority. It improves tax compliance and enhances automated tax audit.

In line with its breakthrough innovation strategy, the MRA will set up an Invoice Fiscalisation Platform. How does it work? At a point of sale, the invoice to be issued to the customer is fiscalised, that is, the invoice details are registered in real time on the portal of the tax authority. The billing information is transferred seamlessly from the taxpayer's, that is, the trader's system, to the portal of the tax authority. More details on the forthcoming e-Invoicing project are available on MRA YouTube channel https://www.youtube.com/watch?v=oRi3_DlhXvg.

Mr. Sudhamo Lal announced several new projects.

1. Vessel Monitoring System (VMS) uses the Global Positioning System (GPS) to display the accurate geographic position of the vessel. The satellite monitoring device transmits the information from the vessel(s) to the Fisheries Monitoring Centres (FMCs) of each contracting party.
2. Visit, Board, Search and Seizure Simulator (VBS3) facility by UNODC. This simulator will consist of a structure comprising of nine 40ft containers stacked in a cubical form on a wharf and the inside refurbished with ship engines, crew cabin furniture and other features of a vessel.
3. Integrated Single Window For Trade (ISWT) aims to further facilitate business related public service delivery and reduce the cost of doing business in Mauritius while ensuring faster clearance of consignments, more effective and efficient trade related processes.
4. UNODC WCO Container Control Programme: The Project falls under the supervision of WCO, Interpol and UNODC, and aims to systematically assist in targeting high-risk containers for law enforcement scrutiny, using risk analysis and other proactive techniques with minimum disruption to the free flow of legitimate trade.
5. Additional Luggage and Cargo scanners at Port & Airport aim to reinforce control.
6. The X-Body Scanner at Port for Cruise Terminal will be installed at Les Salines Cruise Terminal for the scanning of suspicious passengers.
7. The Product Code for virtual Inventory in the supply chain will enable traceability of goods in the supply chain, after clearance from Customs. The system will be reviewed to link product codes to selected HS Codes. Moreover, Import Data including the product code will be electronically sent from CMS to other MRA departments requiring this data.

