



MAURITIUS REVENUE AUTHORITY

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Statement of Practice (SP 1/07)

- Due date for submission of return of income by companies**
- Advance Payment System**

Section 116 of the Income Tax Act has been amended to require companies to submit their annual return of income not later than 6 months from the end of the month in which their accounting year ends. The amendment takes effect as from 1 July 2008 in respect of the year of assessment commencing 1 July 2008 and in respect of every subsequent year of assessment.

2. A company whose accounting year ends on 30 June will have to file its annual return of income in respect of assessment year 2008-09 by 31 December 2008. As regards other companies, the return of income in respect of assessment year 2008-2009 will have to be filed by 30 September 2008, if the accounting year ends on or before 31 December 2007. However, if the accounting year of a company ends on or after 1 January 2008, the return of income will have to be filed within six months from the end of the accounting year.

3. Annex 1 illustrates the different dates by which companies with different accounting year ends will have to submit their annual returns of income.

4. The Income Tax Act has also been amended to provide for the operation of an Advance Payment System (APS) whereby companies are required to submit APS Statement and pay tax on a quarterly basis on the basis of either last year's income or the income of the current quarter (Sections 50B & 50C).

5. The effective date to operate APS for companies with turnover exceeding 100 million rupees (large companies) is 01 July 2008 while that for companies with turnover less than 100 million rupees is 01 July 2009.

6. Where a company commences business in an income year in respect of which it is required to submit an APS statement, the chargeable income of the company for each quarter in that income year should be ascertained on basis of its gross income and the allowable deductions for the current quarter.

7. The law also provides that the tax liability for the year of assessment 2008/09 may be paid by large companies in 3 equal and consecutive yearly instalments. The same payment facility is granted to other companies in respect of their tax liability for the year of assessment 2009/10 (Section 161A).

8. Annex II gives some examples of large companies showing dates for submission of APS Statements and final returns of income and payment of tax while Annex III illustrates the cases of other companies (i.e medium and small).

30 November 2007