

Tax Arrears Settlement Scheme (TASS)



August 2025

Objective

The scheme is designed for taxpayers having outstanding tax arrears as at 30 June 2025. Where the tax arrears are settled **on or before 31 March 2026**, the taxpayer will benefit from **100 percent waiver of penalty and interest** included in the tax arrears under the Income Tax Act, Value Added Tax Act, the Gambling Regulatory Authority Acts and Social Contribution Act and Social Benefits Act 2021.

Scope

The scheme will cover:

- i. Tax arrears consisting of tax, penalty and interest due under an assessment issued or a return submitted on or before 30 June 2025 under the Income Tax Act, Value Added Tax Act and the Gambling Regulatory Authority Act; and
- ii. Contribution arrears outstanding as at 30 June 2025 consisting of social contribution payable under the Social Contribution and Social Benefits Act 2021.

Where the full amount of the tax or contribution outstanding as at 30 June 2025 are paid on or before 31 March 2026, any penalty and interest applicable shall be reduced by 100 per cent, provided that an application for the reduction is made to the Director-General on or before 01 December 2025.

Procedure

To benefit from the full waiver of penalty and interest, the taxpayer is required to make an application for the waiver to the Director-General on or before **01 December 2025**.

Application to join the scheme may be made online on the website of the MRA: www.mra.mu

Eligibility

The scheme is applicable to all taxpayers with tax arrears outstanding as at **30 June 2025** under an assessment issued or return submitted **on or before 30 June 2025** and contribution arrears outstanding as at 30 June 2025 consisting of social contributions payable under the Social Contribution and Social Benefits Act 2021.

Persons not eligible for the scheme (Section 28 (21) (b) of the MRA Act)

The scheme is not applicable to any person:

- (i) who has been convicted of an offence on or after 01 July 2012;
- (ii) against whom there are any pending criminal proceedings into an act of; or
- (iii) who is the subject matter of an enquiry relating to -
drug drug trafficking under the Dangerous Drugs Act, arms trafficking, an offence related to terrorism under the Prevention of Terrorism Act, money laundering under the Financial Intelligence and AntiMoney Laundering Act, a corruption offence under the Prevention of Corruption Act or an offence under the Financial Crimes Commission Act 2023.