

**TR 264****Facts**

A was incorporated on 16 November 2020 as a private company limited by shares under the Companies Act 2001 of Mauritius and proposes to engage in the business of providing professional accounting services to domestic and international clients.

As executive director of A, Mr X, a Mauritian national and qualified accountant, will be working remotely in Singapore, and therefore will be performing his duties with respect to his employment wholly in Singapore.

Mr X together with his family will move to Singapore where his spouse will take up employment and all his children will be attending full time schooling in Singapore. Mr X and his wife own a house in Mauritius which they intend to use whenever the family visits Mauritius during their holidays (usually not more than 3 weeks). Mr X will buy an apartment in Singapore, making Singapore his permanent place of abode. He does not intend to return to Mauritius and in the current income year, he has been present in Mauritius for less than 183 days. In the previous two income years and the current income year, he has been present in Mauritius for less than 270 days.

A will pay Mr X's emoluments into his bank account in Singapore, and he will not transfer his emoluments received in his bank account in Singapore to his Mauritian bank account. Occasionally, he may transfer his savings to Mauritius for investment purposes.

**Points at issue**

1. Whether A should withhold income tax (PAYE) and solidarity levy from the emoluments of Mr X who is performing his duties for the Company wholly outside of Mauritius?
2. Based on the background provided above, whether Mr X will be resident for tax purposes in Mauritius or not?

**Ruling**

On the basis of the facts mentioned above, it is ruled that -

1. A shall withhold income tax (PAYE) and solidarity levy from any emolument paid to Mr X pursuant to section 93 of the Income Tax Act; and
2. Mr X will be resident in Mauritius for tax purposes as he has a permanent home available in Mauritius and the centre of his economic activity is in Mauritius.