

**VATR 104**

**Facts**

X is registered in Mauritius under the Foundations Act 2012 since 1 July 2020.

Y, a company incorporated in Mauritius is a council member of the Foundation.

X is the shareholder of the following:

- C, a domestic company;
- D, a company holder of a GBC licence; and
- E, a company holder of a GBC licence.

The beneficial owners of X are:

- (a) Mr F, South Africa, (20%); and
- (b) Mr G, South Africa. (80%)

X serves as an investment holding vehicle.

X has acquired 2 plots of land (Plot W and Plot Z) in Y Golf Residences Ltd.

X is in the process of starting to design and build dwellings on the plots acquired for the construction of villas to be used for residential purposes.

X would like to be in a position where they can reclaim these costs by registering X for VAT.

During the construction process X will acquire the services of VAT registered suppliers, contractors and various service providers who will charge VAT to X.

**Point at issue**

Whether X will be eligible to apply for VAT registration?

**Ruling**

On the basis of the facts provided, it is ruled that X is not eligible for VAT registration as it is not making any taxable supplies.