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EDITORIAL NOTE

Dear Readers,

The Mauritius Revenue Authority (MRA) is at the forefront of implementing fiscal measures for 2023/2024, thus playing a pivotal role in driving economic growth and ensuring the financial stability of Mauritius.

One of the major budgetary measures is the new progressive tax for individuals. Henceforth, an individual earning a monthly income of up to Rs. 30,000 will not be liable to Income Tax.

In the same vein, the MRA has put in place an Income Tax Calculator that allows individual taxpayers to estimate the amount of tax payable as per the new progressive Income Tax System for the financial year 2023/2024.

Following the Budget 2023/2024, MRA will also implement the two new Financial Assistance, namely the Independence Allowance and the CSG Child Allowance.

MRA's success in implementing fiscal measures as well as financial assistance can be attributed to its efficient planning and coordination strategies. By aligning its resources, technology, and manpower accordingly, the MRA ensures that its dedicated teams are well-prepared to swiftly implement any changes brought in by the Finance Act.

Another major announcement in the Budget 2023/2024 is the abolition of the Solidarity Levy.

Among other measures, is the 'removal of VAT' on 15 essential products, such as Noodles, Toothpastes, Toothbrushes, Baby wipes, Napkins (diapers) and napkin liners for babies, Baby powder, Baby cream, Breast pumps, Infant feeding bottles, Exercise books, Pencils, Crayons, Erasers, Walking sticks, Incontinence mattress pads, Musical instruments, parts and accessories, Instruments, appliances and apparatus used in medical, surgical, dental or veterinary sciences, Medical grade silicone and Glass-ceramic blocks for dental use.

A surge in excise duty was also announced in the Budget 2023/2024 to address the negative externalities associated with smoking and drinking. The rates of excise duty on alcoholic and tobacco products has been increased by 10% to discourage the consumption of cigarettes and alcoholic products.

MRA's commitment to transparency, fairness, integrity, and innovation sets a positive example for other revenue collection agencies worldwide. In fact, several organizations in the world seek the technical expertise of the MRA to replicate similar digitalised tax systems in their country.

Editorial team

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Budget 2023-2024: NEW MEASURES

Major changes made to the Personal Income Tax

In the Budget 2023 / 2024, several important reforms have been announced by the Minister of Finance, Economic Planning and Development, Dr. The Hon. Renganaden Padayachy, with a view to paving the way for a progressive tax system to make it more equitable and fair for taxpayers.

The restructuring of the Income Tax regime is one key fiscal reform aimed at restoring the economy's competitiveness and bringing about fairness and equity for earners. Through this new fiscal system, more than 115,000 employees will pay less tax whereas more than 34,000 employees who earn up to Rs. 30,000 income per month, will not pay tax. In other words, approximately 99.6% of taxpayers will either pay less tax or will not pay tax with the new tax regime in force. Around Rs. 4.7 billion will 'stay in the pockets of employees'.

Progressive Income Tax

All income will be taxed incrementally i.e. the chargeable income will be divided into different brackets.

Each bracket will have a specific tax rate starting at 0% and will be capped at a maximum of 20%.

New Tax Band Rate	
Income year	01 July 2023 to 30 June 2024
Chargeable income	Rate of income tax
First Rs. 390,000	0%
Next Rs. 40,000	2%
Next Rs. 40,000	4%
Next Rs. 60,000	6%
Next Rs. 60,000	8%
Next Rs. 300,000	10%
Next Rs. 300,000	12%
Next Rs. 300,000	14%
Next Rs. 400,000	16%
Next Rs. 500,000	18%
Remainder	20%

Previous Tax Band Rate	
Income year	01 July 2022 to 30 June 2023
An individual having an annual net income:	Rate of income tax
Not exceeding Rs. 700,000	10%
Between Rs. 700,000 and Rs. 975,000	12.5%
Exceeding Rs. 975,000	15%

Employees who have successfully submitted their Employee Declaration Form (e-EDF) for Financial Year ending 30 June 2023, will be liable to PAYE, if any, based on the new progressive income tax system.

Solidarity Levy

Solidarity levy imposed on individuals earning a leviabale income of more than Rs. 3 Million has been abolished.

Employers are no longer required to deduct PAYE for solidarity levy as from 01 July 2023.

Deduction for Dependents

The exemption of Rs. 325,000 granted to a taxpayer in respect of self has been replaced by a tax rate of 0 percent applicable on the first Rs. 390,000 of chargeable income.

An individual with no dependent having a net income of up to Rs. 30,000 monthly, as compared to Rs. 25,000 under the present system, will not pay any income tax.

Deduction for dependents - category B (An individual with one Dependent), category C (An individual with two Dependents), category D (An individual with three Dependents) and category E (An individual with four or more Dependents) have been replaced by deductions for dependents and are illustrated as per the table below.

Income Year	01 July 2023 - 30 June 2024
Dependent(s)	Amount of Deduction (Rs)
1 dependent	110,000
2 dependents	190,000
3 dependents	275,000
4 dependents or more dependents	355,000



Relief for adoption of animals

A deduction of Rs. 10,000 will be available for individuals adopting animals from Non-Government Organisations (NGOs) registered with the MRA. The deduction will be applicable for each animal adopted up to Rs. 30,000 per income year.

All other Personal Reliefs and Deductions, such as Relief for Medical insurance premium or contribution, Interest Relief on secured housing loan, Deduction for Household Employees, Rainwater Harvesting Investment Allowance, Deduction in respect of dependent child pursuing undergraduate or postgraduate course, Deduction for contribution made to approved personal pension schemes, Deduction for fast charger investment allowance in respect of electric car among others, have remained unchanged, as per table below.

Personal Reliefs and Deductions		
Income year	01 July 2022 to 30 June 2023 (Rs.)	01 July 2023 to 30 June 2024 (Rs.)
Tuition fee deduction (per dependent child) [1]	500,000	500,000
Lump sum received as commutation of pension and retiring allowance [2]	2.5 M	2.5 M
Relief for Medical insurance premium or contribution		
Self and one dependent	25,000 for each	25,000 for each
Each other dependent	20,000 for each	20,000 for each
Additional deduction on		
Contribution to personal pension scheme	50,000	50,000
Donations made to an approved charitable institutions	50,000	50,000
Adoption of animals from registered NGOs [3]	-	10,000

Note:

1. An individual is entitled to a deduction of Rs. 500,000, irrespective of the place of study and total income of the household and it covers both undergraduate and post graduate courses.
2. The exemption threshold on lump sum has remained same as last year. The lump sum relates to severance allowance, pension or retiring allowance.
3. The relief of Rs. 10,000 per animal is adopted. The relief cannot exceed Rs. 30,000 per income year.

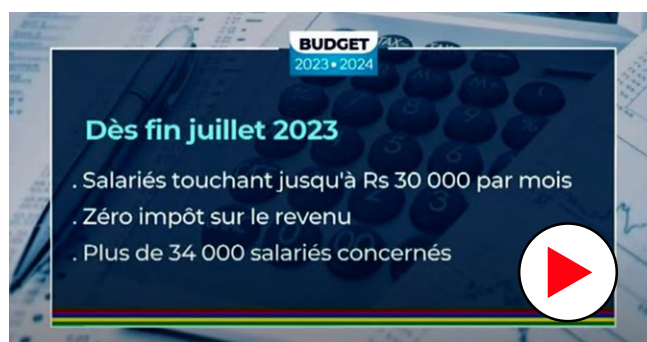
Exempt employee

No PAYE is required to be deducted from the monthly emoluments of an employee where such emoluments do not exceed Rs. 30,000 except where the emoluments constitute of fees payable to a company director or a member of a Board, Council, Commission, Committee of a statutory body. In such case, PAYE is applicable at a flat rate of 15% or 20% at the option of the Director or Member.

Tax Exemption on Bonds

(Effective from date gazetted)

- Interest income derived by an individual from bonds, debentures or sukuks issued by a company to finance approved renewable energy projects, approved by MRA, will be exempt.
- Interest derived by an individual from sustainability bonds or a sustainability linked bond issued in accordance with guidelines administered by the International Capital Market Association to finance sustainable, social and environmental projects in Mauritius, will be exempt.



Budget 2023-2024: NEW MEASURES

Special Levy on Banks

(Effective as from 01 July 2023)

Special Levy rate harmonised to 5.5% of leviable income for all banks irrespective of level of operating income.

VAT Refund on residential building, house or apartment

(Effective as from 1 September 2023)

Limit for cost of construction of Rs. 3 Million for VAT refund on residential building, house or apartment re introduced.

Name, address and NIC number of purchaser to be specified, upon request by purchaser, on invoices issued by VAT registered persons.

Removals, exemptions & extensions

The items listed below are **VAT Zero Rated** with effect from 05 June 2023:

Noodles	Pencils
Toothpastes	Crayons
Toothbrushes	Erasers
Baby wipes	Walking sticks
Napkins (diapers) and napkin liners for babies	Incontinence mattress pads
Baby powder	Musical instruments, parts and accessories
Baby cream	Instruments, appliances and apparatus used in medical, surgical, dental or veterinary sciences
Breast pumps	Medical grade silicone
Infant feeding bottles	Glass-ceramic blocks for dental use
Exercise books	

VAT exemption

Effective 1 October 2023, **event organisers** approved by the Economic Development Board (EDB), are exempt from the payment of VAT on accommodation costs, instead of being eligible for VAT refund, incurred for a qualifying event.

VAT refund to be claimed for qualifying events ending before 30 September 2023 where no application for refund has been made as at 30 September 2023.

VALUE ADDED TAX



Budget 2023-2024: NEW MEASURES

OTHER TAXES

Home Ownership Scheme

Refund of 5% of the cost of the property up to a maximum of Rs. 500,000 available up to 30 June 2024.

Housing Loan Relief Scheme

A monthly allowance of Rs. 1,000 will be payable to individuals who have a secured housing loan not exceeding Rs. 5 Million. An application will have to be made with the MRA, via its website, once the platform is ready.

Home Loan Payment Scheme

Effective from date gazetted, a person contracting a secured housing loan under the home loan payment scheme to construct his residence will continue to benefit from a refund of 5% of the loan amount, up to a maximum of Rs. 500,000, until 30 June 2024.

Amounts of loan disbursed up to 30 June 2025 will qualify under this scheme.



Excise Duty

The rates of excise duty on alcoholic and tobacco products have been increased by 10% as from 03 June 2023 as follows:

Product	Current	New
Beer (per litre)		
Up to 9 degrees	Rs 48.00	Rs 52.80
Above 9 degrees	Rs 66.65	Rs 73.30
Spirit cooler (per litre)	Rs 62.60	Rs 68.85
Fruit wine (per litre)	Rs 38.85	Rs 42.75
Made wine (per litre)	Rs 83.30	Rs 91.65
Wine of grapes (per litre)		
In bulk for bottling purposes	Rs 134.00	Rs 147.40
In bottle	Rs 234.75	Rs 258.25
Champagne (per litre)	Rs 1,118.00	Rs 1,229.80
Rum (per litre of absolute alcohol)	Rs 658.25	Rs 724.10
Cane spirits (per litre of absolute alcohol)	Rs 658.25	Rs 724.10
Whisky (per litre of absolute alcohol)		
In bulk for bottling purposes	Rs 1,271.60	Rs 1,398.75
In bottle	Rs 2,032.80	Rs 2,236.10
Liqueur (per litre of absolute alcohol)	Rs 447.25	Rs 492.00

Product	Current	New
Cigars (per kg)	Rs 21,373	Rs 23,510
Cigarillos (per thousand)	Rs 12,480	Rs 13,728
Cigarettes (per thousand)	Rs 6,188	Rs 6,807

Excise Licences Fees for Wholesale/Retail Sale of Alcoholic Products

The annual Licence fees for the sale of alcoholic products will be increased as follows:

- Wholesale dealer: from Rs. 6,000 to Rs. 18,000; and
- Retailer: from Rs. 1,000 - Rs. 6,000 to Rs. 2,000 - Rs. 12,000

Excise/Customs Duty Rebate Scheme

The current Excise/Customs Duty Rebate Scheme on motor vehicles will be extended for a further period of one year up to 30 June 2024.

The rebate scheme is applicable as follows:

- A motor car up to 1,000 cc: 55% rebate on the excise duty payable on the motor car; and
- A motor car above 1,000 cc, double/single space cabin vehicle, van or bus: 45% rebate on the excise/customs duty payable on the motor vehicle.

Negative Excise Duty Scheme

The Negative Excise Duty Scheme to encourage the purchase of electric vehicles will be extended for a further period of one year up to 30 June 2024. The Scheme provides for a refund of 10% of the value of importation up to a maximum of Rs. 200,000 on the purchase of an electric vehicle by -

- An individual purchasing an electric vehicle irrespective of the electric motor power; and
- A non-individual purchasing an electric vehicle of up to 180 kilowatt.

Exemption on Motor Vehicles to NGOs

Non-Governmental Organizations (NGO's) registered with the National Social Inclusion Foundation (NSIF) will be eligible to a duty-free vehicle.

The rate of refund payable for waste **PET bottles** recycled into reusable goods will be increased from Rs. 15 per kg (kilogramme) to Rs. 30 per kg to encourage local recycling.

Budget 2023-2024: NEW MEASURES

TAX ADMINISTRATION

Tax Arrears Settlement Scheme (TASS)

Taxpayers registering under TASS by 31 December 2023 will benefit from full waiver of penalties and interest of tax arrears due as at 2 June 2023 under the Income Tax Act, the VAT Act and the Gambling Regulatory Authority Act provided the arrears are paid in full by 31 March 2024.

Taxpayers having assessments pending before the Assessment Review Committee, the Supreme Court or Judicial Committee of the Privy Council as at 2 June 2023 may take advantage of full waiver of penalties and interests under TASS by withdrawing the case before these institutions.

Waiver of COVID-19 levy

All outstanding debts of the COVID-19 levy as at 20 January 2023 inclusive of penalties and interest will be written off.

Appointment of Technical Experts

For the purpose of administering revenue laws, the Director-General of the MRA or any officer authorised by him, may retain the services of an expert in a technical field or the services of a specialised agency.

Power to require information by MRA

Provisions of the Information and Communication Technologies Act and the Data Protection Act will not apply to information requested by MRA under Section 123 of the Income Tax Act.

MRA may also require additional information from any person if a payment has wrongly been credited in a bank account.

Power to require additional information from banks

(Effective from date gazetted)

The MRA will be allowed to request additional information from a bank if a benefit payable by the MRA has been credited in a wrong bank account.

Protected Cell Company (PCC) and Variable Capital Company (VCC)

Where a PCC has made an election to present financial statements in respect of each of its cells, the MRA will not recover income tax due by a cell from the cellular /non cellular assets of the PCC except where such assets are directly attributable to that cell of the PCC.

Likewise, each sub fund or special purpose vehicle of a VCC will be treated as a separate entity for the purpose of recovery of income tax.

Statement of Financial transactions by virtual asset service provider and issuer of initial token offerings

(Effective from date gazetted)

A virtual asset service provider and an issuer of initial token offerings will have to report annually to the MRA a transaction made by:

Transactions	Threshold
An individual, a société or succession	Exceeding Rs. 250,000 or transactions exceeding in the aggregate Rs. 2m in a year.
A corporate	Exceeding Rs. 500,000 or transactions exceeding in the aggregate Rs. 4m in a year.

The above reporting shall not apply to:

- An individual who is a non-resident;
- An entity which holds a Global Business Licence; and
- A public listed company, its subsidiaries and associates.

Budget 2023-2024: NEW MEASURES

TAX ADMINISTRATION

Customs Act

- i. Authorised customs officers will be empowered to be equipped with firearms and other defensive weapons when working in high risk areas.
- ii. It will be clarified that the taxation rate applicable on any imported or locally manufactured good is the rate in force in the Customs Tariff Act, Excise Act and Value Added Tax Act at the time the Bill of Entry for the good is validated at Customs.
- iii. The rate of interest that will be applicable at the time of effecting a refund of taxes under the Customs Act or the Excise Act will be the Key Rate.
- iv. Parcels and trade samples imported/exported by post/courier, which are not merchandise for sale, do not require a Bill of Entry for clearance. However, a simplified customs form is submitted for clearance purposes. Legal provision will be made for this form.
- v. Where an importer/exporter/broker/agent fails to produce documents requested by MRA for post-clearance audit control, MRA may claim taxes underpaid based on information available. Provision will be made for a penalty not exceeding 50% of the underpaid taxes and interest at the rate of 0.5% per month, as for other cases of underpayment of taxes.
- vi. An importer, who imports goods on behalf of another person entitled to tax exemption but fails to submit required documents within 15 days after the clearance of the goods, will be liable to a penalty of Rs. 2,000 per day for non-compliance, up to a maximum of Rs. 20,000. An aggrieved importer will have a right of appeal.
- vii. The penalty provision for failure to submit a Bill of Entry for the clearance of goods or to make necessary amendments to ensure the accuracy of a manifest within 5 working days after the time an aircraft has landed or a vessel has been berthed will be further deferred until 30 June 2024.
- viii. When a person is suspected of having concealed drugs inside his body, he may be required by a customs officer to go through a body scanner. An authorised customs officer will be empowered to seek an order from a magistrate for a suspected person who refuses a body scan to be submitted to a medical examination. In case, a suspected person refuses to submit to such a medical examination, he shall commit an offence and shall, on conviction, be liable to a fine not exceeding Rs. 100,000 and to imprisonment for a term not exceeding 10 years.

- ix. MRA Customs will be empowered to request, on a risk-management basis from an importer clearing goods of a value of more than Rs. 500,000, details on the source of funds which have been used to purchase the goods.
- x. The Income Tax Act and VAT Act make provision for any aggrieved person to lodge an objection at the Objection Directorate of MRA or an appeal at the ARC on payment of 10% and 5% respectively of the amount of taxes underpaid. Similar provision will be made in the Customs Act and Excise Act.



Excise Act

- i. A definition of “matured agricultural rum” will be introduced.
- ii. Provision will be made to allow bottlers of water to submit a consolidated Bill of Entry for excisable goods, as is the case for manufacturers of sugar-sweetened products.
- iii. Provision will be made to allow a customs officer, in the execution of his duties, to offer to buy any alcoholic or tobacco products for the purpose of gathering evidence for the enforcement of the Excise Act. The evidence gathered will be admissible for court proceedings.
- iv. Provision will be made for the stocktaking exercise for sugar-sweetened products in a factory to be carried out over such period as the Director-General may determine.
- v. Goods re-imported after repairs will be exempted from excise duty provided they are re-imported within a period of 2 years. However, excise duty is payable on the cost of the repairs.

Budget 2023-2024:

MRA ADMINISTERS TWO NEW FINANCIAL ASSISTANCE

The role of the Mauritius Revenue Authority (MRA) has evolved over time from primarily focusing on revenue collection to also providing financial assistance to the needy. This additional responsibility entrusted to the MRA by the Government demonstrates the importance of not only collecting taxes but also using those funds to provide support to individuals in need.

Following the announcement made in the Budget Speech 2023/2024, MRA has been called to implement two new financial assistance, namely Independence Allowance and CSG Child Allowance.

Independence Allowance

► Independence Allowance 18 years



A one-off allowance of Rs. 20,000 will be paid by the Government of the Republic of Mauritius to eligible youths who have attained the age of 18 years during the period 01 January 2023 to 30 June 2024.

To benefit from the allowance, an application should be submitted electronically to MRA and should include the National Identity Card number of the eligible youth.

To enable MRA to effect payment of the Independence Allowance, the applicant is requested to submit a one-time application and provide the bank account details held solely in the name of the eligible youth or the bank account details held jointly by the eligible youth and his mother, father or the person to whom a Court of competent jurisdiction has entrusted the guardianship of the youth.

On providing the required information, a one-time password (OTP) will be sent to the mobile phone number provided and the OTP will have to be entered in order to proceed with the application.

For youths who have attained the age of 18 years between 01 January and 30 June 2023, the deadline to submit their application is 30 September 2023.

For those who have attained or will attain the age of 18 years from 01 July 2023 to 30 June 2024, they are required to submit their application within a period of 3 months from the date they attain the age of 18 years

CSG Child Allowance

► CSG Child Allowance



A monthly CSG Child Allowance of Rs. 2,000 will be paid by the Government of the Republic of Mauritius to children aged up to three years for the months of July 2023 to June 2024

To enable the MRA to effect payment of the CSG Child Allowance, an eligible parent is requested to submit a one-time application and provide the bank account details of the eligible child or the bank account details held jointly by the eligible child and his eligible parents.

More importantly, if an eligible parent has more than one eligible child, separate applications should be made for each eligible child.

On providing the required information, a one-time password (OTP) will be sent on the mobile phone number provided and the OTP will have to be entered in order to proceed with the application.

No application will be entertained after 30 September 2024.

After verifications by the MRA, the CSG Child Allowance will be paid:

- To an eligible child, every month, directly in a bank account held by him in his name or held jointly by him and his eligible parent;
- For three consecutive months immediately preceding that month an application was received, provided that the allowance is not paid for any month prior to the month of July 2023.

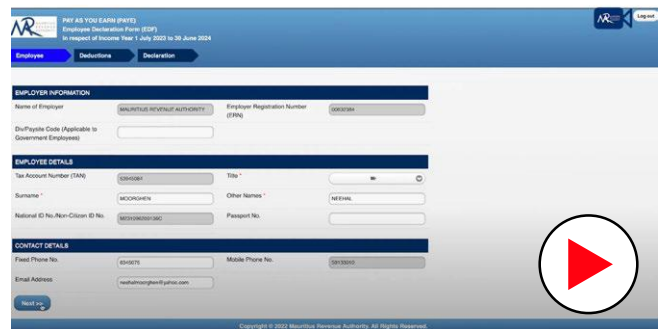
For more details please visit the MRA website: www.mra.mu



Employee Declaration Form (e-EDF) 2023/2024 : EMPLOYEES ADVISED TO SUBMIT EDF BY 30 JUNE 2023

An employee who, in respect of an income year, is entitled to reliefs, deductions and allowances in respect of that income year and who wishes to have the reliefs, deductions and allowances taken into account for the purpose of determining his chargeable income and the amount of income tax, if any, to be withheld from his emoluments during that income year, has to submit an EDF electronically to his employer through MRA website: www.mra.mu

If previously employees had around one month to submit their Employee Declaration Form (e-EDF), this year, with the introduction of the new progressive income tax, announced in the Budget 2023/2024 which comes into force on 01 July 2023, taxpayers were called upon to send their Employee Declaration Form to the MRA earlier, i.e. before the start of the Financial year 2023/2024.



Prompt action in fulfilling this important process demonstrates taxpayers' commitment to tax compliance and contributes to the smooth functioning of our income tax system.

MRA seizes the opportunity to thank all employees who submitted their e-EDF on time.

Income Tax Calculator :

A NEW ONLINE TOOL TO CALCULATE THE AMOUNT OF TAX PAYABLE



Following the reform of the income tax regime announced in the Budget 2023/2024, the Mauritius Revenue Authority has put in place an Income Tax Calculator.

Available on MRA website: www.mra.mu this is a new and user-friendly online tool that allows taxpayers to estimate the amount of tax payable based on income for the Financial Year 2023/2024.

How does the Income Tax Calculator work?

The taxpayer has to go to MRA website: www.mra.mu, fill-in the required fields (salary, bonus, other taxable income, interest on housing loan etc.) and click on "Calculate".

The system calculates the amount of tax the individual have to pay under the new tax regime as well as the amount the individual would have had to pay under the old regime.

As a result, the taxpayer will be able to know and compare the amount he saves.

With the aim of simplifying the lives of taxpayers, the Income Tax Calculator does not ask for any identifier (username) or password.

Specialized Training:

MRA HOSTS A WORKSHOP ON FINANCIAL INTELLIGENCE COMPENDIUM



FINANCIAL INTELLIGENCE COMPENDIUM WORKSHOP ON
ANTI-MONEY LAUNDERING (AML) AND COUNTER-TERRORISM FINANCING (CTF)



30 May - 02 June 2023

WCO ESA Multilingual Regional Training Centre, Mauritius
Custom House, Mer Rouge, Port Louis

The Mauritius Revenue Authority (MRA) hosted the Financial Intelligence Compendium Sub Regional Workshop, an event organized by the World Customs Organization (WCO), in collaboration with the Egmont Group. Local participants from MRA and the Financial Intelligence Unit (FIU) and delegates from the East and the Southern Africa Region availed themselves of this four-day workshop spanning from Tuesday 30 May to Friday 02 June 2023.

The compendium, as a repository of best international practices, strategies and knowledge, serves as a significant resource for widening the understanding of financial intelligence. The objective of the Financial Intelligence Compendium is to enhance the joint Customs and FIU's analysis of suspicious financial and trade activities.

In his keynote address, Mr. Sudhamo Lal, Director-General of the MRA and Chief Guest to the function highlighted that the Financial Intelligence Compendium serves as an invaluable platform to share best practices, exchange knowledge, and identify emerging trends and challenges.

Mr. Lal observed that *"money laundering and tax evasion techniques evolve constantly, and tax evaders are always finding new ways to launder the profits of their criminal activities."*



Mr. Sudhamo Lal, Director-General, MRA

By harnessing the power of information, he pointed out that the enforcement authorities should track the movement of funds, detect suspicious transactions, and uncover hidden assets, to disrupt criminal networks and bring offenders to justice.

The Director-General of the MRA further underlined that the institutional mechanism put in place between the MRA and FIU is paying dividends. *“From the intelligence and dissemination reports sent to us by the FIU, we are not only collecting millions of rupees but we are also able to identify tax evaders and initiate prosecution proceedings against these defaulters”,* he said.



Mr. Lal indicated that over the period 2018 to date, the MRA and the FIU have exchanged information on 63 cases. During the same period, the FIU has referred 91 cases to the MRA.

Moreover, 361 *“currency declaration information”* were sent to FIU in 2020, which increased to 527 in 2022. During the year 2022, nine cases were referred to the Independent Commission Against Corruption (ICAC) on suspicion of smuggling and in 37 cases, administrative sanctions were applied. These cases have not only enabled the MRA to recover unpaid taxes from tax defaulters but have also facilitated the detection of tax evasion and smuggling cases having money laundering limbs.

On the other hand, the FIU has also been able to broaden its information and intelligence database through information provided by the MRA.

Mr. Vivekanand Ramburun, Director, Customs Department, believes that customs has a vital role to play in anti-money laundering activities. He explained that *“illicit money enters the Customs domain after crossing international borders and very often, transnational criminal organizations disguise the origin of this illicit money from law enforcement authorities in order to move, place and use the money for their personal use and pursue their criminal operations”*. Capacity building trainings and sharing of information can address these challenges, he emphasized.



MRA is responsible for tax collection and enforcement, while the FIU is responsible for identifying and investigating cases of money laundering. Through this collaboration, the two organizations work together to share information and intelligence to identify individuals and organizations that engage in tax evasion and money laundering activities, emphasized Mrs. Carine Charlette-Katinic, Director of the Financial Intelligence Unit.



Mrs. Carine Charlette-Katinic, Director, Financial Intelligence Unit

She commended the sustained collaboration between MRA and FIU in the fight against money laundering and tax evasion. *“I can attest how important it is for all of us to work together, collaborate (formally and informally) and to unite by using the latest techniques in our fight against money laundering and the financing terrorism. Together, we have cases which continuously challenge us. This is where the FIU and Customs and other authorities have joined forces”,* she said.

The Director of the FIU rejoiced that the collaboration between the MRA and the FIU has resulted in several successful cases of tax evasion and money laundering in Mauritius. No doubt, by working together, the two organizations are able to target and prosecute those who are involved in illegal financial activities more effectively, thus ensuring that Mauritius remains a safe and stable financial center.

Mr. David Kane, Head of AML/CFT Programme, WCO, explained that *“the AML-CTF Programme has become a global, cross-cutting law enforcement effort and has resulted in the training of over 800 customs officers, FIU analysts and police officers across the world.”*

For her part, Ms. Silvina Rivarola, ECOFEL Programme Manager, Egmont Group, observed that *“over the last quarter century, the world has benefited from increased communication, transport, and travel speeds. With this growth came a significant increase in cross-border financial transactions”*.

Despite the added value to the global economy, the increase in financial transactions represents a challenge for Customs services, and law enforcement authorities. Close cooperation can, therefore, contribute effectively in the fight against transnational organized crimes and terrorism.

The opening ceremony of the workshop was also graced by the presence of Mr. Dinay Reetoo and Mr. Kritananda Naghee Reddy, MRA Board Members, and Mr. Purmessur Sarwansingh, Permanent Secretary at the Ministry of Financial Services and Good Governance



Mr. David Kane, Head of AML/CFT Programme, WCO



Ms. Silvina Rivarola, ECOFEL Programme Manager, Egmont Group





Public Awareness:

MRA EMPLOYS A MULTI-FACETED APPROACH TO ITS COMMUNICATION CAMPAIGN

MRA's role extends beyond revenue collection and policy development. It also plays a significant role in providing taxpayer education and support.

Likewise, MRA has recourse to effective communication tools and platforms to interact with its stakeholders. These include: Twitter, Facebook, Taxpayer Mailing List, MRA website: www.mra.mu attending queries via mail and telephone, short explanatory videos uploaded on MRA's YouTube channel, communiqués

and Press Releases, Radio/TV programmes, daily one-minute radio programmes, and, Word-of-mouth (WOM). Through advertisements, social media campaigns, and explanatory videos, MRA ensures that its messages reach a wider audience.

A series of videos on the different aspects of taxation is available on the MRA website: www.mra.mu and MRA YouTube Channel.

- ▶ e-Invoicing for Software Developers
- ▶ La plateforme pour la soumission de l'Employee Declaration Form déjà disponible en ligne
- ▶ Nouvelles Mesures Fiscales: e-EDF, Revenue Minimum Garanti
- ▶ Educational Tour at the MRA - Instilling a tax culture based on voluntary compliance
- ▶ Un nouveau system d'impôt progressif bientôt en vigueur
- ▶ SME: Obligations towards MRA
- ▶ Promouvoir la bonne gouvernance à la MRA

For the month of June 2023, the Taxpayer Education and Communication Department (TECD) produced **22** "One-minute radio programmes" which were broadcast during prime time on MBC Radio.

Moreover, MRA officials made **6** TV interventions, **96** Radio interventions and **2** Radio programs with a view to sharing pertinent information to the public.

When it comes to its communication campaign, MRA capitalizes on various strategies to effectively convey its message to the people of Rodrigues. Tailor-made radio and TV programs pertaining to taxation and customs matters are broadcast on Rodrigues through the local radio and TV channels on the Island, namely: Rodrigues FM and TV Rodrigues. These programmes

are complementary to those already broadcast by MBC TV in Mauritius and which are relayed simultaneously in Rodrigues.

MRA officers participated in **3** TV programs and **2** radio programs. TECD produced **22** "One-minute radio programmes" that resonate with the population in Rodrigues.

No doubt, the communication campaign empowers taxpayers by making them aware of the various tax incentives, financial assistance, and other services offered by MRA.

Border Protection:

THREE DRUG SEIZURES MADE BY MRA

The Mauritius Revenue Authority (MRA) is committed to the fight against drugs and illicit trade.

MRA seized 1,005 grammes of Synthetic drug worth approximately Rs. 15,075,000 on Tuesday, 06 June 2023 at a Courier Service.

The drug consignment arrived in Mauritius from China. It was declared as pigment for printing. When scanned and examined by the Customs Anti-Narcotics Section (CANS) of the MRA, a yellowish powder suspected to be dangerous drugs was found concealed in an aluminium sachet. An operation was set up jointly by MRA Customs Anti-Narcotics Section and ADSU to intercept the consignee. During a controlled delivery exercise, a Ukrainian national was arrested by ADSU.



1,005 grammes of Synthetic drug worth Rs. 15,075,000 seized

Another seizure was made this month. **MRA seized 10.5 kilogrammes of synthetic drug, worth approximately Rs. 157,500,000, on Thursday, 08 June 2023 at a Courier Service.**

The drug consignments were shipped to Mauritius from Hong Kong on two separate days. They were declared as food supplements. When scanned and examined by CANS of the MRA, various sachets of fruit flavoured supplements, suspected to be synthetic drugs, were found.

A field test for synthetic drugs was carried out on the substance and the result was positive. The consignments were addressed to a company in Rose-Hill. The Director of the company, a lady residing Rose-Hill, came to collect the parcels at the courier service, followed by the visit of her brother. The latter confessed that he had ordered the consignments and that his sister was not aware of the contents.



The third drug seizure was at a courier service. **The CANS officers of MRA seized 25 sheets of paper suspected to be impregnated with synthetic drugs worth circa Rs. 2,325,000 on 18 June 2023.** The consignment, declared as a flyer for a document, was selected for examination based on established risk indicators.

During the examination of the parcel, it was found to contain a white envelope, which in turn contained 25 sheets of paper (weighing 155g) suspected to be impregnated with synthetic drugs. Subsequently, a field test for synthetic drugs on one of the papers was carried out and the same was positive. The exhibits have been secured and handed over to the Anti-Drug and Smuggling Unit (ADSU) for further enquiry.

Drug trafficking is illegal. Members of the public are therefore reminded that they can report suspected drug cases/ illicit activities through the MRA Stop Drug Platform (www.mra.mu) or by calling on the Hotline 8958. MRA pledges the confidentiality of all informants. All information submitted will be strictly confidential and will not be shared with other stakeholders.



25 sheets of paper suspected to be impregnated with synthetic drugs seized



DID YOU KNOW?

INTERESTING FACT

MRA QUALITY MANAGEMENT SYSTEM (QMS)

The MRA Quality Management System (QMS) refers to a set of policies, processes, procedures, and guidelines implemented by the Mauritius Revenue Authority (MRA) to ensure consistent delivery of high-quality services and effective management of its operations. The QMS is designed to meet the organization's objectives, comply with legal and regulatory requirements, and continuously improve its performance.

In 2010, MRA embarked on the implementation of a QMS aligned with the ISO 9001:2008 Quality Management Standard and was certified in 2012 by the Mauritius Standards Bureau (MSB).

The QMS covers all Departments/Divisions and sites of the MRA. Some 250 processes for core functions and some 900 sub-processes are documented, which are used as Standard Operating Procedures (SOPs). These SOPs establish activities, responsibilities and records to be maintained and contribute greatly towards good governance by enhancing transparency, accountability and efficiency of service.

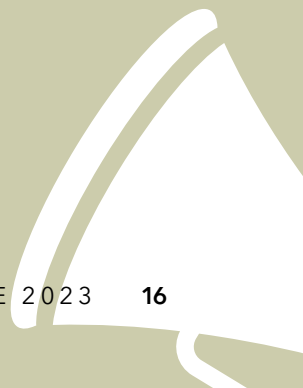
Additionally, MRA Departments have some 180 SMART Quality Objectives (QOs), defined to measure the expected level of service to be delivered. QOs are monitored and also reported to management for processes improvement.

In 2015, the Standard was revised to a new version, namely ISO 9001:2015, with added requirements. The QMS was subsequently aligned to the latest requirements and successfully re-certified to ISO 9001:2015 in 2018.

In addition to improving the service level, the process and risk-based approach of QMS established a proactive culture of prevention and improvement.

To review the performance of the QMS and to bring changes to the QMS, a yearly Management Review meeting is held and chaired by the Director-General. A QMS team within the Internal Audit Division is responsible for the sustenance of QMS. It is responsible for conducting internal audits across the organization.

As external auditors, the MSB conducts yearly surveillance audits to assess the maintenance of the QMS. It also conducts a full audit of the system every 3 years to renew the ISO 9001:2015 certificate.





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