

Your trusted partner
in creating value

MAURITIUS

Global Business
Corporation

MITCO
A member of Ciel Finance

Global Business Corporation

Global Business Corporation (GBC) is registered under the Companies Act 2001 and licensed by the Financial Services Commission (FSC) under the Financial Services Act 2007 and amended by Finance Act 2018.

The GBC is allowed to be incorporated in Mauritius or be registered as a branch of a foreign company. The main activities of a GBC shall be carried outside of Mauritius but the Company is also allowed to do business in Mauritius (*incidental to other markets*), deal with residents of Mauritius and hold shares or other interests in a Mauritius resident corporation under certain conditions.

Additionally, a GBC may perform any legal business activity that is not against the public interest and the good reputation of Mauritius as a financial centre.

Common uses of a GBC

- To structure investments and projects in countries which are Mauritius double tax avoidance treaty partners.
- Holding rights to intellectual property, such as industrial designs, copyrights, trademarks, patents
- Trading, Consultancy services, Collective Investment Schemes, Closed-Ended Funds, Protected Cell Companies
- Regional Headquartering; financing; marketing centre

Advantages of a GBC

- The GBC is a Company which is tax resident, controlled, managed from Mauritius and have substance in Mauritius.
- Benefit from double tax treaties Mauritius has signed with over 40 countries¹
- A GBC can operate from Mauritius by having

¹ Please refer to Annex 1 to have the DTAA list.

² Export of goods: includes international buying and selling of goods by an entity in its own name, whereby the shipment of such goods is made directly by the shipper in

a physical office in Mauritius and employ people (resident or non-resident) working from Mauritius

- A GBC can buy a property for business purposes in Mauritius and is also eligible to buy residential properties under the Integrated Resort Scheme/Real Estate Scheme, Property Development Scheme or Smart City Scheme (*subject to certain conditions*)
- The shareholders, directors and employees of the GBC who are non-citizens of Mauritius, may apply for occupation and residence permits to work and live in Mauritius.

Tax incentives

- Income tax rate of 15%
- For company engaged in export of goods², an income tax rate of 3 %
- An exemption regime of 80% on-
 - i. Foreign dividend, subject to the amount not allowed as deduction in source country
 - ii. Foreign sourced interest income
 - iii. Profit attributable to a permanent establishment of a resident company in a foreign country
 - iv. Foreign source income derived by a Collective Investment Scheme, Close End Funds, CIS manager, CIS administrator, Investment Adviser or Asset Manager licenced or approved by the FSC
 - v. Income derived by companies engaged in ship and aircraft leasing.
- The GBC is eligible to Foreign Tax Credit in accordance with the Income Tax (Foreign Tax Credit) Regulations.
- No withholding tax on dividends declared by GBC
- No capital gains tax in Mauritius in the event of disposal of investments
- No exchange control for transfer of capital and gains [to country (ies) of residence of

the original exporting country to the final importer in the importing country, without the goods being physically landed in Mauritius;

shareholder (s)]

- The Tax treaties signed by Mauritius enable reduction of rate or exemption of taxation at source on dividends, interests and royalties.

Tax Residency

It is essential for treaty relief purposes that a GBC applies for a Tax Residency Certificate annually with the Mauritius Revenue Authority. In order to obtain this certificate, a GBC must demonstrate that central management and control is located in Mauritius. In particular, it has to:

- Exercise management and control from Mauritius;
- Have its registered office in Mauritius;
- Have at least 2 Directors resident of Mauritius (one of whom will chair the meetings);
- Have a local company secretary;
- Have a local auditor;
- Maintain its principal bank account and all transactions through a bank in Mauritius;
- Maintain all its accounting and records in Mauritius;
- Hold its Directors and Shareholders meeting in Mauritius (teleconference is acceptable as long as the meeting is chaired from Mauritius).

There are additional requirements which the applicant has to comply with for its Tax Residency Certificate.³:

A GBC Company shall at all times satisfy the following conditions to qualify for the 80% exemption regime⁴:

- Carrying out its core income generating

³ In the event the applicant already satisfies the conditions to qualify for the 80% exemption regime, the additional requirements will not be applicable

⁴ Please refer to Annex 2 to have additional information on the number of employees and minimum level of expenditure per sector of activities

⁵ The staff of a Management Company may be considered as indirect staff

activities in or from Mauritius

- Employing directly or indirectly⁵ a reasonable number of suitable qualified persons to carry out the core activities depending upon the business activity of the Company
- Having a minimum level of expenditure, which is proportionate to its level of activities and the amount would depend upon the business activity as well.
- Be managed and controlled from Mauritius

General information	
Type of Law	Hybrid
Incorporation process	7 to 10 days ⁶
Double taxation treaty access	Yes
Stated Capital	
Currencies	Major currencies except Mauritian Rupees
Minimum paid up	No minimum requirements
No par value shares	Allowed
Directors⁷	
Corporate directorship	Not allowed
Local directors	Minimum 2 required for access to tax treaties
Shareholders	
Corporate shareholder	allowed
Company Secretary⁸	
Required	Yes
Local and qualified	Yes
Registered office⁹ in Mauritius	
	Yes

⁶ The lead time for incorporation process is once all the documentation is obtained for submission to the Mauritian authorities.

⁷ MITCO representatives shall be appointed as local directors

⁸ MITCO shall act as the Company Secretary

⁹ The Registered office shall be at the address of the MITCO as Management Company of the GBC Company

Constitution¹⁰	Not Compulsory
Company Records	
A GBC is required to keep its records (original minutes, resolutions, register of directors/ members, constitution, accounting records) at its registered office in Mauritius	
Financial Statements	
Requirements to prepare	Yes
Audit requirements	Yes
Filing of audited financial statement	Within 6 months after the balance sheet date
Tax Return	
Requirements for preparation	Yes
Filing of Tax Return	Within 6 months after the balance sheet date

HOW MITCO CAN HELP?

- Advisory in choice of structuring according to objectives of client
- Assistance for registration of the Company with the Registrar of Companies (ROC) and application for the License from the Financial Services Commission (FSC)
- Act as Company Secretary
- Provision for resident directorship, registered office address and nominee shareholder
- Provision of company secretarial & administration services
- Provision of accounting & tax compliance services
- Assistance with the recruitment process and payroll of professionals;
- Assistance in search of investments and financing [debt and private equity];
- Assistance in search of commercial and/or professional partners internationally
- Assistance to enhance substance in Mauritius including the search of a physical office in Mauritius; and
- Assistance for occupation and residence permits for investors and their employees.

Contact details

For more information, please contact:

The Business Development Team by email bd@mitcoworld.com or phone them on + 230 404 8000

¹⁰ Kindly note that unless specified, we shall adopt our standard constitution

ANNEX 1

Category	Sub-Category	Minimum annual expenditure (USD)	Minimum Employment in Mauritius (Direct or Indirect)
Non-Financial	Investment Holding (excluding IP rights*)	12,000 *GBC holding IP rights will be required to demonstrate that they have incurred expenditure in Mauritius which is proportionate to the Research and Development of the relevant IP rights	No minimum employment specified
Non-Financial	Non-Investment Holding	15,000	If annual turnover is: < than USD 100M: Minimum 1 >USD 100M: Minimum 2
Financial	Intermediaries (for e.g Investment Adviser, Insurance Broker, Insurance Agent)	30,000	1
	CIS Manager/Asset Manager	30,000	If assets under management are: < USD 100M: Minimum 1 Between USD 100M and USD 500 M: Minimum 2 >USD 500M: Minimum 3
	Institutions (e.g. Insurance, leasing, credit Finance)	100,000	If annual turnover is: < USD 50M: Minimum 1 Between USD 50M and USD 100 M: Minimum 2 More than USD 100M: Minimum 3 For insurers If annual gross premium is: <USD 50M: Minimum 1 Between USD 50M and USD 100M: Minimum 2 More than USD 100m: minimum 3
	Others	25,000	1