



TYPES OF COMPANIES WHICH CAN BE INCORPORATED IN MAURITIUS

There are two main types of Companies which can be incorporated in Mauritius namely Category 1 Global Business Company (**GBC1**) and Category 2 Global Business Company (**GBC2**).

Category 1 Global Business Company (GBC1)

Governed under the Financial Services Act 2007 and Companies Act 2001 a GBC1 is a Mauritian entity which holds a valid global business licence and which carries on an approved qualified global business activity outside Mauritius as approved by the Financial Services Act 2007.

A company is normally incorporated as a branch of a foreign company, continued from a GBC2 or from another jurisdiction as a GBC1 if it is to qualify as Mauritian tax resident in order to avail of the benefits from the Mauritius double taxation treaty network.

A Category 1 Global Business Company is eligible to apply for a Tax Residence Certificate (TRC) with the Mauritius Revenue Authority (MRA). Upon satisfaction that the GBC1 meets all the conditions for being a tax resident in Mauritius, the Director of the MRA will issue a TRC to a GBC1 to prove its residency in Mauritius for tax purposes. The TRC is issued for a period of one year after which it may be renewed. The conditions to be met for obtaining a TRC are as follows:

- The Company is centrally controlled and managed in Mauritius.
- Two resident Directors on the Board.
- The Company has a resident company Secretary.
- The registered office and business address of the Company is in Mauritius.
- The Company has a bank account in Mauritius.
- All Meetings of the Board of directors are held at the Registered Office in Mauritius.
- The Company records are kept at the Registered Office in Mauritius.
- The Company's administrator is based in Mauritius.
- The auditors of the Company are based in Mauritius.

GloConsult Management Services Ltd can arrange for all these conditions to be met.

A GBC1 holding a TRC qualifies to take protection of the tax treaties to which Mauritius is a party.



Double Tax Treaties

Double Tax Treaties as per table below:

Country	Project duration for Permanent Establishment purposes	Maximum Tax Rates applicable in the country of source		
		Dividends	Interest	Royalties
Barbados	> 6 months	5%	5%	5%
Belgium	> 6 months	5% & 10 %	10%	exempt
Botswana	> 12 months	5% & 10 %	12%	12.5%
China	> 12 months	5%	10%	10%
Croatia	> 12 months	exempt	exempt	exempt
Cyprus	> 12 months	exempt	exempt	exempt
France	> 6 months	5% & 15 %	Same rate as under domestic law	15%
Germany	> 6 months	5% & 15 %	Same rate as under domestic law	15%
India	> 9 months	5% & 15 %	Same rate as under domestic law	15%
Italy	> 6 months	5% & 15 %	Same rate as under domestic law	15%
Kuwait	> 9 months	exempt	5%	10%
Lesotho	> 6 months	10%	10%	10%
Luxembourg	> 6 months	5% & 10 %	exempt	exempt
Madagascar	> 6 months	5% & 10 %	10%	5%
Malaysia	> 6 months	5% & 15 %	10%	15%
Mozambique	> 6 months	8%, 10% & 15%	8%	5%
Namibia	> 6 months	5% & 10 %	10%	5%
Nepal	> 6 months	5%, 10 % & 15 %	10 % & 15 %	15 %
Oman	> 6 months	exempt	exempt	exempt
Pakistan	> 6 months	10%	10%	12.5%
Rwanda	> 12 months	exempt	exempt	exempt
Senegal	> 9 months	exempt	exempt	exempt
Seychelles	> 12 months	exempt	exempt	exempt



Singapore	> 9 months	exempt	exempt	exempt
South Africa	> 9 months	5% & 15 %	exempt	exempt
Sri Lanka	> 183 days	10% & 15 %	10%	10%
Swaziland	> 6 months	7.5%	5%	7.5%
Sweden	> 6 months	5% & 15 %	10%	15%
Thailand	> 6 months	10%	10% & 15 %	5% & 15%
Tunisia	> 12 months	Exempt	2.5%	2.5%
Uganda	> 6 months	10%	10%	10%
United Arab Emirates	> 12 months	Exempt	Exempt	Exempt
United Kingdom	> 6 months	10% & 15 %	Same rate as under domestic law	15%
Zimbabwe	> 6 months	10% & 20 %	10%	15%

For countries with which Mauritius does not have any tax treaty, the Income Tax Act of Mauritius provides for credit for any foreign tax suffered and a deemed tax credit of 80% of the Mauritian tax payable in the absence of any proof of the foreign tax paid by the GBC1.

The activities which qualify for a **GBC1** licence are:

- Asset Management
- Consultancy Services
- Employment Services
- Financial Services
- Funds Management
- Information and Communication technology services
- Insurance
- Licensing and franchising
- Logistics and/or marketing
- Operational Headquarters
- Pension Funds
- Shipping and ship management
- Trading
- Any such other qualified Global Business as may be approved by the Financial Services Commission



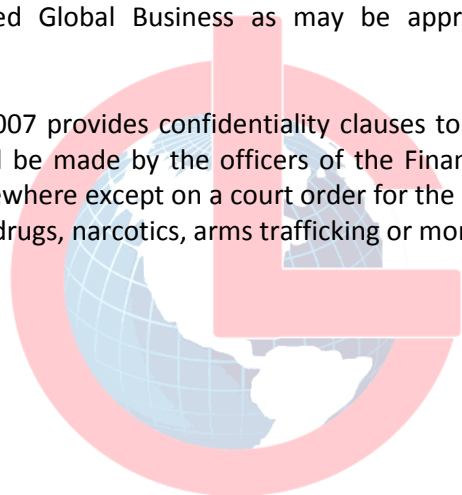
Category 2 Global Business Company (GBC2)

A GBC2 may also be incorporated in Mauritius with the Financial Services Commission under the Financial Services Act 2007 to carry out bits activities with persons who all reside outside Mauritius. A GBC2 is non-resident for tax purposes in Mauritius and hence is tax exempt. A GBC2 is not qualified to take protection of the tax treaties to which Mauritius is a party and does not have any reporting requirement in Mauritius.

The activities which qualify for a GBC2 licence are:

- International Trading
- Consultancy/Professional services rendered
- Shipping and ship management
- Invoicing
- Employment Services
- Any such other qualified Global Business as may be approved by the Financial Services Commission.

The Financial Services Act 2007 provides confidentiality clauses to the effect that no disclosure on global business entities shall be made by the officers of the Financial services Commission to any authority in Mauritius or elsewhere except on a court order for the purpose of any enquiry or trial to the trafficking of dangerous drugs, narcotics, arms trafficking or money laundering.





Comparative Table between a GBC1 and a GBC2

Salient features	GBC1	GBC2
Treaty benefits available	Yes	No
Fees to the Financial Services Commission – Annual	USD 1,500	USD 235
Fees to the Registrar of Companies (ROC) – Annual	USD 250	USD 65
Processing Fees to the Financial Services Commission	USD 500	USD 100
Taxable in Mauritius	Yes	No
Need for Management and Control in Mauritius	Yes	No
Taxation on foreign income	Varies from 3% to 15%. Capital gains are exempted	Nil
Registered Office in Mauritius	Yes	Yes
Resident Secretary in Mauritius	Yes	No
Registered Agent in Mauritius	No	Yes
Minimum number of Directors	One(2 required for treaty benefit)	One
Corporate Directors allowed	No	Yes
Resident Directors	Yes	No
No par value shares	Yes	Yes
Minimum number of shareholders	One	One
Annual Meeting of shareholders	Yes	Yes
Issues of shares with or without par value and in any currency	Yes	Yes
Audited accounts	Yes	No



Compulsory to prepare financial statements in accordance with International Accounting Standards	Yes	No
Filing of accounts with the Financial Services Commission	Yes	No
Accounts available for public	No	No
Registers available for public	No	No
Records kept at Registered Office	Yes	Yes
Annual Returns of Shareholders	No	No
Need to maintain interests register in case of a private company	No if dispensation is granted	No if dispensation is granted