

## FINANCE ACT 1980

Act 13/1980

Repealed by [Act No. 14 of 2005]

See also Savings

I assent,

D.BURRENCHOBAY

30th June, 1980.

Governor-General

### ARRANGEMENT OF SECTIONS

#### Section

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#### To implement the proposals outlined in the Budget Speech

ENACTED by the Parliament of Mauritius, as follows--

#### 1. Short Title

This Act may be cited as the Finance Act 1980.

#### 2. Payment of surcharge.

(1) In this section-

"tax" includes any due, duty, fee, rate, levy or charge, by whatever name called.

(2) Subject to the other provisions of this section, there shall be levied and paid, in addition to any amount payable to Government as tax, in virtue of any enactment, other than an enactment specified in the Schedule and to the extent specified in that Schedule, a surcharge equivalent to ten per centum of the amount so payable.

(3) Where any surcharge payable under subsection (1) is less than five cents or a multiple of five cents the surcharge shall be rounded up to five cents or to the next multiple of five cents, as the case may be.

- (4) This section shall not apply to any fine imposed by a Court of Law.
- (5) The surcharge under subsection (2) shall be payable on any tax, in addition to which it is so payable, which is levied after the commencement of this Act.
- (6) (a) Where-
- (i) a licence is issued or renewed so as to take effect on or after the 1st July 1980; and
  - (ii) the surcharge leviable on the tax payable on the issue or renewal of the licence under subsection (2) has not been paid at the time of the issue or renewal of the licence,
- the licensing authority shall, by written notice sent by registered post, claim the amount of the surcharge.
- (b) The licensee shall, within fifteen days of a claim under paragraph (a), pay the surcharge.
- (7) Where any tax is, in virtue of any enactment, required or authorised to be refunded, the surcharge leviable thereon shall likewise be required or authorised to be refunded.
- (8) The provisions of any enactment in respect of the recovery of any tax shall apply in respect of the recovery of the surcharge.

**3. The Income Tax Act 1974 amended -**

- (a) in section 7(i) (s), by deleting the words "the first three thousand five hundred rupees" and replacing them by the words "the first ten thousand rupees";
- (b) in section 30, by inserting after subsection (1) the following subsection, the existing subsections (2) and (3) being re-numbered (3) and (4) accordingly-
- (2) (a) Subject to paragraphs (b) and (d), where the Commissioner is satisfied that an individual taxpayer engaged in agriculture has incurred expenditure in an income year in respect of a building constructed on non-agricultural land and used exclusively for the purpose of storage of fertilisers, agricultural equipment or other requisites, he shall allow, against income derived by the taxpayer from agriculture, a deduction, by way of agricultural allowance, of such expenditure incurred in that income year, as the Commissioner considers reasonable.
- (b) No deduction shall be allowed under paragraph (a) unless the Commissioner is satisfied that-
- (i) the taxpayer is the owner of lands under cultivation which, in the aggregate, do not exceed 25 acres;

- (ii) the taxpayer has not been allowed a deduction in respect of the same building under this section;
  - (iii) the construction is physically separated from any dwelling house, office, garage, retail shop or showroom and is not occupied for residential purposes;
  - (iv) the taxpayer keeps proper records of his transactions in accordance with section 132.
- (b) Where the Commissioner has allowed a deduction under paragraph (a) and, within ten years following the income year for which the deduction has been allowed, the tax- payer sells the building or the building ceases to be used for the purpose specified in paragraph (a) there shall be included in the gross income of the taxpayer for the year in which the sale or cessation takes place an amount equal to the deduction so allowed under paragraph (a).
- (c) No deduction shall be allowed under paragraph (a) in respect of more than one building in a period of ten years.
- (c) in section 34 by deleting subsection (4) and replacing it by the following subsection-
- (4) Subject to subsection (5), where a statement issued under subsection (2) by the Commissioner to an export enterprise showing the amount of its income or loss for a year of assessment has become final and conclusive-
  - (a) (i) the whole amount of the income shown by the statement in respect of any in- come year during the first ten years of its tax relief period;
  - (ii) fifty per cent of the income shown by the statement in respect of any income year falling within the period beginning with the eleventh year to the fifteenth year of its tax relief period;
  - (iii) twenty five per cent of the income shown by the statement in respect of any in- come year during the remainder of its tax relief period

shall not form part of the gross income of the export enterprise for any year of assessment and shall be exempt from tax-
- (b) any dividends paid out of the income of the export enterprise which is exempt from tax under paragraph (a)(1) during the five consecutive years beginning with the income year in which the export enterprise resolves to pay dividends to shareholders shall not form part of the gross income of the shareholder and shall be exempt from tax.

**Amended by [Act No. 17 of 1991]**

(d) in section 45 by deleting the words "sections 46 and 46A" and replacing them by the sections 46, 46A and 46B";

(e) in section 46-

(i) in paragraph (a), by deleting the words "six thousand rupees" and replacing them by the words "seven thousand rupees";

(ii) in paragraph (b), by deleting the words "six thousand five hundred rupees" and replacing them by the words "seven thousand five hundred rupees";

(iii) in paragraph (c), by deleting the words "one thousand five hundred rupees" and replacing them by the words "one thousand eight hundred rupees";

(iv) in paragraph (d) (i), by deleting the words "five thousand five hundred rupees" and replacing them by the words "six thousand three hundred rupees";

(v) in paragraph (d) (ii), by deleting the words "five thousand rupees" and replacing them by the words "five thousand eight hundred rupees";

(f) by inserting immediately after section 46A, the following section-

46B(1) Subject to subsections (2) and (3), every taxpayer who is a Mauritian citizen or a resident and derives income from agriculture, whether on his own account, as associate or otherwise, shall be allowed a deduction from his net income from that source of-

(a) an amount equal to five per cent of such net income; or

(b) five thousand rupees;

whichever is the less.

(2) Where claims are made for deductions under both section 46A and under this section, the total deduction allowed to a husband and his wife shall not exceed five thousand rupees.

(3) Where the aggregate of emoluments and the net income derived from agriculture, if any, of a married woman who has elected to be assessed separately under section 8 (2) and those of her husband exceed one hundred thousand rupees, the deduction allowed to each of them shall be such proportion of five thousand rupees as bears the same proportion which their respective emoluments and net income derived from agriculture bear to the aggregate of their emoluments and net income derived from agriculture.

**Amended by [Act No. 3 of 1981]**

(g) in section 47-

- (i) in subsection (2) (a), by deleting the words "six thousand rupees and replacing them by the words "seven thousand
- (ii) in subsection (2) (b) by deleting the words "five thousand rupees" and replacing them by the words "five thousand eight hundred rupees";

(h) in section 49-

- (i) in subsection (1) (b) (i), by deleting the words "two thousand rupees" and replacing them by the words "two thousand three hundred rupees";
- (ii) in subsection (1) (b) (ii), by deleting the words "two thousand five hundred rupees" and replacing them by the words "two thousand nine hundred rupees
- (iii) in subsection (1)(b)(iii), by deleting the words "two thousand five hundred rupees" and replacing them by the words "three thousand rupees";
- (iv) in subsection (1) (b) (iv), by deleting the words "four thousand rupees" and replacing them by the words "four thousand six hundred rupees";
- (v) in section (1) (b) (v), by deleting the words "seven thousand rupees" and replacing them by the words "eight thousand one hundred rupees";

**Amended by [Act No. 3 of 1981]**

- (i) in section 50 (1) by deleting the words "one thousand rupees" and replacing them by the words "one thousand one hundred rupees";

(j) in section 52-

- (i) in subsection (1), by deleting the words "five thousand rupees" and replacing them by the words "five thousand five hundred rupees",
- (ii) in subsection (3), by deleting the words "ten thousand rupees" and replacing them by the words "eleven thousand rupees";

(k) in section 53-

- (a) in subsection (1), by deleting the words "five thousand rupees" and replacing them by the words "five thousand five hundred rupees";
- (b) in subsection (3), by deleting the words "ten thousand rupees" and replacing them by the words "eleven thousand rupees",

- (l) in section 54 (2) (d) by deleting the words "one thousand rupees" and replacing them by the words "one thousand five hundred rupees",

- (m) in the First Schedule by deleting paragraph 5 and replacing it by the following paragraph-

5. On chargeable income not included under paragraphs 1, 2 or 4.

Chargeable Income	Rate of Tax
For every rupee of the first Rs 6,000	5 cents
do next Rs 6,000	10 cents
do Rs 18,000	20 cents
do Rs 20,000	30 cents
do Rs 20,000	40 cents
do Rs 10,000	50 cents
do Rs 10,000	60 cents
do of the remainder	70 cents

4. **Arrêté du 16 Frimaire An XII amended**

The Arrêté du 16 Frimaire An XII is amended in Article 61 by deleting the words "deux années" and replacing them by the words Frimaire cinq années"

5. **Derogation from Article 69 of Arrêté du 16 Frimaire An XII.**

(1) Notwithstanding Article 69 of the Arrêté, but subject to the other provisions of this section, where a transferee who satisfies the conditions specified in subsection (2) acquires immovable property, the duty leviable on the registration of the transfer of the property shall be-

(a) where the value of the property does not exceed fifty thousand rupees, a fixed duty of one hundred rupees;

(b) where the value of the property exceeds fifty thousand rupees but does not exceed one hundred thousand rupees-

(i) a fixed duty of one hundred rupees; and

(ii) a proportional duty of five per centum on that part Of the value of the property in excess of fifty thousand rupees;

(c) where the value of the property exceeds one hundred thousand rupees--

(i) a fixed duty of one hundred rupees;

(ii) a proportional duty of six per centum on that part of the value of the property which exceeds fifty thousand rupees but which does not exceed one hundred thousand rupees; and

(iii) a proportional duty of twelve per centum on that part of the value of the property in excess of one hundred thousand rupees.

(2) The conditions which a transferee, is required to satisfy for the purposes of subsection (1) shall be-

(a) he is, at the time of the transfer, of age;

- (b) he or his spouse has never acquired by purchase any immovable property located, in the opinion of the Receiver, in a residential area;
- (c) the deed of transfer contains a declaration by the transferee that the conditions specified in paragraphs (a) and (b) have been satisfied.
- (3) Where a deed of transfer does not contain the declaration specified in subsection (2), the duty leviable shall be in accordance with paragraph VII of Article 69 of the Arrêté.
- (4) Where at any time after the registration of a deed of transfer, the Receiver is satisfied that the declaration contained in the deed required to be made under subsection (2) is incorrect, he shall, by written notice sent by registered post, claim from the transferee the difference between the duty which would have been payable under paragraph VII of Article 69 of the Arrêté and the duty actually paid together with a penalty equal to twice the amount of that difference.
- (5) Notwithstanding any other enactment, the amount of duty and penalty claimable under subsection (4) may be recovered at any time.
- (6) Where a claim is made under subsection (4) and the claim is not satisfied within twenty-one days, the Receiver shall inscribe a privilege, for the amount of the duty short paid and the penalty incurred, on any immovable property belonging or which may subsequently belong to the transferee, and such privilege shall rank immediately after the privilege for the judicial costs.
- (7) A privilege inscribed under subsection (6) shall only be erased on payment of the duty short paid and the penalty incurred or upon an order from the Judge in Chambers to that effect.
- (8) In this section-

"Arrêté" means the Arr6t6 du 16 Frimaire An XII;

"immovable property" includes any right to immovable property;

"Receiver" means the Receiver of Registration Dues.

**6. The Succession and Donation Duties Ordinance, 1958 is amended-**

- (a) in section 3 in the proviso, by adding after paragraph (ii), the following paragraph
  - (iii) shall be reduced b@ thousand rupees;
- (b) in section 7, by adding immediately after subsection (3) the following subsection-

(4) Notwithstanding the other provisions of this Ordinance, the minimum duty leviable on donations, other than donations between ascendants and descendants, shall be at the rate of ten per centum of the value of the donation.

- (c) in section 32(t), by deleting the words "twenty thousand rupees" and replacing them by the words "one hundred thousand rupees".

## **7. The Mauritius Housing Corporation Act 1974 amended**

The Mauritius Housing Corporation Act 1974 is amended in section 43 by deleting subsection (1) and replacing it by the following subsection-

- (1) Notwithstanding Article 69 of the Arrêté du 16 Frimire An XII, where a deed witnesses the grant of a loan, the registration duty leviable shall be--
- (a) where the amount of the loan does not exceed fifty thousand rupees, a fixed duty of one hundred rupees;
  - (b) where the amount of the loan exceeds fifty thousand rupees a fixed duty of one hundred rupees together with half of the amount of duty leviable under Article 69 of the Arrêté du 16 Frimaire An XII on that part of the loan which is in excess of fifty thousand rupees.

## **8. (1) The Excise Act 1974 is amended-**

- (a) in section 2, by inserting the following definition in its proper alphabetical place-

"shandy" means any beverage of not more than one degree obtained by the mixture of beer and soft drink and manufactured by a brewer;

- (b) in section 31 (1) by deleting paragraph (g) and replacing it by the following-

(g) being a licensee, without lawful authority, alters excisable goods by the addition of any substance or by the extraction of any of their constituents;

- (2) The Resolution voted by the Legislative Assembly on the 12th June 1979 in respect of excise duty is validated.

- (3) The amendment effected by subsection (1) (a) shall be deemed to have come into operation on the, 3rd June 1980.

## **9. The Export Processing Zones Act, 1970 is amended-**

- (a) in section 6(2) by deleting paragraph (b) and replacing it by the following-

(b) the tax relief period which shall be a period of twenty years; and

- (b) by repealing section 10.

## **10. Commencement**



Except where, otherwise provided, this Act shall come into operation on the 1st July 1980.

Passed in the Legislative Assembly on the twenty sixth day of June, one thousand nine hundred and eighty.

GUY T. D'ESPAIGNET  
Clerk of the Legislative Assembly

SCHEDULE  
(Section 2)

1. Arrêté du 16 Frimaire An XII
2. The Post Office Ordinance
3. The Succession and Donation Duties Ordinance, 1958
4. The Customs Tariff Act 1969, in respect of item X.5 relating to the export duty on sugar
5. The Sugar Brokerage Tax Act 1973
6. The Income Tax Act 1974, in respect of a taxpayer other than a body corporate
7. The Excise Act 1974 or any subsidiary enactment made thereunder
8. The Sugar Millers (Levy of Duty) Act 1974
9. The Hotel and Restaurant Tax Act 1978
10. The Export Duty (Sugar) (Seventy-Five Per Cent Surcharge) Act 1980
11. The Supplies (Levy of Fees) Regulations 1979.
12. The Air Transport (Passenger Service Charge) Act, 1970.
13. The Stamps Ordinance.
14. The National Pensions Act 1976, in respect of the surcharge payable under section 45A.
15. The Gaming Act, in respect of-
  - (a) the tax payable under sections 11(i) and 29; and
  - (b) the licence fee payable by a bookmaker under the Fourth Schedule.

**Amended by [Act No. 3 of 1981]; [Act No. 10 of 1982]; [Act No. 25 of 2000]**