



BOARD OF INVESTMENT

The Integrated Resort Scheme

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PREFACE

This publication contains guidance for promoters who want to develop a project under the Integrated Resort Scheme. These guidelines are based on provisos of the Investment Promotion Act 2000 and Investment Promotion (Real Estate Development Scheme) Regulations 2007as amended. They are designed to provide information and assist decision-making. They are neither intended to replace the provisions of the laws and should not be construed as one nor should they be interpreted as prescribing an exclusive course of management.

Whilst care has been taken to ensure that the information provided herein is accurate and correct at the time of publication, users of this publication are advised to seek guidance from the Board of Investment in case of uncertainty or ambiguity encountered in reading. The Board of Investment shall, in no circumstances whatsoever, be held liable to any person arising from use of information contained herein.

Table of Content

BACKGROUND.....	4
THE INTEGRATED RESORT SCHEME.....	6
About the scheme.....	6
Eligibility for acquisition of residential property.....	6
Type of residential property.....	7
Extent of residential property.....	7
Cost per residential property.....	7
Commercial & leisure amenities.....	7
THE IRS CERTIFICATE.....	8
Stages to be followed prior to the issue of an IRS Certificate.....	8
Stage 1: Submission of application for IRS Certificate.....	8
Stage 2: Site visit and presentation of project to technical committee.....	10
Stage 3: Issue of Letter of Approval.....	10
Stage 4: Obtention of permits and licences & provision of Bank Guarantee.....	11
Stage 5: Issue of IRS Certificate.....	11
IRS SOCIAL CONTRIBUTION.....	14
SALE OF RESIDENTIAL PROPERTY.....	17
Eligibility for acquisition of residential property.....	17
Basis of sale of residential property.....	17
Acquisition of residential property.....	18
Sale of serviced land.....	19
Documents to be submitted prior to sale of property.....	20
Application to acquire property under IRS.....	20
Screening of application.....	21
Residency in Mauritius.....	23
Rental of residential property by a purchaser.....	23
Resale or transfer of residential property by a purchaser.....	24
DUTY AND TAXES.....	25
BANK GUARANTEE TEMPLATE– START OF CONSTRUCTION.....	28

A. BACKGROUND

General Objective

This set of guidelines aims to:

- 1) Define procedures required to be followed by promoters in line with requirements under the Investment Promotion (REDS) Regulations 2007;
- 2) Provide a comprehensive and user-friendly guide and reference document to assist investors to submit projects under the scheme;
- 3) Avoid any misunderstanding in the interpretation, application or implementation of agreed procedures, rulings and regulations and ensure that the implementation of all IRS projects is always in pursuance of and are consistent with the IRS Regulations.

More specifically, this set of guidelines shall:

- 4) Facilitate the submission and processing of applications for new projects through a clear, streamlined and more transparent project development, evaluation, approval and implementation process; and
- 5) Ensure the application of the provisions of the Investment Promotion Act and the Investment Promotion (REDS) Regulations 2007.

Definition of terms

For purposes of these guidelines, the terms and phrases used herein shall be understood to mean as follows:

- 2.1 Bank guarantee - An indemnity letter in which a bank in Mauritius commits itself to pay a certain sum if the IRS Company fails to perform as per the terms and conditions.
- 2.2 Board of Investment – Statutory body established under the Investment Promotion Act that issues the IRS Certificate.

- 2.3 EIA – EIA is a study that predicts the environmental consequences of a proposed development. It evaluates the expected effects on the natural environment, human health and on property.
- 2.4 Letter of Approval – Document issued by the Board of Investment on approval of a project and lays down the terms and conditions that should be satisfied for the issuance of an IRS Certificate. Letter of Approval entitles the IRS Company to benefit from exemption from Morcellement Act. The IRS Company can sign a “contrat préliminaire en état future d’achèvement”.
- 2.5 IRS Company - A Company incorporated under the Companies Act 2001 that holds a letter of approval for the development of a project approved by the Board of Investment under the Integrated Resort Scheme and includes a company holding an IRS Certificate.
- 2.6 Purchaser – Any person investing in the acquisition of a residential property under the IRS.
- 2.7 Residence permit – A written permit issued by the Prime Minister’s Office authorizing a non-citizen other than a prohibited non-citizen to enter Mauritius or, to be in Mauritius or to remain in Mauritius. The permit is expressed to be in force for a specified period.

Legal Basis

The legal basis for these guidelines is the:

- 1) Investment Promotion Act 2000, as amended
- 2) Investment Promotion (Real Estate Development Scheme) Regulations 2007 as amended.

B. THE INTEGRATED RESORT SCHEME

About the scheme

The Integrated Resort Scheme (IRS) is a programme designed to facilitate the acquisition of residential property by non-citizens in Mauritius. The IRS is basically a project for the development and sale of luxurious residential units to foreigners.

The Integrated Resort Scheme provides:

1. for the development of luxurious residential units, on freehold land of more than **10 hectares**, to be sold at a price **exceeding USD 500,000**.
2. **high-class leisure and commercial amenities and facilities** intended to enhance the residential units. These may include but not limited to, golf course, marina, nautical and other sport facilities, shopping mall, restaurant and wellness centre.
3. **day-to-day management services** such as security, maintenance, gardening, solid waste disposal and household services have to be provided to the residents.
4. for a **social contribution** in terms of social amenities, community development and other facilities for the benefit of the community.

Eligibility for acquisition of residential property

The following persons may acquire a residential property from an IRS Company:

- (a) a non-citizen of Mauritius
- (b) a citizen of Mauritius
- (c) a company registered as a foreign company under the Companies Act 2001
- (d) a company incorporated under the Companies Act 2001
- (e) a société, where its deed of formation is deposited with the Registrar of Companies
- (f) a trust, where the trusteeship services are provided by a qualified trustee licenced by the Financial Services Commission

Note: A qualified global business as defined under the Financial Services Act 2007 holding a Global

Business Licence **cannot** acquire property under the IRS scheme.

Type of residential property

An IRS Company may provide the following type of residential properties:

- Luxury villa with attending services and amenities
- Luxury apartment with attending services and amenities
- Penthouse with attending services and amenities
- Other similar properties used, or available for use, as residence with attending services or amenities

Extent of residential property

The extent of land in respect of each residential property, other than for an apartment or a penthouse, is developed on land not exceeding 0.5276 hectare (1.25 arpent).

Cost per residential property

The amount of investment in the acquisition of a residential property, including land not exceeding 1.25 arpents, is not to be less than US\$500,000 (excluding taxes) or its equivalent in any other freely convertible foreign currency.

Commercial & leisure amenities

1. Under the Scheme, the promoters must make provisions for setting up of high-class leisure and commercial amenities and facilities intended to enhance the residential units. These may include but not limited to, golf course, marina, nautical and other sport facilities, shopping mall, restaurant, wellness centre among others.
2. At least 10% of the total investment costs in the IRS project should be devoted to the development of the commercial and leisure amenities.

C. THE IRS CERTIFICATE

An IRS Certificate

- An IRS certificate issued under section 18 of the Investment Promotion Act is conclusive evidence that all the requirements of the Act and the Investment Promotion (Real Estate Development Scheme) Regulations 2007 as to an investment project submitted to the Board of Investment have been complied with. From the date of issue of the certificate stated in the certificate, the company is responsible for the development, implementation and management of the IRS project in accordance with the approval granted by the Board of Investment.
- The Company issued with an IRS Certificate has to implement the project as approved by the Board of Investment and cannot change the use to which each major part of the integrated resort area has been approved, without the prior approval of the Board of Investment.
- In case of substantial change in the ownership or transfer of shares in the Company, issued with an IRS Certificate, which could impact on the control of the company, the IRS Certificate will automatically be considered as null and void.

Stages to be followed prior to the issue of an IRS Certificate

Stage 1: Submission of application for IRS Certificate

Stage 2: Site visit and presentation of project to technical committee chaired by BOI

Stage 3: Issue of Letter of Approval by BOI

Stage 4: Obtention of permits and licences by relevant authorities for the project

Stage 5: Issue of IRS Certificate

Stage 1: Submission of application for IRS Certificate

1. An application for an IRS Certificate must be made to the Managing Director of the Board of Investment. The document should be signed by the director of the company making the application. Where an application is submitted by a third party (e.g. consultant), a Power of Attorney or a mandate letter given by the applicant to the third party must be submitted.
2. The duly completed and signed application form must be submitted with the following mandatory documents (submitted in both soft and hard copies):
 - a. **Certificate of Incorporation** – Conclusive evidence issued by the Registrar of Companies that a company is incorporated under the Companies Act 2001 and is a body corporate with the name by which it is registered.
 - b. **Detailed business plan** containing:-
 - i. Background of promoters and investors
 - ii. Project components and description
 - iii. Proposed date of start of construction
 - iv. Marketing plans
 - v. Detailed financial structure of project (projected cash flow, annual income statement, selling price)
 - c. **Site/location plan by sworn land surveyor and context plan as per Outline Scheme** – Plan showing the exact location of the immovable property
 - d. **Detailed master plan** for the whole project – A document that describes, with a map, the overall development concept.
 - e. **House architecture and drawings** - Drawings showing the artistic impressions of the residential components
 - f. **Title Deed** of the present land owner in case the promoter is bringing his land as “*apport en capital*” in the project **or**;
Presale agreement (promesse de vente) between present landowner and company making an application for an IRS certificate where there shall be a sale.
 - g. **Documents showing proof of funds** - A bank confirmation or a letter of arrangement that demonstrates that the investor has the ability and funds available for the project.
 - h. **Social impact assessment report** - Social impact assessment (SIA) provides an appraisal of the impacts on the day-to-day quality of life of the immediate communities whose environment is affected by the proposed project.

Note 1: The land earmarked for an IRS project by the company making the application must

be free of any charge, lien or mortgage. The land shall not be a hypothecated property.

Note 2: BOI will not consider IRS projects to be implemented over leasehold land including stateland.

Note 3: An application shall be considered as ready for processing by the Board of Investment at the date by which all the information, particulars and documents have been duly submitted and considered as complete by BOI. Document (h) may be submitted at any time prior to the issue of the IRS certificate.

Stage 2: Site visit and presentation of project to technical committee

Once the above documents are submitted to BOI, a site visit shall be carried out, following which, promoters will be called upon to make a presentation of their project to relevant Government bodies.

The promoters are required to highlight in particular:

- a. Project details
- b. The issues that may hinder the realization of the project
- c. Areas requiring BOI and other authorities involvement
- d. Particulars of how the benefits of the project shall accrue to the neighbouring community

The technical committee may comprise :

- a. BOI
- b. Ministry of Finance and Economic Empowerment
- c. Ministry of Tourism, Leisure and External Communications
- d. Ministry of Environment and National Development Unit
- e. Ministry of Agro-Industry
- f. Ministry of Renewable Energy and Public Utilities
- g. Relevant local Authority

Stage 3: Issue of Letter of Approval

A Letter of Approval is issued to the company making the application for the IRS certificate where:

- a. the project meets the criteria of the scheme as stipulated in the Investment Promotion (REDS) Regulations 2007 and;
- b. the technical committee members have no objection to the project

The Letter of Approval is valid for a period of 12 months from the date of the letter. The Letter of

Approval stipulates all the conditions that should be met for the issue of the IRS Certificate to the company and may include the following:

- a. Obtention of the land conversion permit from the Ministry of Agro-Industry, if applicable;
- b. Obtention of the EIA Licence from the Ministry of Environment and National Development Unit;
- c. Obtention of the Building and Land Use Permit from the District or Municipal council
- d. Provision of a bank guarantee of 100,000 rupees per residential property to the Board of Investment;
- e. Giving a written undertaking to the Board of Investment that the benefits of the development of the project under the Scheme will accrue to the neighbouring community and to small entrepreneurs generally, in terms of employment and business opportunities.
- f. Furnishing a bank guarantee of 100, 000 rupees per residential property in favour of the Board of Investment.. This guarantee is to ensure that the IRS Company starts construction works within a period of 6 months from the date of the issue of the Building and Land Use Permit.

In case of substantial change in the ownership or transfer of shares in the company subsequent to the issue of the letter of approval which could impact on the control of the company, the Letter of Approval would automatically be considered as null and void.

Stage 4: Obtention of permits and licences & provision of Bank Guarantee

1. Upon obtention of the Letter of Approval, the applicant may transfer the subject property where the project will be implemented to the company holding the Letter of Approval.
2. The company will have to apply for and secure the different statutory permits and licenses (viz. Land Conversion Permit, EIA License, Building & Land Use Permit, and Tourism Enterprise License) required for the implementation of the IRS project.

The company will have to furnish a bank guarantee of 100, 000 rupees per residential unit (including serviced land) in favour of the Board of Investment. This guarantee is to ensure that the IRS Company starts construction works within a period of 6 months from the date of the issue of the Building and Land Use Permit. A template of the bank guarantee is annexed.

Stage 5: Issue of IRS Certificate

An IRS Certificate is issued after:

- a. Submission to the Board of Investment of the title deed duly registered and transcribed that witnesses the transfer of land to the company holding the letter of approval for the purposes of the IRS project;
- b. Obtention of the EIA Licence (if applicable) and the Building and Land Use Permit from the District or Municipal council
- c. A bank guarantee of 100,000 rupees per residential property is furnished in favour of the Board of Investment;
- d. A written undertaking is entered by the promoter with the Board of Investment that the benefits of the development of the project under the Scheme shall accrue to the neighbouring community and to small entrepreneurs generally, in terms of employment and business opportunities.

An IRS Certificate is issued subject to the following terms and conditions:

1. The IRS Company shall at all times be responsible for the execution, promotion, development and the proper implementation of the scheme in accordance with the approval granted by the Board of Investment.
2. (a) The IRS Company shall only conduct such business or activity, being business or activity permissible under the laws of Mauritius. Where such business requires any licence, authorization, permission, or consent (however described), the business must not be undertaken until such has been obtained.
(b) The IRS Company shall keep at its registered address a copy of such business licence/authorization, permission or consent (however described) obtained from any other Authority in relation to the conduct of its activities.
3. The IRS Company shall forthwith notify the Board of Investment of any material change from the scheme as approved by the Board.
4. The IRS Company shall –
 - (a) implement the scheme as approved by the Board;
 - (b) not change the use to which each major part of the integrated resort area shall be put without the approval of the Board.
5. The IRS Company shall provide the Managing Director at least once every quarter with a report on the work progress and the general implementation of the project.
6. The IRS Company shall not sell any residential property under the Scheme unless the person acquiring the residential property has obtained the authorization under the Investment Promotion (Real Estate Development Scheme) Regulations 2007.
7. The Board of Investment shall be informed of any change in shareholding structure and the general financial condition of the IRS Company during the entire phase of the implementation of the scheme. Where the IRS Company has delegated, subcontracted or assigned any part of the works required in pursuance to the scheme, the Board of

Investment shall be notified forthwith of such appointments.

8. The income tax payable by the IRS Company as well as the exemption from income tax on dividends paid to shareholders shall be in accordance with the provisions of the Income Tax Act, as amended.
9. The IRS Company is warned that pursuant to section 27 (1) of the Investment Promotion Act any person who contravenes the Investment Promotion Act and the Investment Promotion (REDS) Regulations 2007 shall commit an offence and shall, on conviction, be liable to a fine not exceeding 100,000 rupees and to imprisonment for a term not exceeding 3 years.

D.

IRS SOCIAL CONTRIBUTION

IRS social contribution

1. An IRS Company shall be required to contribute to an IRS Social Contribution.
2. The amount of contribution shall be managed by the IRS Company. Separate accounts must be kept by the company in respect of projects relating to the social needs of the people of the region.
3. The IRS company shall maintain records on the implementation of projects relating to the social needs as approved by the Board of Investment.

Level of IRS social contribution

The amount of the IRS social contribution shall be calculated at the rate of MUR 200, 000 per residential property.

Determination of social needs

1. The social needs analysis providing an assessment of the social needs of the region submitted to the Board of Investment at any time prior to the issue of the IRS certificate shall form the basis for determining the social amenities, community development and other facilities that shall be put to people of the region and neighbouring community.
2. The social needs shall be approved by the Board of Investment in concurrence with the steering committee of the empowerment programme, the relevant local authority and concerned ministries after consultation with the IRS Company.
3. The IRS Company shall inform the Board of Investment in writing whether it is agreeable to the social needs approved by the Board of Investment and shall submit to the Board of Investment, the implementation plan.
4. The IRS Company shall report progress on the implementation of the social needs as approved every quarter at latest 1 month after the end of the quarter.
5. Where there are changes in the number of residential units, the amount of the IRS Social Contribution shall be adjusted accordingly.

Social Needs Analysis

1. The purpose of the social needs analysis is to determine and provide the socio-economic requirements of the local community and ways to enhance the life of the local people. The analysis identifies and incorporates social dimensions into a project. It covers various facets including identification of the region, the population, generating a socio-economic profile for the population identified, assessing the needs of the community and making proposals of the nature of contribution that will be financed by the IRS social contribution.
2. The social needs analysis shall be prepared by a team of at least 2 professionals composed of a sociologist or a social scientist, an architect or an economist and shall include the following mandatory elements:
 1. **Executive Summary** - Summarising the research and conclusions from the social needs analysis with all the proposals
 2. **Area** – describing the localities covered under the study and that are subject to the social contribution
 3. **Methodology** - Describing the methodology and tools used to identify the social needs of the locality. Emphasis must be laid upon data collection ensuring their reliability
 4. **Consultations and analysis** – This section should include, among others, an analysis of the socio-economic situation of residents in the catchment area, investigation of household income, quantification of the existing social infrastructure to understand the nature and quality of existing facilities and areas of need, education level of the local residents and training and redeployment opportunities.
 5. **Needs assessment and proposals** - Provide the proposals based on the needs identified with clear rationale for each of the proposal made
 6. **Cost and implementation schedule** – the cost for each proposal with details of the implementation schedule
 7. **Annexes** – providing, inter alia, the notes of meeting for the consultations held and the references of the professionals involved in the preparation of the social needs analysis

Nature of social needs

1. The IRS social contribution may be in terms of:
 - social amenities, community development and other facilities
 - land
 - a combination of the above
2. Where land forms part of the social contribution, that portion of land should be located within the catchment area defined in the social needs analysis and shall benefit people of the local community.
3. At least 25% of the IRS social contribution shall be related to training of people.

Social Impact Assessment

1. The company intending to carry out an IRS project shall be required to submit a social impact assessment. *Note that the social needs analysis and the social impact assessment have to be submitted at the same time to enable the issue of the IRS Certificate.*
2. The purpose of the social impact assessment is to identify the impact of the proposed development on the neighbourhood. It analyses, monitors and manages the intended and unintended social consequences, both positive and negative, of the planned development.
3. All issues that affect people, directly or indirectly are pertinent to the social impact assessment.
4. The following key elements must be considered while preparing the social impact assessment:
 - a. Identification of the positive and negative social aspects of the development
 - b. Consultation process with stakeholders
 - c. Mitigating measures
 - d. Social development programme
5. The IRS company will have to provide a written undertaking to BOI that the benefits of the project as identified in the project will accrue to the people of the community and to small entrepreneurs.

E. SALE OF RESIDENTIAL PROPERTY

Eligibility for acquisition of residential property

The following persons may acquire a residential property from an IRS Company:

- (a) a non-citizen of Mauritius
- (b) a citizen of Mauritius
- (c) a company registered as a foreign company under the Companies Act 2001
- (d) a company incorporated under the Companies Act 2001
- (e) a société, where its deed of formation is deposited with the Registrar of Companies
- (f) a trust, where the trusteeship services are provided by a qualified trustee licenced by the Financial Services Commission

Note: A qualified global business as defined under the Financial Services Act 2007 holding a Global Business Licence cannot acquire property under the IRS scheme.

Basis of sale of residential property

1. A residential property under the IRS may be sold either on the basis of a plan, during the construction phase or when the construction is completed.
2. Where the acquisition of an immovable property is made on the basis of a plan or during the construction phase, the contract shall be governed by the provisions of a “vente à terme” or “vente en l'état futur d'achèvement (VEFA)”, as the case may be, in accordance with the provisions of the Code Civil Mauricien.
3. A sale for future delivery is the contract by which the seller undertakes to deliver the building on its completion, and the buyer undertakes to take delivery of it and to pay the price of it at the date of delivery. The transfer of ownership is achieved by operation of law by the acknowledgement of the completion of the building through an authentic instrument; it is effective retroactively on the day of the sale.

4. A sale in a future state of completion is the contract by which a seller transfers at once to the buyer his rights in the ground as well as the ownership of the existing structures. The works to come become the property of the buyer as they proceed; the buyer is bound to pay the price of them as the work proceeds.
5. In accordance with the provisions of Article 1601-30 of the Code Civil, the price of a residential unit when sold under “vente en l'état futur d'achèvement” is payable in instalments as the work progresses, as follows:
 - a. Upon signing of the deed: 25%
 - b. Upon completion of the foundation works: 10%
 - c. Upon completion of roofed-in phase: 35%
 - d. Upon completion: 25%
 - e. Upon availability of premises: 5%

Acquisition of residential property

1. The amount of investment in the acquisition of a residential property, including land not exceeding 1.25 arpents, should not be less than US\$500,000 (excluding taxes).
2. Where a residential property is acquired by a non-citizen or a company whose shareholders are non-citizens or a trust whose beneficiaries are non-citizens or the associates of a société are non-citizens, the payment can be made in or its equivalent in any other freely convertible foreign currency.
3. A citizen of Mauritius can acquire a residential property and effect payment in Mauritian rupees, or its equivalent in any other freely convertible foreign currency..
4. Where payment shall be effected in currencies other than USD, the Board of Investment shall use the exchange rate at selling price in force on the date of the application to calculate the USD equivalent and to ensure the price exceeds USD 500, 000.
5. Where a residential property is acquired by a non-citizen, the investment in the acquisition of that residential property must be financed by the purchaser from funds outside Mauritius and transferred to Mauritius through any reputable bank listed in the Banking Almanach recognized by the Bank of Mauritius.
6. Where a loan is contracted in **Mauritius currency** with a bank in Mauritius, the first 500, 000 US dollars must be paid in USD or its equivalent in any other freely convertible foreign currency; and the repayment of the loan must be effected in any freely convertible foreign currency.

Sale of serviced land

1. An IRS Company may sell serviced land not exceeding 25 percent of its land area planned for the construction of residential properties on condition that –
 - a. there is no material deviation in the land area allocated for the construction of residential properties as approved by the Board;
 - b. the commercial facilities and leisure amenities have been completed;
 - c. prior to the sale of any plot of the serviced land, at least 25 % of the residential properties under the IRS have been sold;
 - d. the infrastructural works including roads, walls, drains, landscaping and utility services have been completed in respect of the area of the serviced land;
 - e. each plot of serviced land for sale does not exceed 0.5276 hectare (1.25 arpent);
 - f. the amount payable for the acquisition of a plot of the serviced land is not less than 500,000 US dollars or its equivalent in any other freely convertible foreign currency;
 - g. the purchaser constructs a residential property on the land within 5 years from the date of its acquisition in accordance with the architectural guidelines issued by the IRS company.
2. “serviced land” means land with all the infrastructural works including roads, walls, drains, landscaping and utility services.
3. No non-citizen who acquires a plot of serviced land shall be eligible to apply for a residence permit unless the construction of a residential property has been completed on that plot.
4. No plot of serviced land acquired shall be sold or transferred unless the construction of the residential property is completed on the plot.

Documents to be submitted prior to sale of property

The IRS Company must submit to BOI after the issue of the IRS Certificate and prior to the sale of any immovable property under the IRS, final specimen copies of the following documents:

- a) **“Contrat de réservation préliminaire a une vente en état future d’achevement”** – A contract witnessing the reservation made by the applicant with the IRS Company for a specified plot in the IRS project. The contract is governed by the provisions of article 1601-38 of the Code Civil Mauricien.
- b) **“Contrat de vente en état future d’achèvement d’une maison individuelle”** – The contract of sale between the IRS Company and the buyer. This contract is governed by the provisions of the Code Civil Mauricien;
- c) **Guarantee of due completion by way of surety conformably to article 1601-34(b) of the Code Civil Mauricien** – A formal agreement that the IRS company has entered into with a banking institution in Mauritius to ensure the financing and implementation of the villa. The banking institution should be listed on the Banking Almanach recognized by the Bank of Mauritius;
- d) **“Reglement de co-propriete”** et **“Cahier de Charge”** – These are defined in the sales contract under vente en état future d’achèvement.

Please note that no application for acquisition of immovable property by non-citizens, or citizens, companies, trusts or societe shall be considered by the Board of Investment if the above documents have not been duly submitted to the BOI.

Application to acquire property under IRS

1. A non-citizen, citizen, company, société or trust wishing to acquire property under the scheme shall make an application to the Board of Investment. The application must be submitted by an IRS Company online to BOI using the Property Acquisition and Management System (<http://pams.investmauritus.com/Login/>).
2. Every application for the acquisition of property under the IRS together with such information, particulars and documents as specified in this guideline and a non-refundable processing fee of 10,000 rupees must be made through the IRS Company and addressed to the Managing Director of the Board of Investment.
3. The non-refundable processing fee of 10,000 rupees must be paid through cheque by the

IRS Company and drawn to the order of the Board of Investment. (The IRS company may pay in advance a sum for a batch of applications)

4. An application shall be considered as ready for processing by the Board of Investment at the date by which all the information, particulars and documents have been duly submitted and considered as complete by BOI.

Screening of application

1. The IRS Company shall carry out due diligence exercise through a reputable bank for all applications received prior to submission of same to the Board of Investment. The IRS Company's bank shall carry a Know Your Client (KYC) exercise and open a bank account for the client called the "Escrow Account".
2. The IRS company may sign the "Contrat de réservation préliminaire a une vente en etat future d'achevement" for the plot. The potential buyer shall deposit at most 25% of the amount of investment in the acquisition of the property in the bank.
3. The IRS Company shall forward the completed application form duly filled and signed to the Managing Director of BOI for approval.
4. **In the case of a non-citizen, the following documents must be submitted to the BOI:**
 - a) Duly authenticated copy of first 5 pages of passport
 - b) Duly authenticated birth certificate
 - c) Certificate of morality dated not more than 3 months
 - d) Letter from the bank certifying the KYC exercise for the client.

If the non-citizen intends to apply for the status of residence in Mauritius, the following additional documents must also be submitted to the BOI:

- e) Completed application to enter Mauritius form for a residence permit
 - f) Medical certificate to the effect that the applicant is free from any contagious diseases
 - g) If applicant is accompanied by dependents (his spouse or common law partner, his child, stepchild, lawfully adopted child, under the age of 18 years, or above the age of 18 years and who is pursuing full-time education, or a wholly dependant next-of-kin, documentary evidence of relationship, i.e. birth and marriage certificate, copy of the first 5 pages of each dependent's passport, medical certificate of each dependent and morality certificate of spouse.
5. **In the case of a Corporate Applicant (Company):**

- a) Certificate of registration evidencing the company is registered as a foreign company under the Companies Act 2001 or Certificate of incorporation under the Companies Act 2001, as may be the case;
- b) The Business Registration Card;

If the company intends to apply for the status of residence in Mauritius for any shareholder in the company, executive director or chief executive officer of the company, the following additional documents must also be submitted to the BOI:

- c) A board resolution from the company's secretary or director nominating a non-citizen (shareholder, executive director or chief executive officer of the company) to reside in the residential property and be entitled to residence permit.
- d) The documents requested in paragraph 4 (a), (b), (c), (d), (e) and (f) for the nominee must accompany the application for residence permit. If nominee is accompanied by dependents, documentary evidence of relationships i.e. birth and marriage certificate, copy of the first 5 pages of each dependent's passport, medical certificate of each dependent and morality certificate of spouse.

6. In case of trust where the trusteeship services are provided by a qualified trustee

- a) Evidence from the Financial Services Commission that the trustee is a qualified trustee under the Trust Act 2001

If the qualified trustee intends to apply for the status of residence in Mauritius for a beneficiary of the trusts, the following additional documents must also be submitted to the BOI:

- b) A letter from the qualified trustee nominating a non-citizen (beneficiary of the trust) to reside in the residential property and be entitled to residence permit.
- c) The documents requested in paragraph 4 (a), (b), (c), (d), (e) and (f) for the nominee must accompany the application for residence permit. If nominee is accompanied by dependents, documentary evidence of relationships i.e. birth and marriage certificate, copy of the first 5 pages of each dependent's passport, medical certificate of each dependent and morality certificate of spouse.

7. In case of a societe where its deed of formation is deposited with the Registrar of Companies

- a) Evidence of the societe having a file number with the Registrar of Companies and deed of formation deposited with the Registrar of Companies

If the gérant of the societe intends to apply for the status of residence in Mauritius for an active

associate of the société, the following additional documents must also be submitted to the BOI:

- b) A letter from the gérant nominating a non-citizen (active associate of the société) to reside in the residential property and be entitled to residence permit.
- c) The documents requested in paragraph 4 (a), (b), (c), (d), (e) and (f) for the nominee must accompany the application for residence permit. If nominee is accompanied by dependents, documentary evidence of relationships i.e. birth and marriage certificate, copy of the first 5 pages of each dependent's passport, medical certificate of each dependent and morality certificate of spouse.

In the case of a Citizen of Mauritius:

The applicant is required to submit along with the application form to acquire property in Mauritius, his/her National Identity card and letter from the bank certifying opening of an escrow account.

Note: The company's secretary, director, gerant or qualified trustee, of the entity, as the case may be, may make a nomination not more than once a year.

Residency in Mauritius

1. Pursuant to Regulation 22(1) of the Investment Promotion (IRS) Regulations 2007, a residence permit under the Immigration Act is granted to the non-citizen upon acquisition of a residential property. The residential property is deemed to be acquired on its registration and payment of the fixed duty of USD 70, 000 to the registrar general.
2. Notwithstanding the above, a non-citizen who acquires a plot of serviced land shall **not** be eligible to apply for a residence permit unless the construction of a residential property has been completed on that plot.
3. The IRS Company must inform BOI by way of a letter addressed to the Managing Director on registration of the immovable property and submit a certificate from the Notary to the effect that the deed drawn has been duly registered and transcribed.
4. The residence permit granted to the non-citizen remains in force until such time the non-citizen shall hold the residential property under the scheme or the where the person nominated by the company's secretary, director, gerant or qualified trustee, of the entity, as the case may be, informs the Board of Investment to terminate the residency.

Rental of residential property by a purchaser

1. The owner of a residential property may rent his/her property through the IRS Company holding the IRS Certificate or a service provider appointed by the IRS Company to provide property management services.
2. The IRS Company must inform the Board of Investment of the service provider that has been appointed.

Resale or transfer of residential property by a purchaser

1. The owner of a residential property is allowed to resell his/her property with no minimum price requirement.
2. Where the owner of a residential property intends to sell or transfer the property, he/she is required within 30 days prior to the sale, give notice in writing thereof to the Managing Director. A copy of the notice shall be given to the IRS Company.
3. The sale or transfer of the residential property can only be made to:
 - a. a non-citizen of Mauritius
 - b. a citizen of Mauritius
 - c. a company registered as a foreign company under the Companies Act 2001
 - d. a company incorporated under the Companies Act 2001
 - e. a société, where its deed of formation is deposited with the Registrar of Companies
 - f. a trust, where the trusteeship services are provided by a qualified trustee licenced by the Financial Services Commission

The person acquiring the residential property is required to submit an application as per these guidelines. The application must be accompanied by an attestation of opening a bank account through which money for payment shall be transferred and a non-refundable fee of 10, 000 rupees paid by mode of a cheque drawn to the order of the Board of Investment.

F.

DUTY AND TAXES

Duty and taxes on acquisition of land for IRS project

Duty	Rates
<p>Land Transfer tax for property (excluding the value of any building thereon) the value of which does not exceed MUR 50 million * (payable by the seller of land on the value of the property excluding the value of any building standing thereon)</p>	<p>Levied on the difference between the value of the immovable property transferred and the value of shares held by the transferor (if any) in the IRS company at the following rate:</p> <ul style="list-style-type: none"> • 10% on the value of the property - transfer is made after a period not exceeding 5 years of the date of acquisition of the property • 5% - transfer is made after a period exceeding 5 years of the date of acquisition of the property
<p>Land Transfer tax for property (excluding the value of any building thereon) the value of which exceeds MUR 50 million * (payable by the seller of land on the value of the property excluding the value of any building standing thereon)</p>	<p>Levied on the difference between the value of the immovable property transferred and the value of shares held by the transferor (if any) in the IRS company at the following rate:</p> <ul style="list-style-type: none"> • 15% on the value of the land - transfer is made after a period not exceeding 5 years of the date of acquisition of the property • 10% on the value of any building existing on the property - transfer is made after a period not exceeding 5 years of the date of acquisition of the property • 10 % on the value of the land- transfer is made after a period exceeding 5 years of the date of acquisition of the property

	<ul style="list-style-type: none"> 5 % on the value of any building existing on the property - transfer is made after a period exceeding 5 years of the date of acquisition of the property
Registration duty (payable by the company intending to do the IRS project on the value of the property)	Levied on the difference between the value of the immovable property transferred and the value of shares held by the transferor (if any) in the IRS company at the rate of 5%

Note 1: Where the aggregate value of all sales made within a 3-year period exceeds MUR 50 million, the landowner has to pay land transfer tax at the appropriate rate.

***Note 2: The rate of 10% or 15% applicable on transfer of immovable property is suspended in respect of all deeds of transfer signed between 23 May 2009 and 31 December 2010. Thus, during that period, there will be a single rate of land transfer tax of 5%.**

Duty and taxes on acquisition of <u>residential property</u> by purchaser from IRS Company issued with a letter of approval or IRS certificate prior to 6 June 2008	
Duty	Rates
Land Transfer tax (payable by the IRS Company on the value of the property)	5% of the value of the property
Registration duty (payable by the purchaser)	USD 70, 000

Duty and taxes on acquisition of residential property by purchaser from IRS Company issued with a letter of approval after 6 June 2008

Duty	Rates
Land Transfer tax (payable by the IRS Company on the value of the property)	5% of the value of the property *
Registration duty (payable by the purchaser)	USD 70, 000 or 5% of the value of the property whichever is the higher**

***A developer of an IRS project can pay the land transfer tax on the transfer of a residential property under Vente en l'Etat Futur d'Achèvement (VEFA) in 4 equal 6-monthly instalments provided that they submit, at the time of registration of the deed of transfer, a bank guarantee equivalent to the remaining balance of the land transfer tax leviable. .**

Duty and taxes on acquisition of residential property by purchaser from a person holder of a residential property , i.e resale of residential property

Duty	Rates
Land Transfer tax (payable by the seller of residential property)	USD 50, 000
Registration duty (payable by the purchaser)	USD 70, 000 or 5% of the value of the property whichever is the higher

****Where a deed witnessing the transfer of property under the IRS is presented for registration between 1 January 2009 and 31 December 2010, the duty leviable on the registration of the deed has been fixed at 70,000 USD or its equivalent in any other freely convertible foreign currency.**

Bank Guarantee Template– Start of construction

**To: The Managing Director
Board of Investment
10th Floor, One Cathedral Square Building
16, Jules Koenig Street
Port Louis**

In accordance with the provision of regulation 10 (1) (b) of the Investment Promotion (Real Estate Development Scheme) Regulations 2007 and a condition of the letter of approval which interalia provides for production of a Bank Guarantee of 100,000 rupees per residential property, *[name of IRS Company]* (hereinafter called " IRS Company") having its registered address at *[address of IRS Company]* shall deposit with the Board of Investment, a statutory body established under the Investment Promotion Act 2000, a bank guarantee to guarantee that the IRS Company shall start construction works within a period of 6 months of the date of the issue of the Building and Land Use Permit in an amount of *[amount of Guarantee]* _____*[in words]*.

We, the *[bank and indicate the address and other particulars of the Bank]* (hereinafter called "the bank"), as instructed by the IRS Company, agree unconditionally and irrevocably to guarantee as primary obligator and not as Surety merely, the payment to the Board of investment on first demand by the Managing Director of the Board of Investment without whatsoever right of objection on our part stating that the amount claimed is due by way of failure to abide by regulation 11 (3) of the Investment Promotion (Real Estate Development Scheme) Regulations 2007, in the amount not exceeding *[amount of Guarantee]*___ *[in words]*.

WE, THE BANK , DO HEREBY DECLARE AND AGREE that the decision of the Board of Investment as to whether the IRS Company has failed to abide by any terms and condition under the said regulations shall be final and binding on us.

WE, THE BANK, DO HEREBY DECLARE AND AGREE that the notwithstanding anything contained above, our liability, under the Guarantee shall be restricted to *[amount of Guarantee]*___ *[in words]* and our Guarantee shall remain in force until *[year]* from the date hereof. Unless a demand or claim under this Guarantee is made on us in writing within this date, all your rights under the Guarantee shall be forfeited and we shall be released and discharged from all liabilities thereunder.

SIGNATURE AND SEAL OF THE BANK:

Name of bank:

Address:

Dated thisday of20.....