



BOARD OF INVESTMENT

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*Guidelines to acquire
a residential property
under the IRS and
RES Schemes*

The central graphic features six circular images arranged around a central orange oval. The images depict: 1) A modern multi-story residential building with a courtyard. 2) A two-story suburban house with a white garage. 3) A bright, modern living room with white furniture and a fireplace. 4) A traditional-style house with a swimming pool and lush landscaping. 5) A modern multi-story apartment building with a walkway. 6) A tropical-style house with a swimming pool and a thatched roof.

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Preface

This document serves as a guide, the purpose of which is to facilitate the process for submitting an application to acquire a residential property in an IRS or a RES project based on the provisos of the Investment Promotion Act 2000 and the Investment Promotion (Real Estate Development Scheme) Regulations 2007 as amended. They have been designed to assist in decision making and are not intended to replace the provisions of the laws and should not be construed as one nor interpreted as prescribing an exclusive course of management.

Users of this guide are advised to seek guidance from the BOI in case of ambiguity or uncertainty encountered in reading. The BOI shall, in whatsoever manner, not be held liable to any person from use of information contained herein.

Table of Content

#	Section	Page
	1.0 Eligibility for acquisition of residential property	4
	2.0 Principles for sale of a residential property	4
	3.0 Process for acquisition of residential property	5
	4.0 Investment in a residential property	6
	5.0 Residency in Mauritius	6
	6.0 Rental of Residential Property	7
	7.0 Sale of Serviced Land in an IRS project	7
	8.0 Resale or Transfer of Residential Property	8
	9.0 Duty and taxes on acquisition of residential property	9

1.0 Eligibility for acquisition of residential property

The following persons may acquire a residential property from an IRS or RES 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 (management company or such other person resident in Mauritius) licenced by the Financial Services Commission.

Note: A company holding a Category 1 Global Business Licence as defined under the Financial Services Act 2007 may acquire a residential property under the RES scheme.

2.0 Principles for sale of a residential property

1. An immovable property for residence under the IRS/ RES 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”, 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 residential units to be constructed become the property of the buyer as they proceed and the buyer is bound to pay the price of them as the work proceeds. The seller is responsible for its construction until completion.
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:

- Upon signing of the deed: 25%
 - Upon completion of the foundation works: 10%
 - Upon completion of roofed-in phase: 35%
 - Upon completion: 25%
 - Upon availability of premises: 5%
6. The amounts are called up gradually and as the works progress in accordance with the modalities stipulated in the deed of sale.

3.0 Process for acquisition of residential property

1. A non-citizen, citizen, company, société or trust wishing to acquire property under the IRS or RES scheme shall make an application to the Board of Investment using the property acquisition and Management System - <https://pams.investmauritius.com/Login/>.
2. The application should be submitted by the IRS or RES Company and the following documents should be uploaded where:

Purchaser Category	Certified true copies		KYC from	Presale contract	Other documents (Certified true copies)
	Passport	Birth Certificate			
Individual	Purchaser(s)		Bank or Notary	CRP	If property being purchased by a couple- certified copy of marriage certificate is required
Company*	Shareholder(s)	n/a			Certificate of Incorporation, Register of shareholders & Business Card
Trust	Beneficiaries	n/a			Trust deed, evidence from FSC that trustee is a qualified trustee and ultimate beneficiaries of the trust
Société	Member(s)/ Gerant(s)	n/a			Deed of formation of Société deposited at the Registrar of Companies including the file number & details of member(s)
* Also including holder of a Category 1 Global Business Licence must also submit a certified true copy of the Licence from FSC					

3. A non-refundable processing fee of MUR 10 000 to be paid by cheque by the IRS/ RES Company, per application submitted, and drawn to the order of the Board of Investment.

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

4.0 Investment in a residential property

1. 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 US dollars or its equivalent in any other freely convertible foreign currency.
2. 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.
3. 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.
4. 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.

5.0 Residency in Mauritius

1. A residence permit under the Immigration Act is granted to a non-citizen only upon acquisition of a residential property whose value exceeds USD 500,000 or its equivalent in other freely convertible currencies.
2. Where payment shall be effected in currencies other than USD, the Board of Investment will 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.
3. The residential property is deemed to be acquired and registered following payment of the relevant registration duty to the registrar general.
4. The IRS or RES 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 (Notary Certificate) to the effect that the deed drawn has been duly registered and transcribed. The certificate should include the price of the property.
5. The following documents should accompany the duly filled application form submitted for a residence permit, by main applicant and his/ her dependents, under the IRS/ RES Schemes:
 - (i) Certified true copies of passport and birth certificates for each applicant;
 - (ii) Two passport size photographs for each applicant;

- (iii) Medical Certificates for each applicant with a validity period of 6 months;
- (iv) Morality Certificates of applicants, above the age of 18, with a validity period of 6 months;
- (v) Notary certificate attesting that the deed for the residential property has been duly registered and transcribed;
- (vi) In case of a couple – a certified true copy of the marriage certificate or a ‘certificat de concubinage’ or an ‘affidavit’ whichever is applicable; and

Based on the category of application, others documents may include:

Category	Remarks
Company	(i) Board resolution from the Company’s secretary or Director nominating the non-citizen (shareholder, executive Director or CEO of the Company) as main applicant to apply for a residency (ii) Updated register of shareholders (iii) Background information/ details of the Company activities
Trust	Letter from Qualified trustee nominating a non-citizen as main applicant and who is also a beneficiary of the trust to apply for residence permit
Société	Letter from the gérant nominating a non-citizen, being an active member of the Société as main applicant, to apply for residence permit

6. The residence permit granted to the non-citizen shall remain in force until such time that the non-citizen shall hold the residential property under the scheme or the where the person nominated by the company’s secretary, director, gérant or qualified trustee, of the entity, as the case may be, informs the Board of Investment to terminate the residency.

6.0 Rental of Residential Property

The owner of a residential property shall rent his/her property through

- the IRS or RES Company as the case may be; or
- a service provider appointed by the IRS or RES Company to provide property management services.

The IRS/ RES Company must inform the Board of Investment of the service provider that has been appointed.

7.0 Sale of Serviced Land in an IRS project

1. “Serviced Land” means land, not exceeding 0.5275 hectare (1.25 arpents), with all the infrastructural works including roads, walls, drains, landscaping and utility services.
2. The amount payable for the acquisition of a plot of the serviced land is not less than 350,000 USD or its equivalent in any other freely convertible foreign currency.
3. The purchaser must construct a residential property on the serviced land within 5 years from the date of its acquisition in accordance with the architectural guidelines issued by the IRS Company.
4. **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. No plot**

of serviced land acquired shall be sold or transferred unless the construction of the residential property is completed on the plot.

8.0 Resale or Transfer of Residential Property

1. The owner of a residential property is allowed to resell his/her property.
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 or RES Company as the case may be.
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 including a company holding a Category 1 Global Business Licence from the Financial Services Commission
 - 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
4. 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.

9.0 Duty and taxes on acquisition of residential property by purchaser

Purchaser in an IRS Project

First time purchaser

Conditions	Duty payable by purchaser	Rates
Seller (IRS Company) was issued with a letter of approval or IRS certificate prior to 6 June 2008	Registration duty	USD 70,000
Seller (IRS Company) was issued with a letter of approval after 6 June 2008		USD 70,000 or 5% of the value of the property whichever is the higher

Resale of a residential property

Duties payable	Land transfer tax payable by seller	USD 50,000 or 5% whichever is the higher
	Registration duty payable by purchaser	USD 70,000 or 5% of the value of the property whichever is the higher

Purchaser in a RES project

First time purchaser

Conditions	Duty payable by purchaser	Rates
RES Company whose project has been approved prior to 30 November 2013	Registration duty	USD 25,000
RES Company whose project has been approved after 30 November 2013		USD 25,000 or 5% of the value of the property whichever is the higher

Resale of a residential property

Duties payable	Land transfer tax payable by seller	USD 25,000 or 5% of the value of the property whichever is the higher
	Registration duty payable by purchaser	USD 25,000 or 5% of the value of the property whichever is the higher