

# 2026/2027

## AXIS BUDGET BRIEF

For A Future Ready Economy

# axis

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## Introduction

The National Budget 2026/2027 introduces a broad range of proposals relating to the financial services sector, the international business community, investors and businesses operating in Mauritius.

The proposals span financial services, taxation, business facilitation, immigration, regulatory oversight and compliance, while also introducing measures relating to emerging sectors such as artificial intelligence, digital assets and private wealth management. In parallel, a number of reforms seek to strengthen transparency, governance and regulatory supervision across both the financial and corporate sectors.

This Axis Budget Brief provides an overview of the principal proposals announced in the National Budget 2026/2027 and their potential implications for the Mauritius International Financial Centre and the broader business environment.



## 01 | MAURITIUS INTERNATIONAL FINANCIAL CENTRE (IFC)

### Building the Foundations for a Future-Ready IFC

The Budget outlines Government's broader vision for a "Future Ready Economy" centred on innovation, digitalisation and investment. A key pillar of this strategy is the ambition to position Mauritius as a trusted base for artificial intelligence (AI) and cloud services. The Government has announced that it is engaging with leading American and European AI and cloud companies to explore opportunities for developing AI infrastructure and AI-enabled services serving Mauritius, the Indian Ocean region and the SADC market.

The Budget also places emphasis on expanding AI-enabled learning across the education system in Mauritius, reflecting a broader commitment to developing the skills and capabilities required to support emerging technology-driven industries.

Although these measures are not directed specifically at the financial services sector, they reflect the Government's intention to strengthen Mauritius' digital economy and technological capabilities. Over time, the development of AI infrastructure, cloud services and digital skills is expected to enhance Mauritius' attractiveness as a modern and innovation-driven International Financial Centre, particularly as financial services continue to evolve towards more technology-enabled operating models.



## 02 | FINANCIAL SERVICES SECTOR

### Strengthening the Foundations of a Modern Financial Centre

The Budget introduces a series of measures aimed at reinforcing Mauritius' reputation as a trusted International Financial Centre while preparing the financial services sector for evolving global market trends and regulatory expectations.

The Government has reaffirmed its commitment to ensuring full readiness for the 2027 ESAAMLG Mutual Evaluation, recognising the importance of maintaining robust AML/CFT standards and safeguarding Mauritius' international reputation as a well-regulated financial centre.

In addition, the Budget introduces measures to modernise the sector through new frameworks supporting stablecoins, tokenisation of real-world assets and open banking. These initiatives are intended to facilitate innovation while maintaining appropriate regulatory oversight.

#### a. Digital Finance and Fintech

### Introduction of Stablecoin and Tokenisation Frameworks

The Government will introduce a regulatory framework governing the issuance and investment in stablecoins, together with rules supporting the tokenisation of real-world assets.

The proposed framework seeks to provide greater regulatory certainty for participants operating in digital asset markets while creating opportunities for new investment structures and financing models.

### Open Banking Framework

An Open Banking Framework will be introduced to enable the secure sharing of customer financial data between licensed banks, virtual asset service providers and authorised fintech providers. The framework is expected to encourage innovation, enhance customer experience and support the development of new financial products and services within a regulated environment.

#### b. Global Business Sector - Clarification of Global Business Entity Definition

The definition of a Global Business Entity will be clarified to exclude:

- Trusts where the settlor or beneficiaries are residents of Mauritius; and
- Foundations where the founder or beneficiaries are residents of Mauritius.

This appears to be a clarification intended to ensure that domestic trusts and foundations are not treated as Global Business Entities for the purposes of the Fair Share Contribution, which was expressly stated not to apply to global business entities. Importantly, this

## 02 | FINANCIAL SERVICES ACT AMENDED (Continued)

clarification should not affect trusts and foundations established by foreign settlors or founders for non-resident beneficiaries.

### C. Asset Management and Investment Advisory Sector - Expansion of Partial Exemption Regime

The definition of core income generating activities for Investment Advisers and Asset Managers qualifying for the partial exemption regime will be broadened to include the management of non-securities instruments such as:

- Loan receivables;
- Mortgage-backed exposures; and
- Invoice financing portfolios.

The measure recognises the growing importance of alternative asset classes and private credit while enhancing the competitiveness of Mauritius as a jurisdiction for asset managers operating beyond traditional securities-based portfolios.

### d. Tax Residence Certificates - Increase in Tax Residence Certificate Fees

The fees payable for Tax Residence Certificates will increase as follows:

Applicant Type	Current Fee	New Fee
Collective Investment Schemes	USD 1,000	USD 2,000
Individuals	MUR 1,000	MUR 2,000
Other Applicants	USD 200	USD 500

While the increase represents an additional compliance cost, it is not expected to materially affect the attractiveness of Mauritius structures, given the continued importance of Tax Residence Certificates

for treaty access and international tax compliance.

### e. Insurance Sector - Captive Insurance Act Amendments

The Financial Services Commission ("FSC") will be empowered to extend filing deadlines and regulatory submission requirements where a captive insurer demonstrates valid grounds for such extension upon application.

The amendment introduces additional regulatory flexibility while recognising the practical operational challenges that may arise within captive insurance structures, without compromising regulatory oversight.

### f. Funds and Investment Structures - Variable Capital Companies (VCCs)

Protected Cell Companies (PCCs) will be permitted to convert into Variable Capital Companies while maintaining legal continuity. The Variable Capital Companies Act will be amended accordingly.

This measure enhances the flexibility of Mauritius' fund structuring framework and may facilitate the transition to structures better suited to evolving investment strategies and investor requirements.

### g. Virtual Assets - Strengthening the regulatory Framework

Amendments to the Virtual Asset and Initial Token Offering Services Act will:

- Clarify that senior executives of Virtual Asset Service Providers (VASPs) must reside in Mauritius and occupy a senior management role; and
- Prohibit unlicensed persons from soliciting investors in relation to virtual asset transactions or token offerings.

These amendments are intended to strengthen investor protection, reinforce governance requirements and support the credibility and integrity of Mauritius' virtual asset regulatory framework.



## 03 | BUSINESS FACILITATION & EASE OF DOING BUSINESS

### ECONOMIC DEVELOPMENT BOARD ACT

The Budget introduces a series of reforms to the Occupation Permit ("OP") framework aimed at simplifying existing permit categories, strengthening economic contribution requirements and enhancing Mauritius' attractiveness as a destination for investment, entrepreneurship and skilled talent.

#### a. Investor Category

The Investor Occupation Permit regime will be streamlined through the introduction of a single minimum investment threshold of USD 100,000, replacing the current dual-threshold structure.

Revised turnover requirements will also apply, with investors required to achieve annual turnover of MUR 5 million from year three and MUR 8 million from year five onwards for permit renewal purposes.

Performance indicators will also be introduced for Innovative Start-Ups.

#### b. Professional Category

The existing ProPass and Expert Pass categories will be merged into a single Professional Occupation Permit category.

A standardised minimum monthly salary threshold of MUR 50,000 will apply across all sectors, simplifying the existing framework and reducing administrative complexity.

#### c. Self-Employed Category

The minimum business income requirements applicable to self-employed permit holders will increase to MUR 2 million from year three and MUR 3 million from year five onwards for renewal purposes, reinforcing the focus on sustainable business activity and economic contribution.

#### d. Technical Category

A new Technical Occupation Permit category will be introduced under Government-to-Government arrangements.

Permits issued under this category will be granted for an initial period of three years and may be renewed thereafter.

#### e. Family Occupation Permit

The Family Occupation Permit category will be abolished as part of the broader rationalisation of the Occupation Permit framework.

### Acquisition of Residential Property under EDB Schemes

The Budget announces a review of the duties and taxes applicable on the transfer of residential properties under Economic Development Board ("EDB") approved property schemes, including the IRS, RES, PDS, Smart City and G+2 schemes.

### 03 | BUSINESS FACILITATION & EASE OF DOING BUSINESS (Continued)

While the specific amendments have not yet been announced, the measure is expected to revisit the current fiscal framework applicable to residential property transactions.

Under the existing regime, non-citizens acquiring residential property under approved EDB schemes are subject to a registration duty of 10% of the property value, while sellers are generally liable to land transfer tax of 5%, which may increase up to 10% depending on the scheme and the date of the transaction.

#### Special Economic Zone at Côte d'Or – Incentives for AI and Digital Technology Investments

The Budget introduces a dedicated incentive scheme aimed at attracting investment in artificial intelligence (AI), digital technologies and supporting infrastructure within the Special Economic Zone ("SEZ") at Côte d'Or.

Projects seeking to benefit from the scheme will be required to align with the SEZ masterplan and comply with prescribed sustainability standards, including internationally recognised certifications such as LEED or equivalent.

Eligible developments will also be expected to:

- Incorporate modern digital infrastructure;
- Include renewable energy generation capabilities; and
- Demonstrate a commitment to the employment and training of Mauritian nationals.

A comprehensive package of incentives will be available to developers, operators, founders and financiers.

Key incentives include:

- 100% foreign ownership of qualifying projects;
- Special electricity tariff applicable to data centre operations;
- Reliefs and exemptions from specified duties and taxes;
- VAT recovery on buildings and capital expenditure; and
- Fast-track work and occupation permit processing for foreign construction contractors and specialised technical personnel.

Additional incentives for developers include:

- Concessionary rental rates equivalent to 40% of market value for a period of 10 years; and
- Long-term land leases of 30 years, renewable for two additional consecutive periods of 30 years each.

#### Golden Visa Scheme

The Budget introduces a new Golden Visa Scheme aimed at attracting high-net-worth individuals and strategic investors to Mauritius.

Under the Scheme, a Golden Visa may be granted to an individual who undertakes to invest a minimum of USD 1 million within the first 12 months of residence in Mauritius in priority sectors, including FinTech, global treasury, artificial intelligence, biotechnology and renewable energy.

Golden Visa holders will be entitled to reside in Mauritius for up to two years, renewable thereafter, and will benefit from the same tax treatment currently available to Premium Visa holders.

The Scheme will also be enhanced to allow investors who complete the qualifying investment of USD 1 million may apply for a Permanent Residence Permit. In addition, work permits for accompanying domestic workers will be processed within five working days.



## 04 | CORPORATE & REGULATORY FRAMEWORK

The Budget introduces a number of amendments to the Companies Act and related legislation aimed at enhancing business facilitation, strengthening corporate transparency and reinforcing beneficial ownership compliance requirements.

Key measures include:

- Greater administrative flexibility through the recognition of business registration cards displayed in any format at a company's principal place of business.
- Removal of the requirement for Global Business Companies and Authorised Companies issuing debentures exclusively outside Mauritius to appoint a Debenture Holders' Representative, thereby reducing compliance costs for international issuers.
- Extension of the company and partnership name reservation period from two months to six months, providing promoters with additional time to complete incorporation and structuring arrangements.
- Enhanced beneficial ownership transparency through the requirement for companies, partnerships and foundations to record the date of birth of beneficial owners and ultimate beneficial owners in their registers. Existing entities will have until 30 June 2027 to comply.
- Extension of beneficial ownership registration and filing obligations to Sociétés, bringing these structures within the broader transparency framework.
- Greater recognition of foreign corporate documentation, with the Registrar empowered to accept equivalent official documents issued by foreign authorities, including electronic registration confirmations and extracts from official registries.
- An increase in the turnover threshold for classification as a small partnership from MUR 50 million to MUR 100 million, enabling a larger number of partnerships to benefit from simplified compliance requirements.
- Strengthened AML/CFT oversight through the inspection of Charitable Foundations that qualify as non-profit organisations under the Financial Intelligence and Anti-Money Laundering Act.
- Enhanced enforcement provisions for Company Service Providers, with non-compliance with registration requirements under the Companies Act attracting penalties of up to MUR 200,000 upon conviction.

## 05 | PRIVATE CLIENT & WEALTH MANAGEMENT

### Private Wealth Management

The Budget introduces a Private Wealth Management Licence, reflecting the government's commitment to positioning Mauritius as a leading jurisdiction for wealth management and family office services.



## 06 | COMPLIANCE & REGULATORY DEVELOPMENTS

### a. Government's Direction for the Sector

The Budget reaffirms the Government's commitment to safeguarding Mauritius' reputation as a trusted and well-regulated International Financial Centre while ensuring readiness for the 2027 ESAAMLG Mutual Evaluation.

At the same time, it introduces measures aimed at modernising the banking legislative framework and supporting the continued development of digital finance activities, including stablecoins and tokenised assets. The overall objective is to maintain competitiveness while promoting innovation and strong regulatory standards.

### b. Modernised Banking Law

New Bank of Mauritius and Banking Bills, together with a Resolution Regime, are expected to be introduced before the end of 2026, replacing legislation dating back to 2004. These reforms are intended to strengthen governance, supervision, consumer protection and financial stability.

Key measures include:

- Allowing Government capital injections into the Bank of Mauritius and strengthening governance requirements for the Banking Services Review Panel.

- Expanding exceptions to banking confidentiality to support investigations by the Financial Crimes Commission and the enforcement of sanctions legislation.
- Introducing a Threat Intelligence Sharing Platform to enhance cybersecurity cooperation among banks.

### c. FSC Regulatory Enhancements and Global Business Developments

The FSC will receive enhanced supervisory and enforcement powers, including the ability to conduct inspections on behalf of foreign regulators, empower designated FSC officers to issue directions to Global Business Licensees where no Chief Executive is in office, and take action against misleading advertisements.

A new conservatorship framework will enable the FSC to appoint conservators to manage licensees experiencing financial or operational difficulties, thereby safeguarding clients, creditors and assets.

To support the continued development of the financial services sector, the Budget also introduces the following measures:

- A new Private Wealth Management Licence to support the development of wealth management and family office services.

## 06 | COMPLIANCE & REGULATORY DEVELOPMENTS (Continued)

- The establishment of a National Fintech Governance Committee and a common fintech licensing framework.
- Processing of regulatory applications and filings through the FSC One Platform.
- Captive insurance reforms providing greater operational flexibility and extending certain tax incentives. Recognition of MINDEX as an official exchange and clearing facility.
- The ability for Protected Cell Companies to convert into Variable Capital Companies while preserving legal continuity, providing greater flexibility for evolving investment structures.

### d. Key AML/CFT Reforms and Mutual Evaluation Preparations

Mauritius remains Compliant or Largely Compliant with all FATF Recommendations. The focus is now on demonstrating the effectiveness of its AML/CFT framework ahead of the 2027 ESAAMLG Mutual Evaluation.

Key initiatives include:

- Implementation of a National AML/CFT/CPF Strategy (2026–2029).
- Amendments to the Financial Intelligence and Anti-Money Laundering Act ("FIAMLA") to strengthen the FSC's enforcement powers and clarify regulatory obligations.
- Establishment of a National Crime Agency to centralise the investigation of serious financial crimes. Enhanced AML/CFT requirements for jewellery dealers through strengthened record-keeping obligations and enforcement powers.
- Companies, Partnerships and Foundations will be required to record additional beneficial ownership information, including dates of birth, while beneficial ownership filing obligations will be extended to Sociétés.

- Greater use of technology and artificial intelligence by regulators and the Financial Intelligence Unit to strengthen supervision and improve the detection of suspicious activities.

### e. Strengthening the Digital Asset Ecosystem

The Budget introduces a clearer regulatory framework for stablecoins and tokenised assets to support innovation while maintaining market integrity.

Other measures include:

- An Open Banking Framework to facilitate the secure sharing of customer data between banks, fintech operators and virtual asset service providers.
- Enhanced regulatory requirements for virtual asset service providers, including local senior management presence and restrictions on unlicensed solicitation.
- Deployment of artificial intelligence tools by the FSC to enhance stakeholder engagement.
- Implementation of the OECD Crypto-Asset Reporting Framework to facilitate the automatic exchange of tax information.

Further guidance is expected following the enactment of the Finance Act 2026, including confirmation of the final legislative provisions and their effective dates.



## 07 | TAXATION

The Budget introduces a range of tax measures relating to corporate taxation, value added tax, personal taxation and tax administration. The proposals seek to strengthen the tax framework, align certain provisions with international standards and refine existing tax incentives and compliance obligations.

### a. Income Tax Measures

The Budget introduces a number of changes to the income tax framework affecting companies, investment structures and specific industry sectors.

Key measures include:

- The Fair Share Contribution applicable to companies will henceforth be determined by reference to chargeable income exceeding Rs 24 million in an accounting year only. The previous additional requirement for the company to have supplies exceeding Rs 24 million or to be VAT registered will no longer apply.
- The Corporate Climate Responsibility (CCR) levy will become payable quarterly under the Advance Payment System (APS), phased in at 25% in FY 2026/27, 50% in FY 2027/28, 75% in FY 2028/29 and fully from FY 2029/30. Unused tax credits, including foreign tax credits, will no longer be available for offset against the CCR levy. This will increase the effective tax liability of structures relying on foreign tax credits.
- Non-resident companies supplying software, software licences, applications, software maintenance or remote maintenance of programmes and ICT equipment will be subject to income tax in Mauritius, subject to relief available under an applicable Double Taxation Avoidance Agreement.
- The partial exemption regime for Investment Advisers and Asset Managers will be broadened. Their core income-generating activities will now include the management of non-securities instruments such as loan receivables, mortgage-backed exposures and invoice financing portfolios.
- The investment tax credit for manufacturing companies will be extended for qualifying investments made up to 30 June 2029. A credit of 15% per year over three years, representing 45% in total, will apply to new plant and machinery (excluding motor cars), artificial intelligence solutions and patents. Unrelieved credits may be carried forward for ten years.
- The Qualified Domestic Minimum Top-up Tax (QDMTT) provisions will be refined to align with the OECD GloBE rules. Investment funds and real estate investment vehicles that are parent entities of multinational groups will be exempt; intra-group consolidation adjustments will be recognised; the return will be due within 15 months; amended returns may be submitted

## 07 | TAXATION (Continued)

within three years; and the non-payment penalty will be reduced from 5% to 2.5%.

- For hotels, the annual allowance on capital expenditure will be reduced from 30% to 15%. The 150% deduction for cleaning, renovation and embellishment works will be removed from 1 July 2026. The double deduction for expenditure under Joint Tertiary Education contracts with African universities will also be withdrawn from that date.
- Companies will be permitted to apply only up to 25% of their Corporate Social Responsibility Fund directly towards eligible programmes. At least 75% will have to be remitted to the National Social Inclusion Foundation through the MRA, compared with the current 50:50 allocation.
- The commencement date of an income tax exemption granted under an EDB Investment Certificate will be the date operations start rather than the date of incorporation. In addition, the ten-year tax holiday for captive insurers licensed before 19 June 2026 will be extended by five years.
- The definition of a Global Business Entity will be clarified to exclude a trust where the settlor or beneficiaries are resident in Mauritius and a foundation where the founder or beneficiaries are resident in Mauritius.

### b. Personal Tax

The Budget introduces a limited number of measures affecting the taxation of individuals.

Key measures include:

- Existing rates will remain unchanged for individuals with chargeable income not exceeding Rs 12 million: the first Rs 500,000 will be exempt, the next Rs 500,000 will be taxed at 10%, and income above Rs 1 million up to Rs 12 million will be taxed at 20%.

- The existing rates will remain unchanged for individuals with chargeable income not exceeding Rs 12 million: the first Rs 500,000 will be exempt, the next Rs 500,000 will be taxed at 10%, and income above Rs 1 million up to Rs 12 million will be taxed at 20%.
- As from 1 July 2026, chargeable income exceeding Rs 12 million will be taxed at 35%. This new band will replace the 15% Fair Share Contribution applicable to individuals.
- The exemption threshold for a lump sum received as pension, retiring allowance or severance allowance will increase from Rs 3 million to Rs 3.5 million. A four-year income tax exemption will also be granted to qualifying expatriate employees of companies manufacturing solar photovoltaic systems.

### c. Value Added Tax (VAT) Measures

The Budget introduces a number of measures affecting VAT treatment, compliance requirements and the administration of the VAT regime.

Key measures include:

- Services supplied by a management company to a Global Business Licence holder, a qualifying non-resident trust or a qualifying non-resident foundation will be VAT exempt instead of zero-rated. As exempt supplies limit input VAT recovery, this change will further increase cost of management companies.
- Payment services supplied to a Global Business Licence holder by a payment service provider licensed by the Bank of Mauritius will be zero-rated for VAT purposes.
- A foreign supplier of digital or electronic services will not be required to register for VAT where its annual taxable supplies do not exceed Rs 3 million or where it supplies exclusively to VAT-

## 07 | TAXATION (Continued)

registered customers. In the latter case, the reverse charge mechanism will apply.

- Foreign suppliers will no longer be required to appoint a local tax representative, and online marketplaces and digital platforms will expressly fall within the scope of the rules.
- Where neither an invoice has been issued nor payment received, the VAT time of supply will be deemed to occur three months after delivery of the goods or performance of the services.
- The period for claiming previously unclaimed input VAT will be reduced from 36 months to 24 months, making timely VAT reconciliations increasingly important.
- VAT-registered hotels and tourist residences will be required to remit 50% of the VAT collected on accommodation services in foreign currency.
- Electronic books will become exempt, while postal services and common salt will become zero-rated.
- The VAT exemption for photovoltaic systems will be clarified to include panels, batteries, generators and inverters.

### d. Tax Administration

The Budget introduces several measures aimed at strengthening tax administration, improving compliance and enhancing the Mauritius Revenue Authority's enforcement powers.

Key measures include:

- The MRA will be empowered to raise an assessment beyond the normal statutory time limit in cases of fraud or wilful neglect.
- Where an enquiry, investigation or criminal proceeding is discontinued, or a Court decision is obtained, the period available to the MRA to issue an assessment or claim will increase from one year to two years.
- A new Compliance Agreement framework will allow the MRA and a taxpayer to agree the tax, interest and payment terms before an assessment or claim is issued. The agreement will be binding and the taxpayer will waive objection and appeal rights on the agreed matters. Penalties may be waived where the taxpayer has fully cooperated during the audit.
- Personal liability for a company's unpaid income tax will be restricted to principal officers holding an executive management position, aligning the Income Tax Act with the approach under the VAT Act.
- Tax Deduction at Source (TDS) will be extended to software and ICT-related services supplied under a single contract exceeding Rs 300,000, at a rate of 1%.
- A 5% TDS will also apply to advertising, promotional, endorsement, digital content and marketing services provided through social media or similar electronic platforms.
- The MRA's information-gathering powers will be strengthened. The CWA and CEB will report customers paying more than Rs 100,000 annually, insurers will report vehicles insured above Rs 2 million, and the MRA will obtain electronic access to civil status information.
- Mauritius will also implement the OECD Crypto-Asset Reporting Framework.
- Tax Residence Certificate fees will increase to USD 2,000 for collective investment schemes, Rs 2,000 for individuals and USD 500 for other applicants.
- VAT ruling fees will increase to Rs 5,000 for individuals and Rs 75,000 for companies, sociétés and trusts.
- VAT compliance sanctions will be strengthened, including higher penalties for failure to provide information or records, obstruction of an MRA inspection, failure to issue fiscal invoices and failure to use e-invoicing when required.



# Conclusion

The National Budget 2026/2027 introduces a broad range of measures aimed at supporting investment and innovation, while also strengthening regulatory oversight, transparency and compliance requirements.

Several proposals are intended to facilitate investment, business establishment and the development of new sectors, particularly in the areas of technology, digital finance and private wealth management. At the same time, a number of measures will increase compliance obligations, reporting requirements and operational costs for certain businesses and market participants.

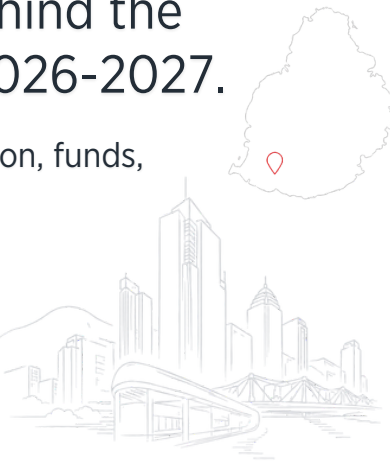
As the proposals announced in the Budget will be implemented through the Finance Act 2026 and, where applicable, supporting regulations and guidelines, further clarity will be required on a number of measures before their full impact can be assessed.

# Meet Our Team

Meet the experts behind the **Axis Budget Brief 2026-2027.**

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2026/27



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