



COUNTRY GUIDE: MAURITIUS

global@zapeo.net

<https://zapeo.net/mauritus/>

TABLE OF CONTENTS

● About us	Page 1
● Work Permits/VISA	Page 2
● Employment contracts	Page 3
● Paid time off	Page 4
● Employee benefits	Page 5
● Tax	Page 6
● Payroll	Page 7
● Legislation and statutory bodies	Page 8

ABOUT US

ZAPEO is an International PEO co-employer providing Employer of Record (EOR) Services in more than 113 countries around the world.

As an EOR, we provide employment contracts, payroll employees, pay over any taxes and statutory contributions and provide sponsorship for visa applications in order to comply with specific laws and regulations in the country.

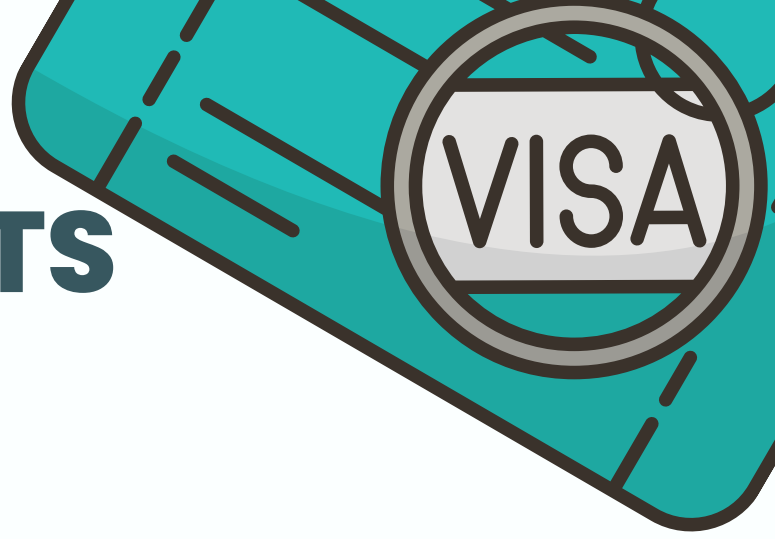
We also assist with onboarding and termination of both local or expatriate employees.

BENEFITS

- Legal compliance
- Time and cost savings
- Access to global talent
- Flexibility
- Reduced liability
- Expertise



WORK PERMITS AND VISAS



The majority of workers will require a Work Permit. In addition to this document, they will need to secure a Residence Permit.

Work permits and occupation permits are not the same thing in Mauritius. A work and residency permit that permits foreign nationals to live and work in Mauritius is known as an occupation permit. This permission, however, is only accessible to applicants who fit into one of three categories: sponsored professionals, investors, or self-employed employees. To be eligible for a work visa in Mauritius, the candidate must be between the ages of 20 and 60. Workers with special knowledge may be exempt from this requirement.

EMPLOYMENT CONTRACTS



Probation period

The normal probation time in Mauritius runs from one to three months, based on the parameters agreed upon.

Notice period

The desire to discontinue employment might be communicated verbally or in writing. If a worker has been with the same employer for at least three years, at least three months' notice is required. In all other cases, shorter notice periods are required. If the employee is paid monthly or fortnightly, notice must be provided at least 14 days before the end of the calendar month; if the worker is paid at intervals shorter than 14 days, notice must be at least equal to the interval at which pay is paid. When dismissal is for gross misbehavior, no notice is necessary.

Minimum wage

The minimum pay for export workers is 9000 Mauritius rupees and 9700 rupees for non-export workers.

Working hours and overtime

The usual working week in Mauritius is 45 hours, excluding lunch and tea breaks. Overtime pay is normally determined over a two-week period. It applies if an employee works more than 90 hours in two weeks and is paid at 1.5 times the regular hourly rate. Overtime employment in Mauritius includes working on a public holiday or on a Sunday. And the salary is double the standard hourly amount. Every seven days, the employee must take at least 24 hours off. Unless the employer's activities need a seven-day week, the rest day must be on Sundays.

Termination

Employment contracts can be canceled with the following verbal or written notice: If you have been working for more than three years: three months' notice Fewer than three years of service: if paid in 14-day intervals, at least 14 days' notice before the end of the month; if paid in less than 14-day intervals, at least one pay interval. Employees are generally entitled to severance compensation depending on their length of employment, cause for termination, and pay interval.

Severance

Fixed-term contracts expire at the end of the period or upon renewal. Unless the parties agree differently, no severance payout is necessary in this scenario. Severance compensation is necessary when an indefinite term contract is terminated by the employer without cause or by the employee.

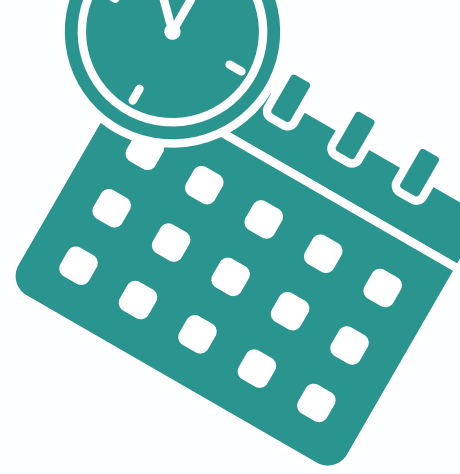
Non-compete clause

Employers can impose restrictions on employees through non-compete agreements or a clear condition in the employment contract.

Collective bargaining

Collective bargaining agreements must be for a period of at least one year, and they must include a provision for a final and conclusive resolution of any disputes between persons to whom the agreement applies.

PAID TIME OFF



Annual Vacation

Every employee, other than a part-time employee, who stays in continuous employment with the same employer for a period of 12 consecutive months is entitled to 20 working days' annual leave.

Sick

Except for part-time employees, every employee is entitled to 15 days of paid sick leave after 12 months of continuous service. If the employee has not taken sick leave in the previous year, any unused sick time is accrued up to a maximum of 90 working days.

Maternity

A female employee who has worked consistently for one year is entitled to 14 weeks of paid maternity leave, with up to seven weeks used before giving birth. To confirm the pregnancy, the employee must get a medical certificate. The employee is entitled to MUR 3,000 in maternity leave within seven days after giving birth.

Paternity

After 12 months of employment, male workers are entitled to five days of unpaid maternity leave.

Family

A female employee who adopts a child under the age of 12 months and has worked for the same company for 12 consecutive months is entitled to 14 weeks of paid leave. The employee must submit a certified copy of the court order as well as a copy of the child's birth certificate.

National Holidays

Mauritius has a total of 15 public holidays which are paid.

Other Paid Time Off

Employees who miscarry are entitled to two weeks' leave immediately following the occurrence. The two weeks have been paid in full.

EMPLOYEE BENEFITS



Statutory

Unemployment

Employee - 1% of monthly covered earnings.

Employer - 2.5% of monthly covered payroll; none for persons age 65 or older.

Workers compensation

Employee - 3% every month

Employer - 6% every month

Social Security

Employees - 3% of monthly covered wages.

Employers - 6% of monthly covered payroll; 10.5 % for millers and major sugar businesses.

Retirement

Covered by Social Security.

Health

Mauritius has a public healthcare system that is free of charge for its citizens.

Private

Workers compensation

Private worker's compensation available.

Retirement

Private retirement schemes available.

Health

Private health insurance available.

Life

Private life insurance available.

TAX



Personal Income Tax (PIT)

- **Tax year** : Mauritius fiscal year runs from 1st July to 30th June .
- **Tax rate** : 10% on yearly net income of up to 650,000 Mauritian rupees earned by an individual (MUR). Net income in excess of MUR 650,000 will be taxed at a rate of 15%.
- **Tax method** : Taxes are levied on income earned during the calendar year. The taxation method is progressive in Mauritius.
- **Tax residency requirements** : Individuals who are domiciled in Mauritius, spend 183 days or more in an income year in Mauritius, or have a total presence in Mauritius of at least 270 days in the tax year and the two preceding tax years are considered residents.
- **Double taxation agreements (DTA's)** : Mauritius has multiple double taxation agreements.

Investment Income Tax

There is no tax on capital gains in Mauritius. Corporations, whether resident or not, are excluded from paying tax on dividends received from resident companies. Interest from a resident firm is subject to a 15% tax rate.

Taxable Income

Non-residents are solely taxed on income earned in Mauritius. Employment income, pensions, income from a trade or profession, rent, and interest are all examples of taxable income. Rates: The usual rate is 15%, although persons with an annual net income of less than MUR 650,000 qualify for a 10% reduction.

PAYROLL



Payroll Elements

- **Income:** Salary, earnings, bonuses, overtime pay, taxable benefits, allowances, and certain lump sum perks are examples of remuneration (revenue from employment). Profits or losses made by a company or trade. Income or profits derived from an individual's status as a trust beneficiary.
- **Deductions:** Only residents of Mauritius for the fiscal year ending 30 June 2022 are eligible to claim an income exemption threshold, additional exemption for dependent child studying undergraduate course, or relief for interest paid on housing loan.
- **Benefits in Kind:** Car or housing allowances.
- **Employer contributions:** Workers compensation, unemployment and social security.

Payroll Taxes

Employees contribute a minimum of 3% of their pensionable earnings to the National Pension Scheme (NPS), while employers contribute at least 6% of the employee's pensionable earnings.

Payroll Calendar

Employees are not required to be paid on a set schedule. Payrolls can be done weekly, biweekly, fortnightly, or monthly.

LEGISLATION AND STATUTORY BODIES



LEGISLATION

- The Employment Rights Act 2008
- The Employment Relations Act 2008
- The Labor Act 1975
- The Non-Citizens (Employment restriction) Act 1970
- The End of Year Gratuity Act 2001

STATUTORY BODIES

- Mauritius Revenue Authority
- Social Security Fund Authority



Contact us today for further
information or a **FREE**
simulation.



LinkedIn



Simulation request



global@zapeo.net
