

Tax Alert

Issue 95 | September 2025



Non-citizens in Mauritius: Changes to Residency and Property Ownership Rules post the Finance Act 2025

The Finance Act (“FA”) 2025 introduced important changes to the immigration and property ownership framework for non-citizens in Mauritius. The salary and turnover thresholds to obtain Occupation Permits have been revised upwards, and the minimum period for holding a Resident Permit or Occupation Permit before applying for a Permanent Residence Permit has been extended from three to five years.

With respect to property taxes, taxes on transactions by non-citizens will increase from 5% to 10% for both registration duty on acquisitions and land transfer tax on sale of residential properties. The new rates will apply on deeds registered on or after 1 July 2026, even if the reservation agreement or promise of sale was signed beforehand. The previously proposed land transfer tax based on the higher of 10% of the property value or 30% of resale profit on the resale of residential property under EDB scheme, announced in the 2025–2026 Budget Speech, has not been implemented. This is a positive step in maintaining Mauritius’s reputation as a capital gains tax-free jurisdiction.

The Smart City Scheme remains open to non-citizens, but its tax incentives have been reviewed. Companies issued with letters of comfort before 5 June 2025 will continue to benefit from the existing incentives, while those issued with letters of comfort after 5 June 2025 will benefit only from tax incentives relating to public road or transport terminal projects.

These policy changes call for employers intending to hire non-citizens to take note of the new thresholds, and for non-residents wishing to acquire residential property to act promptly before the new rate of 10% takes effect.

1. Occupation Permit (“OP”)

Category	Prior to FA 2025	Post FA 2025
Professional OP	<ul style="list-style-type: none"> Minimum monthly basic salary of MUR 22,500 	<ul style="list-style-type: none"> Minimum monthly basic salary of MUR 30,000
Expert OP	<ul style="list-style-type: none"> Minimum monthly basic salary of MUR 50,000 	<ul style="list-style-type: none"> Minimum monthly basic salary of MUR 250,000
Self employed OP	<ul style="list-style-type: none"> Initial investment of USD 35,000 Renewal: Minimum business income of MUR 800,000 per year from Y3 Services sector only 	<ul style="list-style-type: none"> Initial investment of USD 50,000 Income: MUR 750,000 in Y1 & cumulative MUR 6m by Y5 3 Letters of Intent (2 from local clients) Renewal: Minimum Business income of MUR 1.5m per year from Y6 Services sector only
Dependent child of OP holders	<ul style="list-style-type: none"> No age limit 	<ul style="list-style-type: none"> Below 24 years old

1. Occupation Permit (Cont.)

Category	Prior to FA 2025	Post FA 2025
Investor OP	<ul style="list-style-type: none"> Initial investment of USD 50,000 Renewal: Minimum annual turnover of MUR 4m per year from Y3 	<ul style="list-style-type: none"> Initial investment of USD 50,000 or USD 100,000 (two options available) Renewal: Minimum annual turnover of MUR 5m from Y6
Investor OP (Alternative option)	<ul style="list-style-type: none"> Option 1: Net asset value of USD 50,000 for existing/inherited businesses with cumulative turnover of MUR 12m during the 3 years preceding the application Option 2: USD 50,000 investment with at least USD 25,000 transferred within 60 days; balance in high-tech equipment 	<ul style="list-style-type: none"> Removed
Investor OP for innovative start-ups	<ul style="list-style-type: none"> Submission of an innovative project to the EDB, or registration with an accredited incubator in Mauritius 	<ul style="list-style-type: none"> No change
Family OP	<ul style="list-style-type: none"> Contribution of USD 250,000 or equal in convertible foreign currency into a COVID-19 Projects Development Fund 	<ul style="list-style-type: none"> No change
Young professional OP	<ul style="list-style-type: none"> Holder of at least an undergraduate degree from a local university or tertiary institution 	<ul style="list-style-type: none"> No change
Short term professional OP	<ul style="list-style-type: none"> Valid up to 9 months, extendable once by 3 months 	<ul style="list-style-type: none"> No change

2. Permanent Residence Permit (“PRP”)

Category	Prior to FA 2025	Post FA 2025
Professional PRP	<ul style="list-style-type: none"> Holder of OP for at least 3 years Basic monthly salary of MUR 150,000 for the 3-year period 	<ul style="list-style-type: none"> Holder of OP for at least 5 years Monthly basic salary of at least MUR 400,000 for 5 years
Investor PRP	<ul style="list-style-type: none"> Holder of OP for at least 3 years Annual turnover of at least MUR 15m per year for 3 years, or aggregate Minimum investment of USD 375,000 in an approved sector 	<ul style="list-style-type: none"> Holder of OP for at least 5 years Minimum annual turnover of MUR15m for 5 years, or aggregate MUR 75m over 5 years
Self employed PRP	<ul style="list-style-type: none"> Holder of OP for at least 3 years Annual turnover of at least MUR 3m income for those 3 years 	<ul style="list-style-type: none"> Holder of OP for at least 5 years Annual turnover of at least MUR 3m for 5 years or aggregate MUR 15m over 5 years
Retired non-citizen PRP	<ul style="list-style-type: none"> Holder of Residence Permit for at least 3 years Transfer of at least USD 54,000 over 3 years 	<ul style="list-style-type: none"> Holder of Residence Permit for at least 5 years Transfer of at least USD 200,000 over 5 years

3. Property Taxes: EDB property schemes and other approved schemes for non-citizens

Tax Type	Incurred by	Prior to FA 2025	Post FA 2025
Registration Duty	<ul style="list-style-type: none"> Buyer (non-citizens) 	<ul style="list-style-type: none"> 5% 	<ul style="list-style-type: none"> 10%
Land Transfer Tax	<ul style="list-style-type: none"> Seller, applicable to both citizens and non-citizens Applies on sale to non-citizens only 	<ul style="list-style-type: none"> 5% 	<ul style="list-style-type: none"> 10%

Effective: Deeds registered on or after 1 July 2026

The new rates apply on purchase and sale of residential property under the EDB Property scheme or other approved schemes such as apartments on ground plus two. The EDB Property Scheme includes the Smart City Scheme, Property Development Scheme, Real state Scheme and the Invest Hotel Scheme.

4. Property Taxes: Smart City Scheme

Introduction of smart city fee	Letter of comfort issued before 5 June 2025	Letter of comfort issued on or after 5 June 2025
Smart city companies/developers holding an Smart City Scheme (SCS) certificate issued on or after 5 June 2025 (2025-2026 budget date) are now required to pay the smart city fee to the EDB which shall be similar to morcellement fee.	Tax incentives remain unchanged for smart city companies/developers issued with letter of comfort before 5 June 2025 (budget date). The tax incentives include 8-year tax holiday, accelerated annual allowance, full repayment of input VAT, exemption for customs duty, LTT & registration duty, land conversion tax, morcellement fees, amongst others.	Smart city companies/developers issued with letter of comfort on or after 5 June 2025 will be eligible for the same tax incentives. However, the tax incentives will be limited to projects relating to public roads or transport stations/terminals.

We hope this tax alert provides valuable insights to help you navigate recent developments. If you have any questions or would like assistance in assessing how these changes might impact your plans, please do not hesitate to reach out to us.



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