

Government Notice No. 79 of 2022

THE ECONOMIC DEVELOPMENT BOARD ACT

Regulations made by the Minister under section 40 of the Economic Development Board Act

1. Short title

These regulations may be cited as the Economic Development Board (Real Estate Development Scheme) Regulations 2022.

2. Interpretation

In these regulations –

“Act” means the Economic Development Board Act;

“common law partner” means a non-citizen who –

- (a) lives with a purchaser as spouse (*en concubinage*); and
- (b) holds, at the time of application under regulation 7, a *certificat de concubinage*, or other document, attesting such relationship with the purchaser, duly certified by a law practitioner or civil status authority from the country of residence of the purchaser;

“Contribution” means the IRS Social Contribution;

“IRS” means the Integrated Resort Scheme;

“IRS Company” means a company that holds an IRS certificate;

“IRS Social Contribution” means the Contribution referred to in regulation 4;

“non-citizen” –

- (a) means any person, other than a citizen of Mauritius; but

(b) does not include a prohibited immigrant;

“prohibited immigrant” has the same meaning as in the Immigration Act;

“purchaser” means any person who acquires a residential property under an IRS or RES;

“qualified trustee” has the same meaning as in the Trusts Act;

“RES” means the Real Estate Scheme;

“RES Company” means a company that holds an RES certificate;

“residential property”, in relation to an IRS or RES, means any apartment, luxury villa, penthouse or such other similar property, used, or available for use, as residence;

“serviced land” means land on which all infrastructural works, including roads, walls, drains, landscaping and utility services, have been completed;

“trust” has the same meaning as in the Trusts Act.

3. Real Estate Development Scheme

The Real Estate Development Scheme shall apply to a company to which an IRS certificate or RES certificate is issued.

4. IRS Social Contribution

(1) Every IRS Company shall –

(a) set up an IRS Social Contribution to implement a social programme identified in the social needs assessment; and

(b) where the IRS Project is implemented, provide for social amenities, community development and any

other facilities for the benefit of the neighbouring community.

(2) Every IRS Company to which a certificate is issued on or after 14 October 2005 shall, in respect of every residential property, contribute 200,000 rupees for the IRS Social Contribution.

5. Implementation of project

- (1) Every IRS Company or RES Company shall, at all times –
 - (a) be responsible for the execution of the whole IRS project or RES project; and
 - (b) be answerable to the Economic Development Board for its proper implementation in accordance with the IRS certificate or RES Certificate, as the case may be.
- (2) The IRS Company or RES Company shall –
 - (a) not make any alteration to the components of the IRS project or RES project without the prior approval of the Board;
 - (b) within one month after the end of every quarter, starting from the first quarter immediately following the date of issue of the IRS certificate or RES certificate, submit to the Chief Executive Officer, a progress report in respect of –
 - (i) the implementation of the IRS project or RES project;
 - (ii) the social programme implemented by the IRS Company.

6. Persons eligible to acquire residential property

No person shall acquire a residential property under the IRS or RES, unless the person is –

- (a) a non-citizen;
- (b) a citizen of Mauritius;
- (c) a company;
- (d) a *société*, where its deed of formation is deposited with the Registrar of Companies;
- (e) a trust, where the trusteeship services are provided by a qualified trustee;
- (f) a limited partnership; or
- (g) a Foundation.

7. Application to acquire residential property

(1) Any person who intends to acquire a residential property under IRS or RES shall, through the IRS Company or RES Company, as the case may be, make an application to the Chief Executive Officer in such form and manner as the Chief Executive Officer may determine.

(2) The application under paragraph (1) shall be accompanied by a non-refundable processing fee of 10,000 rupees in respect of every residential property.

8. Acquisition of residential property

(1) Every person shall, for the purpose of acquiring a residential property under IRS, pay a sum of not less than 500,000 US dollars.

(2) Where the acquisition of a residential property under IRS or RES is made by a non-citizen, the amount payable shall be in US dollars or its equivalent, in any other hard convertible foreign currency or in Mauritius currency.

(3) Where the payment for the residential property is made in any hard convertible foreign currency, other than US dollars or in Mauritius currency, the exchange rate applicable for the calculation of the US dollar equivalent to the amount specified in paragraph (1) shall be the selling exchange rate in force at the time the title deed is signed.

(4) Where payment for the acquisition is made in accordance with paragraph (2), the amount for the acquisition of the property and the registration duty payable under the Registration Duty Act shall be financed by the purchaser –

- (a) from funds outside Mauritius and transferred to Mauritius through any reputable bank listed in the Banking Almanac recognised by the Bank of Mauritius; or
- (b) from loans contracted in Mauritius currency with a bank in Mauritius, provided that –
 - (i) the first 500,000 US dollars is paid to the IRS Company or RES Company in US dollars or its equivalent in any other hard convertible foreign currency; and
 - (ii) the repayment of the loan is effected in any hard convertible foreign currency.

(5) The acquisition of a residential property under IRS or RES may be made either on the basis of a plan during the construction phase or when the construction is completed.

(6) Where the acquisition of a residential property is made on the basis of a plan or during the construction phase, it 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 Articles 1601-1 to 1601-45 of the Code Civil Mauricien.

9. Residence permit

(1) Any non-citizen who acquires a residential property under IRS or RES for the sum of not less than 375,000 US dollars or its equivalent in any other hard convertible foreign currency may, subject to the Immigration Act, make an application, through the Chief Executive Officer, for the status of resident in respect of –

- (a) himself;
- (b) his spouse or common law partner;
- (c) the child, stepchild or lawfully adopted child, under the age of 24, of a person to whom subparagraph (a) or (b) applies; and
- (d) a wholly dependent next of kin of the person, where he is unmarried, provided that the number of dependents does not exceed 3.

(2) For the purpose of section 6(1A) of the Immigration Act, the Chief Executive Officer shall, where a non-citizen who has acquired the status of resident, following an application under paragraph (1), no longer satisfies the requirements of IRS or RES, forthwith inform the Ministry responsible for the subject of immigration accordingly.

10. Letting of residential property

No owner of a residential property under IRS or RES shall offer the property for letting, other than through –

- (a) an IRS Company or RES Company; or

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- (b) such service provider for property management services, as an IRS Company or RES Company, as the case may be, may determine.

11. Resale of residential property

(1) Where the owner of a residential property under IRS or RES intends to sell or transfer the property, he shall, within 30 days prior to the sale, give notice, in writing, to the Chief Executive Officer.

(2) No sale or transfer shall be made pursuant to paragraph (1) unless –

- (a) the sale or transfer is made to a person referred to in regulation 6;
- (b) the acquisition of the residential property is in conformity with the relevant provisions of these regulations, except that –
 - (i) the application for the acquisition shall be made to the Chief Executive Officer without having to forward it through the IRS Company or RES Company;
 - (ii) the minimum amount specified in regulation 8(1) shall not apply; and
- (c) the applicant pays a non-refundable processing fee of 10,000 rupees to the Economic Development Board.

12. Sale of property other than residential property

(1) Where an IRS Company or RES Company intends to sell any part or the whole of an immovable property, other than a

residential property, it shall, subject to paragraph (2), within 30 days prior to the sale, give notice, in writing, to the Chief Executive Officer.

(2) For the purpose of constructing residential properties, an IRS Company may sell serviced land not exceeding 33 per cent of its land area planned for the construction of residential properties where—

- (a) there is no material deviation in the land area approved by the Economic Development Board for the purpose of constructing residential properties;
- (b) the commercial facilities and leisure amenities are completed;
- (c) prior to the sale of any plot of the serviced land, at least 25 per cent of the residential properties under IRS are sold in accordance with regulation 6;
- (d) the infrastructural works, including roads, walls, drains, landscaping and utility services are completed in respect of the area of the serviced land;
- (e) no plot of serviced land for sale exceeds 0.5276 hectare (1.25 arpent);
- (f) the amount payable for the acquisition of a plot of the serviced land is not less than 350,000 US dollars or its equivalent in any other hard convertible foreign currency or in Mauritius currency; and
- (g) the purchaser constructs a residential property on the land within 5 years from the date of its acquisition in accordance with such architectural guidelines as the IRS company may issue.

(3) Where a person acquires a property under paragraph (1), he shall not use the property for any purpose other than the purpose

approved under the project, unless he obtains an authorisation, in writing, from the Economic Development Board.

(4) No non-citizen who acquires a plot of serviced land shall be eligible to apply for a residence permit under regulation 9, unless the construction of the residential property has been completed on that plot.

(5) No plot of serviced land acquired pursuant to paragraph (2) shall be sold or transferred unless the construction of the residential property is completed on the plot.

(6) Where the sale under paragraph (1) is made to a non-citizen, the sale shall be made in accordance with section 3(3)(c)(iv) of the Non-Citizens (Property Restriction) Act.

13. Mode of payment of duty and taxes

(1) The amount of land transfer tax and registration duty payable on the transfer of a residential property under IRS or RES shall, when paid in foreign currency, be credited to the account of the Accountant-General with the Bank of Mauritius at the selling exchange rate in force at the time the title deed is signed.

(2) Where payment is effected in accordance with paragraph (1), the notary shall, at the time of the registration of the deed of transfer with the Registrar-General, deposit a certificate from the bank, certifying the particulars of the payment of the land transfer tax and the registration duty.

Made by the Minister on 8 April 2022.
