



Tax and Legal Alert

VAT on digital and electronic services by foreign suppliers

Foreign suppliers will be required to charge VAT at the rate of 15% on supplies of digital or electronic services made to recipients in Mauritius as from **1 January 2026**, irrespective of the level of turnover.

VAT will be applicable on services supplied by a foreign supplier through internet or dependent on information technology including but not limited to the following:

- Supplies of images or texts, such as photographs, screensavers, electronic books and other digitised documents
- Supplies of music, films, television shows, games and programmes on demand
- Supplies of applications, software and software maintenance
- Website supply or web hosting services
- Advertising space on a website
- Online magazines
- Distance maintenance of programmes and equipment

Determination of recipient of supply as a person in Mauritius

Supply of digital or electronic service will be considered to be made to a person in Mauritius where at least two of the following conditions are satisfied and are non-contradictory, supporting the conclusion that recipient of services is in Mauritius:

- Billing address of the person to whom the supply is made
- Location of the bank from which the payment for the service to the supplier originates
- Internet protocol or another geolocation method address of the device used by the person to whom the supply is made
- International country code provided by the person to whom the supply is made in his contact details (mobile phone or land-based phone)
- Any commercially relevant information

Appointment of tax representative

Foreign suppliers with annual taxable supplies above MUR 3 million will be required to appoint a tax representative having a permanent establishment in Mauritius for submitting their VAT returns and remitting VAT payments to the Mauritius Revenue Authority on their behalf.

The tax representative will be responsible for complying with all the applicable provisions of the VAT Act on behalf of foreign suppliers.

VAT filing obligations

Submission of VAT returns and payment of corresponding VAT amounts should be made **within 20 days** following end of taxable period i.e. quarterly or monthly depending on the level of annual taxable supplies. Foreign suppliers will also be required to submit a list of taxable supplies made to persons in Mauritius.

Foreign suppliers not required to charge VAT

Foreign suppliers will not be required to charge VAT on digital or electronic supplies made to VAT-registered persons in Mauritius already accounting for such supplies under the reverse charge mechanism.

Penalties for non-compliance

Penalties and interests will apply for non-compliance with VAT obligation requirements.

Our Deloitte Tax team will be pleased to guide you on your VAT obligations and provide any clarification you may require.

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