



INTERCONTINENTAL TRUST e-NEWS

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Release of FATCA Guidance Notes by the MRA

The Mauritius Revenue Authority (MRA) has published on 17 March 2015, its final Guidance Notes on the Foreign Account Tax Compliance Act (FATCA) following consultation with relevant stakeholders in the Mauritian financial services sector.



These Guidance Notes are intended to provide practical assistance to Financial Institutions, businesses, their advisers and officials dealing with the application of FATCA and may be revised by the MRA from time to time.

[Click here](#) to view the FATCA Guidance Notes.

Quick Recap

FATCA is a U.S. domestic law with global impact which was enacted in 2010 and came into force on 1 July 2014. The aim of this law is to fight tax evasion for U.S. citizens and residents holding assets through non-U.S. financial institutions.

In an effort to promote transparency and to reduce tax evasion, Mauritius and the U.S. have signed a Model 1, Reciprocal and Inter-Governmental Agreement (IGA) and a Tax Information Exchange Agreement on 27 December 2013. The provisions of the IGA have been ratified and included in the Mauritius Income Tax Act.

All entities caught by FATCA's definition of Foreign Financial Institution (FFI), will be required to report to the MRA relevant account details relating to U.S. Persons, which include individuals and companies, for onward transmission to the U.S. Internal Revenue Service (IRS).

How we can help?

Having a dedicated FATCA project team, Intercontinental Trust Limited (ITL) has a detailed knowledge of the legislation and the processes involved. Our procedures have been updated to include the enhanced due diligence required for identification of U.S. persons and the reporting.

ITL can assist in the FATCA classification of entities that we administer, i.e. to determine whether they fall within the definition of FFI or not. We can also liaise with tax advisors to provide the required information for FATCA classification.

We can provide a Responsible Officer to act as the channel of communication between an FFI and the IRS and also to fill out the required paperwork.

We can also assist FFIs with compliance with the following ongoing FATCA obligations:

- on-boarding and due-diligence on new investor(s) including procedures to identify U.S. reportable account(s);
- any reporting obligations in respect of any U.S. reportable accounts or U.S. controlling persons; as well as
- ongoing monitoring of any change in circumstances.

Interview of David Lashbrook in BIZweek

BIZweek has recently conducted an interview with David Lashbrook, Head of Africa Investment Strategies at Momentum GIM, on the current trend of the real estate market in Africa.



The article has been featured in BIZweek edition No. 36 issued on 14 March 2015. To read more click [here](#).

In January 2015, Momentum GIM has launched Momentum Africa Real Estate Fund (the “Fund”) with a targeted size of USD 250 million at final closing. The Fund seeks to achieve a minimum IRR of 18% in USD net of all fees over its eight year life by developing commercial real estate in sub-Saharan Africa outside of South Africa.

The Fund is administered by Intercontinental Trust Limited.

Mauritius still ranks among the top 10 on the 2015 Index of Economic Freedom

With an economic freedom score of 76.4, Mauritius is the 10th freest country in the 2015 Index.



Mauritius’ overall score is essentially unchanged from last year, with a negative score change of 0.1 point causing it to slide from 8th position in 2014 to 10th this year. This decline in the score is a result of a significant decline in labor freedom that overshadows gains in the control of government spending, business freedom, and monetary freedom.

Nevertheless Mauritius remains 1st out of 46 countries in the Sub-Saharan African region on the Index of Economic freedom since 2007.

(source: www.heritage.org)



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