

ABOUT ACUTUS

Our mission is excellence in service and advice with value creation for our clients.

- We are passionate about everything we do and service our clients with skill, integrity and dedication.
- Acutus provides personalised and tailored solutions to individuals and businesses in their corporate, trust and administration requirements.
- We pride ourselves in our effective and swift response to client requirements.

MAURITIUS – REUNION PLANNING TO BOOST RELATIONS

In the wake of reinforcing partnership between Mauritius and Reunion, Mr Didier Robert, the President of the Regional Council of Reunion Island shared his vision into developing further the renewable energy sector.

According to Mr Didier, transitioning from fossil fuels to renewable energy resources can help address the economic and environmental challenges and lessen the dependence on fossil fuels which are detrimental to the environment. He added that Reunion was ready to share its expertise as well as its experience with regards to the potential energy generation which includes marine energy, wind energy, solar energy and biomass.

It is recalled that in view of being the first territory in the world where low carbon innovations are integrated in the society by 2013, Reunion has implemented, since 2013, a new Energy Governance, led by the Regional Council.

COMMON REPORTING STANDARD, MORE FEAR THAN HARM!

For many years, the Organisation for Economic Co-operative and Development ("OECD") has been active in facilitating automatic exchange by creating the legal framework and providing guidance and training at a practical level. OECD has come forward with the Common Reporting Standard ("CRS").

Over 90 jurisdictions including Mauritius signed a Multilateral Agreement between Competent Authorities on the automatic exchange of information relating to financial accounts.

From the Mauritius standpoint, the banks, management companies, global business companies, including insurers, custodians, brokers, trust and other financial institutions will need to undergo a series of due diligence and reporting obligations.

Mauritius will start its first exchange of information under CRS as from September 2018 and the requirement to apply due diligence procedures to record tax residence of clients opening new accounts, takes effect as from 1st January 2017.

It is true that CRS may sound alarming at first sight, but we should bear in mind that Mauritius is not a tax haven as some may presume but on the contrary it is a jurisdiction which prone effective tax management at all levels. As a reminder, Mauritius always tops the list of the Ease of Doing Business Index of the World Bank and the Mo Ibrahim Index for Africa. Mauritius is and will firmly stay compliant with all the international standards, be it FATCA or CRS.

MAURITIUS AND RUSSIA – MUTUAL ABOLITION OF VISA REQUIREMENTS

A visa waiver agreement between Mauritius and the Russian Federation was signed on 24 December 2016 at the Ministry of Foreign Affairs, Regional Integration and International Trade of Mauritius.

The agreement provides for citizens of both countries to enter, stay in, exit, or transit, without a visa. According to the agreement, the period of each stay should, however, not exceed 60 days, and the total period of authorised stay should not exceed 90 days within each period of 180 days. A visa would still be required for the purposes of employment, study, or residence.

Please note that Mauritius has visa agreements with 106 countries already, including big countries like China and India.

The visa waiver agreement will undoubtedly be a landmark and a step forward in strengthening the relationship between Russia and Mauritius as well as bringing the two nations closer.

CAPTIVE INSURANCE ACT

What is it? A captive is an insurance company whose main business purpose is to insure the risks of its owners and affiliated companies. Many companies are turning towards the creation of a captive to self-insure their risks and avoid extra cost that insurers charged. One of the key functions of a captive is to facilitate the efficient financing of risk within the group and therefore serves as a sophisticated in-house risk carrier.

History-The term 'captive' was first used in the 1950s by Fred Reiss, a US property insurance engineer who was working for a client who wanted to insure its coal mines. Reiss' client could not afford to pay the insurance premiums charged by insurers at that time because they had increased substantially. Reiss therefore came up with the idea of incorporating an insurance company fully owned by the client whose sole purpose was to insure the risks of its owner.

The Act-On the 11th December 2015, the Captive Insurance Act (the "Act") was presented to parliament and voted. The Act is not yet in force but is expected to enter into force in 2016.

The Financial Services Commission ("FSC") will issue Regulations or FSC Rules regarding the technical provisions applicable to pure captive insurance business.

The Act provides for the licensing of pure captive insurance business and the legal framework for their operation. Amongst others, the Act sets down the obligations in relation to a captive insurance's administration, governance, and investment policies.

The Act currently regulates only pure captive insurance and other types of captive insurance business will continue to be regulated under the Insurance Act. Note that every external insurer carrying on a category of captive insurance business immediately before the coming into operation of the Act will have to apply for a licence within 12 months of the coming into operation of the Act.

The Act will also bring amendments to the Insurance Act and the Second Schedule of the Income Tax Act providing, amongst others, for a tax holiday on income derived by licensed captive insurers for a period not exceeding 10 years from the coming into operation of the Act or such other period as may be prescribed.