

MINISTRY OF ARTS AND CULTURAL HERITAGE

DUTY FREE FACILITIES FOR THE PURCHASE OF MOTOR CARS BY PRIESTS/RELIGIOUS FEDERATIONS/RELIGIOUS ASSOCIATIONS

- A priest registered with or employed by a Religious Federation receiving a subsidy from Government or a Religious Association will be eligible for 100% duty free facilities for the purchase of one motor car of an engine capacity not exceeding 1450 cc, once in every 7 years subject to the eligibility criteria and terms and conditions at **Part A below**.
- A priest registered with the Ministry of Arts and Cultural Heritage will be eligible for 100% duty free facilities for the purchase of one motor car of an engine capacity not exceeding 1450 cc, once in every 7 years subject to the conditions at **Part B below**.
- A Religious Federation receiving a subsidy from Government, employing priests will be eligible for 100% duty free facilities for the purchase of motor cars of an engine capacity not exceeding 1450 cc, once in every 7 years
- The total number of motor cars exempted shall be limited to the total number of priests employed by the Religious Federation subject to the terms and conditions at **Part A below**.

PART A

Eligibility Criteria and Conditions for Duty-Free facilities for the purchase of motor cars by Priests and Religious Federations

1. Exclusive Priest Duties

- (i) The priest must be performing exclusively priest duties, whether in one or multiple places of worship.
- (ii) The priest should not be holding any other job
- (iii) The priest should not be performing duties as a freelancer priest.

2. Certification Requirement

The priest must submit a letter certifying his role, which must:

- (i) be duly signed by both the President and Secretary of the respective Religious Association or Religious Federation;
- (ii) bear the official stamp of the Religious Association or Religious Federation; and
- (iii) certify that the priest is exclusively performing priest duties on his own or for the Religious Association or Religious Federation.

3. Religious Association Registration

MINISTRY OF ARTS AND CULTURAL HERITAGE

- (i) The Religious Association must be registered with the Registrar of Associations.
- (ii) The main objective of the Religious Association should be the promotion of religious faith.
- (iii) For Religious Federations receiving a per capita subsidy from Government, a certificate of registration from the Registrar of Associations is not required.

4. Nationality of the Priest

- (i) The duty free facilities are available to the priest irrespective of whether he is a Mauritian citizen or a foreigner.
- (ii) Foreign priests practicing exclusively as priest in Mauritius should hold appropriate work permit and the period of employment should at least be of **three years**.

5. Duty Refund Conditions

(i) No Refund Required

The priest **will not be liable** to refund the duty on a prorated basis if the Religious Association or Religious Federation ceases operations within 4 years from the date of purchase of the car.

(ii) Refund Required

The priest will be liable to refund the duty on a prorated basis if:

- (a) He **is no longer performing** exclusively the duties of a priest; and
- (b) He is no longer performing as a priest with the Religious Association or Religious Federation within 4 years from the date of purchase of the car.

The Religious Association or Religious Federation is responsible for informing the Ministry of Arts and Cultural Heritage and Mauritius Revenue Authority about any such changes.

(iii) Duty Refund Waivers

If a priest transitions from one Religious Association or Federation to another, he will not be liable to refund the duty if he continues to practice exclusively the duties of a priest.

(iv) Renewal of Duty Exemption

MINISTRY OF ARTS AND CULTURAL HERITAGE

A Religious Federation or priest who has already benefitted from a duty-free facility must wait until the expiry of the current duty exemption period before applying for a new exemption.

(v) Vehicle Capacity

A priest registered with or employed by a religious federation receiving a subsidy from Government or a religious association, a priest registered with the Ministry or a religious federation receiving a subsidy from Government and employing priests are entitled to 100% duty free facilities on a motor car of an engine capacity not exceeding 1450 cc once in every 7 years. However, they may purchase a motor car with engine capacity up to 2000 c.c provided they pay the difference in excise duty and taxes as determined by the Mauritius Revenue Authority.

(vi) Penalties for False Declaration

Any false declaration or breach of conditions by the beneficiary will result in penalties according to the Customs Tariff Act.

(vii) Sale of Disposal of Vehicle

If the priest sells or disposes of the car before 4 years from the purchase date, he must pay proportionate excise duty and taxes to the Director-General of the Mauritius Revenue Authority.

6. Special Conditions

Mutual Exclusion of Exemptions

- (i) If a priest employed by a religious federation has benefitted from a duty exemption, the Religious Federation employing him cannot apply for a similar exemption in respect of that priest or another priest replacing him until 7 years have lapsed.
- (ii) Conversely, if a Religious Federation employing a priest has received an exemption in respect of that priest, the latter cannot apply for a duty exemption in his own name for the next 7 years.

PART B

Eligibility Criteria and Conditions for Duty-Free facilities for Priests registered with the Ministry of Arts and Cultural Heritage

- (i) The priest should be performing exclusively priest duties irrespective of whether he is doing so in one or more places of worship. He should not be holding another job or doing priest duties as freelancer;

MINISTRY OF ARTS AND CULTURAL HERITAGE

- (ii) The place or places of worship where he is performing priest duties should be registered with the Registrar of Associations;
- (iii) The Association responsible for the place(s) of worship should submit a letter duly signed certifying that the priest is performing priest duties independently;
- (iv) The priest should submit proof of his religious training or provide documents proving his history of conducting priest duties in the place or places of worship where he performs such duties;
- (v) The motor car should be used by the priest and should not be given to another person;
- (vi) The priest will not be liable to refund the duty on a prorated basis in case the place of worship has ceased operation within 4 years from the date of the purchase of the car;
- (vii) The priest will be liable to refund the duty on a prorated basis in case he is no longer performing exclusively the duties of a priest or is no longer performing as a priest in the place(s) of worship within 4 years from the date of purchase of the car. The place of worship will have to inform the Ministry of Arts and Cultural Heritage and the Mauritius Revenue Authority;
- (viii) In case the priest has ceased to perform priest duties in one place of worship but is performing his priest duties at another place(s) of worship, he will not be liable to refund the duty;
- (ix) If the priest is already a beneficiary of duty facility on a motor car, he will have to wait for the expiry of his duty exemption period to be eligible anew for another duty exemption as priest;
- (x) The priest may opt to purchase a motor car of higher engine capacity of up to 2,000 cc, instead of the statutory entitlement of 1,450 cc provided that he agrees to pay the difference in excise duty and taxes as may be determined by the Mauritius Revenue Authority;
- (xi) In case of false declaration or breach of conditions by the beneficiary, he will be subject to penalty provisions in accordance with the Customs Tariff Act; and
- (xii) The priest will be liable to pay the proportionate excise duty and taxes to the Director-General, Mauritius Revenue Authority in the event he sells/disposes the motor car before the lapse of 4 years from the date of purchase of the motor car as per the Customs Tariff Act.