Freeport Developers and Freeport Operators are hereby informed that with the coming into operation of the Finance (Miscellaneous Provisions) Act 2019, the following amendments have been brought to:

1) The Freeport Act:

A company issued with a freeport certificate before 14 June 2018 to carry out manufacturing activities will be authorised to build, develop and manage its own infrastructural facilities, as a private Freeport developer, subject to the company continuing to carry out the same activity.

2) The Income Tax Act:

(i) Where, in an income year, a freeport operator or private freeport developer is engaged in the manufacture of goods meant for local market in whole or in part, it shall be liable to income tax at the rate specified in Part II of the First Schedule on its chargeable income provided that the freeport operator or private freeport developer satisfies the conditions relating to the substance of its activities as may be prescribed;  

(ii) Freeport operators and private freeport developers will be subject to Corporate Social Responsibility (CSR) contribution,

Where a freeport operator or private freeport developer is engaged in the sale of goods on the local market, CSR fund shall be calculated using the formula set out below –

\[
\frac{a}{b} \times c \times 2 \text{ per cent}
\]

where –

\(a\) is the gross income derived from sale of goods on the local market for the preceding year;

\(b\) is the gross income derived from all the activities of the freeport operator or private freeport developer for the preceding year;

\(c\) is the chargeable income for the preceding year.

Nothing in Section 2 (ii) above shall prevent the functions of the National Social Inclusion Foundation from being performed by the National CSR Foundation for so long as the National CSR Foundation is in existence.

For further information, you are kindly invited to visit the EDB website on [www.edbmauritius.org](http://www.edbmauritius.org) or contact the Logistics Dept of the EDB on +230 203 3800