

**MEMORANDUM OF UNDERSTANDING BETWEEN THE MAURITIUS
REVENUE AUTHORITY AND THE SOUTH AFRICAN REVENUE SERVICE
CONCERNING THE APPLICATION OF THE PROVISION OF ARTICLE 4(3) OF
THE AGREEMENT BETWEEN THE GOVERNMENT OF THE REPUBLIC OF
MAURITIUS AND THE GOVERNMENT OF THE REPUBLIC OF SOUTH
AFRICA FOR THE AVOIDANCE OF DOUBLE TAXATION AND THE
PREVENTION OF FISCAL EVASION WITH RESPECT TO TAXES ON INCOME
SIGNED ON 17 MAY 2013 IN MAPUTO (HEREINAFTER REFERRED TO AS
"the Agreement")**

The Financial Secretary, Ministry of Finance and Economic Development, duly representing the Mauritius Revenue Authority and the Chief Officer: Legal and Policy, South African Revenue Service duly representing the South African Revenue Service (the Competent Authorities), desiring to facilitate the application of the provisions of [Article 4\(3\)](#)

of the Agreement have reached the following understanding in relation to the factors to be considered when endeavouring to settle the question of dual residence.

1. Where a person, other than an individual, is a resident in both Contracting States under the provisions of Article 4(1) of the Agreement, the Competent Authorities of the Contracting States shall endeavour to determine by mutual agreement the Contracting State of which such person will be deemed to be a resident for the purposes of the Agreement, having regard to its place of effective management, the place in which it is incorporated or otherwise constituted and any other relevant factors. In the absence of such agreement, such person shall not be entitled to any relief or exemption from tax provided by the Agreement except to the extent and in such manner as may be agreed upon by the Competent Authorities of the Contracting States.

2. For the purposes of paragraph 1, in determining the Contracting State of which such person is deemed to be resident for the purposes of the Agreement, the Competent Authorities shall take into account the following factors:

- (a) where the meetings of the person's board of directors or equivalent body are usually held;
- (b) where the Chief Executive Officer and other senior executives usually carry on their activities;
- (c) where the senior day to day management of the person is carried on;
- (d) where the person's headquarters are located;

(e) which country's laws govern the legal status of the person;

(f) where its accounting records are kept;

(g) any other factors listed in paragraph 24.1 of the 2014 OECD Commentary (Article 4, paragraph 3), as may be amended by the OECD/BEPS Action 6 final report; and

(h) any such other factors that may be identified and agreed upon by the Competent Authorities in determining the residency of the person.

3. The Parties may, at any time, amend this Memorandum of Understanding by mutual consent in writing.

4. This Memorandum of Understanding shall come into effect on the date of entry into force of the Agreement.

5. This Memorandum of Understanding shall remain in force until terminated by either Party by giving three months written notice to the other Party.

FOR THE MAURITIUS REVENUE AUTHORITY:

Signature: Date: 22nd May 2015

Mr. Dharam Dev Manraj

Financial Secretary

Ministry of Finance and Economic Development

FOR THE SOUTH AFRICAN REVENUE SERVICE:

Signature: Date: 22 May 2015

Mr. Kosie Louw

Chief Officer: Legal and Policy

South African Revenue Service