



# GUIDE TO EMPLOYERS ON PENSION CONTRIBUTIONS (NPF, CSG, NSF AND TRAINING LEVY)

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## OBLIGATION TO PAY CONTRIBUTIONS

Each month, every employer is required to submit to the Director-General of the Mauritius Revenue Authority (MRA), a statement giving the details of every employee who was employed during the preceding month and pay the amount of contributions in accordance with the National Pensions Act, National Savings Fund Act and Human Resource Development Act and Social Contribution And Social Benefits Act.

Contributions are payable as from the month in which an employee takes up employment, whether on a part-time or full -time basis, and whether on probation or not.

### **No contribution is payable for NPF, NSF and HRDC Training Levy in respect of the following:**

- i. An employee who has not attained the age of 18.
- ii. An employee who has attained the final retirement age (70 years).
- iii. A non-Mauritian citizen employee of an export manufacturing enterprise in respect of his first 2 years of employment.
- iv. A non-Mauritian citizen who holds a work permit and is an employee of a foreign contractor engaged in the implementation of a project which is funded up to not less than 50% of the estimated project value, from grant or concessional financing, as the Ministry responsible for the subject of finance may approve, from a foreign state.
- v. A non-Mauritian citizen who is not resident under Section 73 (1)(a) of the Income Tax Act.
- vi. A non-Mauritian citizen who holds a premium visa issued by the passport officer on the recommendation of the Economic Development Board established under the Economic Development Board Act.

## No contribution is payable for CSG in respect of the following:

- i. a non-Mauritian citizen employee employed by an export manufacturing enterprise who has resided in Mauritius for a continuous period of less than 2 years, including any period of absence which does not exceed 9 consecutive weeks or during which he remains a resident of Mauritius.
- ii. a non-Mauritian citizen who holds a work permit and is an employee of a foreign contractor engaged in the implementation of a project which is funded by a foreign State up to not less than 50 per cent of the estimated project value, from grant or concessional financing, as the Minister may determine.
- iii. a person taking part in a training scheme set up by the Government, or under a joint public-private initiative, with a view to facilitating the placement of jobseekers in gainful employment.
- iv. a non-executive director of a company.
- v. a non-citizen employee who is not a resident under section 73(1)(a) of the Income Tax Act.
- vi. a non-citizen who holds a premium visa issued by the passport officer on the recommendation of the Economic Development Board established under the Economic Development Board Act.



## REGISTRATION OF EMPLOYERS

A company, which has been issued a Business Registration Number (BRN), shall be deemed to have already been registered as an employer. Every other employer including an individual with a BRN who employs an employee shall register himself with the Director-General of the MRA as an employer by submitting an Employer Registration Form duly filled in by him within 14 days on becoming an employer.

Upon registration, the employer should specify the category it belongs to. The main categories of employer are as follows:

Category of employer	Code	Description
Private Household	PH	An individual having employees in domestic service.
Self Employed	SE	An individual voluntarily contributing for himself.
Export Manufacturing	EX	Approved list from the Ministry of Labour.
Religious Institutions	RI	An entity whose activity is to promote religious activities.
Charitable Institutions	CI	An entity registered as charitable institution at the MRA.
Syndic-(Exclusively for residential buildings)	SC	A syndic which administers a building that is exclusively residential.
Normal	N	All other employers contributing for their employees working in the normal course of business.

## CONTRIBUTION RATES

### A. National Pensions Fund (NPF) Contribution

Insured Person	Employee share	Employer share
Every employee other than a public officer or an employee entitled to pension under pension law. (Category of employer: Normal)	3%	6%
Every prescribed employee in the Sugar Industry	3%	10.5%
Every other prescribed employee (higher rate)	5%	8.5%
An employee in domestic service or an agricultural worker whose remuneration from all his employers does not exceed Rs. 3,000, is not required to pay the employee share of contribution which will be paid by the government.	-	6%

With the changes brought by the Finance (Miscellaneous Provisions) Act 2020 and Contribution Sociale Généralisée (Amendment) Regulations 2021, the Contribution Sociale Généralisée (CSG), has been introduced and is applicable as from the month of September 2020. This new system of social contributions replaces the National Pensions Fund (NPF).

As from 01 September 2021, the provisions of the Social Contributions and Social Benefits Act 2021 shall apply.

The last month in respect of which contribution to the National Pensions Fund is applicable was August 2020.

## B. CSG

Under CSG, employers are required to deduct, the employee's contribution from his wage or salary and pay that contribution together with the employer's contribution to the MRA.

As from September 2021 under The Social Contribution and Social Benefits Act 2021, social contributions shall apply on end of year bonus prescribed under an enactment. The social contributions payable on end of year bonus shall be computed separately from the contributions payable on the monthly basic wage/salary. The social contribution on end of year bonus shall be calculated on the basic wage/salary component only (excluding any allowance, commission, productivity payment etc).

Where in a calendar year an employer effects payment of the statutory end of year bonus in more than one month, the social contribution rate applicable in each month shall be determined by cumulating the amount of end of year bonus paid in the respective month.

**The rates of contribution applicable are shown in the table below.**

Category of employee	Rate applicable on the basic wage or salary of the employee and to be deducted from the wage or salary of the employee	Rate applicable on the basic wage or salary of the employee and payable by the employer
An employee, other than a Public Sector employee, earning a basic wage or salary or prescribed bonus NOT exceeding Rs. 50,000 in a month	1.5 %	3 %
An employee other than a Public Sector employee earning a basic wage or salary or prescribed bonus exceeding Rs. 50,000 in a month	3 %	6 %

Public Sector employee employed by an employer which falls under the purview of PRB and earning a basic wage or salary or prescribed bonus NOT exceeding Rs. 50,000 in a month	Not applicable up to pay period Oct 2021	4.5 % up to pay period Oct 2021
	1.5 % as from pay period Nov 2021	3 % as from pay period Nov 2021
Public Sector employee employed by an employer which falls under the purview of PRB and earning a basic wage or salary or prescribed bonus exceeding Rs. 50,000 in a month	Not applicable up to pay period Oct 2021	9 % up to pay period Oct 2021
	3 % as from pay period Nov 2021	6 % as from pay period Nov 2021
Public Sector employee employed by an employer which does not fall under the purview of PRB and earning a basic wage or salary or prescribed bonus NOT exceeding Rs. 50,000 in a month	Not applicable up to the month preceding a salary review becoming effective	4.5 % up to the month preceding a salary review becoming effective
Public Sector employee employed by an employer which does not fall under the purview of PRB and earning a basic wage or salary or prescribed bonus exceeding Rs. 50,000 in a month	Not applicable up to the month preceding a salary review becoming effective	9 % up to the month preceding a salary review becoming effective
An employee who is in the domestic service earning a basic wage or salary NOT exceeding Rs. 3,000 in aggregate in a month, from one or more employers	Not applicable	3 %

All employees and employers who are liable to pay CSG contributions are also required to contribute to the NSF and the HRDC Training Levy at the prescribed rates



### C. National Savings Fund (NSF) Contribution

All employees and employers who are liable to pay NPF contributions are also required to contribute to the NSF at the rate of 1% and 2.5% respectively.

### D. HRDC Training Levy

Every employer is required to pay training levy at the rate of 1.5 % of the **total basic wage or salary** of its employees other than a household worker. For periods from July 2019 to June 2020, an employer is required to pay levy at the rate of 1% for employees whose total basic wage or salary does not exceed Rs. 10,000.

For periods from 1 July 2020 to 30 June 2021, every employer shall, in respect of every employee, pay a training levy of 1%.

As from July 2021, the rate of training levy is 1.5%.

## PRIVATE HOUSEHOLD EMPLOYER

An individual employing a person in domestic service may choose to pay contribution on a monthly basis or an annual basis.

MRA strongly recommends payment on a monthly basis together with a return specifying details in respect of the employees.

Where the aggregate monthly basic wage or salary of the employee from all employers does not exceed Rs. 3,000, no contribution should be deducted from the salary of the employee. Only the employer share for NPF/CSG and NSF should be paid.

## WAGES OR SALARIES ON WHICH CONTRIBUTIONS & TRAINING LEVY ARE PAYABLE

**NPF and NSF contributions** are payable at the prescribed rate on an employee's **basic wage/salary**. Basic wage/salary includes yearly salary compensation but excludes bonus and any other allowance paid in cash or given to the employee in kind.

The **minimum and maximum** basic wage/salary on which contributions are payable are given in the table below:

Pay period	INSURABLE SALARY (Effective as from 01 July 2022)		
	MINIMUM WAGE		MAXIMUM WAGE
	Private Household employees (only)	Employees in other sectors	For all employees
Daily	80	127	832
Weekly	482	760	4,947
Fortnightly	965	1,521	9,893
Half Monthly	1,045	1,648	10,718
Monthly	2,090	3,295	21,435

**Training Levy** and **CSG** are also applicable on the **basic wage/salary** of an employee. However, the above ceilings **do not** apply and the employer is required to calculate the training levy and CSG payable on the **full basic wage/salary** paid.



## CONTRIBUTIONS PAYABLE IN RESPECT OF EMPLOYEES HAVING ATTAINED RETIREMENT AGE

For pay periods **August 2018 onwards**, an employee’s retirement age is 65 years and his final retirement age is 70 years.

### A. NPF

	Details	Contribution Payable
a.	Employee has reached retirement age (65 years old) and is not in receipt of Contributory Retirement Pension (CRP).	NPF contributions ( both employer & employee shares) are payable in respect of that employee until he/ she elects to receive his Contributory Retirement Pension (CRP) or reaches final retirement age (70 years old), whichever is the earlier.
b.	Employee has reached retirement age (65 years old) and receives Contributory Retirement Pension (CRP).	NPF Contribution (employer share only) is payable in respect of that employee until he ceases to be employed or he reaches final retirement age (70 years old), whichever is the earlier.
c.	Employee has reached Final Retirement Age (70 years old).	No NPF contribution is payable in respect of an employee who has attained final retirement age (70 years old).



## B. NSF

No NSF contributions are payable in respect of an employee who has reached retirement age (65 years old) whether or not the employee receives Contributory Retirement Pension (CRP).

## C. TRAINING LEVY

No Training Levy is payable in respect of an employee after he has attained final retirement age (70 years old). Where an employee has not reached final retirement age, training Levy is payable whether or not the employee receives Contributory Retirement Pension (CRP).

## D. CSG

CSG applies to all employed and self-employed individuals, including non-citizens and persons aged 65 and above.

## SUBMISSION OF RETURNS & PAYMENT OF CONTRIBUTIONS

MRA has made available on its website: [www.mra.mu](http://www.mra.mu) a new return for payment of PAYE, National Pensions Contributions, National Savings Fund Contributions and Training (HRDC) Levy.

The joint PAYE/NPF/NSF returns must be submitted electronically on MRA's website.

Moreover, as from September 2020, a joint monthly PAYE/CSG/NSF return has been made available on MRA website: [www.mra.mu](http://www.mra.mu)

Employers will have to use their **User ID** and **Password** as allocated by the MRA for the filing of monthly PAYE return and Return of Employees (ROE).

Employers having household employees should use their **Employer Registration Number (ERN)** and the same password that they use for the filing of their income tax return.

*Those who do not have their User ID and Password should contact the MRA via email at [efiling@mra.mu](mailto:efiling@mra.mu)*

In case where the employee is a non-citizen, the identification number (NCID) issued by the Passport and Immigration Office should be used when submitting the return.

### **A. Monthly return**

Every employer is required to submit a monthly return giving the details of each employee, whether or not contributions are payable. The due date for the submission of the return and payment of contributions is 20 days after the end of the month for which the contribution is payable. Where return and payment are made electronically, the due date is one month after the end of the month for which the contribution is payable.

### **B. Annual return**

An individual employing a person in domestic service who has not submitted any monthly return in a financial year may submit an annual return and pay contribution on an annual basis. The last date for the submission of the return and payment of contributions is 31 July following the end of the financial year.

However, the employer is required to submit a quarterly statement for all their household employees in respect of each quarter of the financial year, at latest one month after the end of the quarter.

### **C. Contributions in respect of seamen**

Where an employer employs a person who is a seaman and whose remuneration is not paid on a monthly basis, the due date for submission of return and payment of contribution is one month and 20 days after the end of the pay period for which the contribution is payable.

## PAYMENT OF CONTRIBUTIONS

Employers are strongly recommended to use the Direct Debit facility put in place by the MRA in collaboration with the Bank of Mauritius for payment of contributions directly from their bank account.

Employers should fill-in a Direct Debit Form downloadable from MRA's website to avail themselves of such facility.

The form duly filled-in, and signed by authorised signatories, should reach the MRA **at least 15 days** before the due date for payment.

### MRA MOBILE APP: **MRAeasy**

To facilitate small businesses having less than 10 employees and employers of household employees to pay their contributions on a 24/7 basis, the MRA has developed a mobile app: **MRAeasy**

Employers may download **MRAeasy** from **Google Play Store** or **App Store** to file their monthly NPF/NSF returns and pay contributions electronically, from anywhere and at anytime, using their smart devices.

## SURCHARGES (NPF/NSF/LEVY)

### A. Surcharge on late payment of contributions

Where an employer fails, within the prescribed time, to pay to the Director-General the whole or part of any contributions payable, he shall pay a surcharge at the rate of 5 % for each month or part of the month during which any contributions remained unpaid up to a maximum of 100%. No surcharge on NPF and NSF contributions is applicable where the surcharge is less than Rs. 50.

Where the unpaid contribution for NPF is less than Rs. 120, no surcharge is applicable unless the percentage of the unpaid contribution to total contribution payable is greater than 10%.

### B. Surcharge on late submission of returns

Where an employer other than a person who employs an employee in domestic service fails to submit return within the due date, he shall be liable to:

i. **in the case of a monthly return:**

a surcharge of 1 % of the total contributions payable for NPF up to a maximum of Rs. 200, **per day**. The maximum surcharge applicable for a late return is Rs. 20,000 **or** the amount of contribution payable (i.e. 100%), whichever is the lesser. The minimum surcharge applicable for a late return is Rs. 500 (i.e even for 1 day).

ii. **in the case of an annual return:**

a surcharge of Rs. 500 per day. The minimum surcharge applicable for a late return is Rs. 5,000 (i.e even for 1 day). The maximum surcharge applicable for a late return is Rs. 50,000.

## PENALTIES (CSG)

### Penalty and interest on unpaid social contribution

The monthly return and payment of CSG with respect to a month is required to be made on or before the end of the following month failing which a penalty of 10 per cent and interest of 1 percent per month or part of a month is applicable.



Ehram Court, Cnr Mgr. Gonin & Sir Virgil Naz Streets, Port Louis, Mauritius  
T: +230 207 6000 | F: +230 211 8099 | E: [headoffice@mra.mu](mailto:headoffice@mra.mu) | W: [www.mra.mu](http://www.mra.mu)

