

Valuation of Immovable Property

A simplified guide to the registration, valuation, and appeal process

Buying or selling property in Mauritius involves several important legal and financial steps. This guide outlines the key stages to help you understand the process and your obligations.

1. Transfer of Property

- All property transfers must be carried out by a **Notary Public**.
- The **deed of sale** is then submitted by the notary to the **Registrar-General's Department (RGD)** for registration.

2. Taxes and Duties

- The **buyer** pays **5% registration duty** on the transaction value.
- The **seller** pays **5% land transfer tax** on the same value.

3. Title Deed

- Once the transfer is registered, the **buyer receives the title deed**, confirming legal ownership of the property.

4. Government Valuation for Registration purposes

For registration and fiscal purposes; the declared value in a deed is subject to **verification**.

- After registration, the **Government Valuation Department** verifies whether the declared price reflects the **open market value** of the property.
- The valuation report must be submitted to the RGD **within five months** of registration.

5. Undervaluation & Reassessment

- Where property is found to be undervalued, the **Registrar-General** may issue a **notice** within seven months of registration requesting payment of additional duty/tax.
- **Penalties apply as follows:**

Difference between open market and value specified in deed	0% -10%	10% - 50%	Above 50%
Penalty to be applied	Nil	10%	25%

- No notice will be issued if the difference does not exceed **Rs 150,000**.

6. Responding to a Notice

- You have **28 days** from the date of the notice to pay the additional duty or tax.
- If you disagree, you may submit a **written objection within 28 days**, together with payment of **10% of the disputed amount** (excluding penalties).
A **sample objection letter** is available on the RGD website.
- Where the delay is due to illness or other valid reasons, the Registrar-General may still consider the objection.

7. Objection Handling

- An **Objection Unit** reviews cases within **4 months**.
- If no decision is given within this period, the objection is considered **accepted**.
- Once an agreement is reached at the Objection Unit stage, the matter cannot escalate the matter to the **Revenue Tribunal (RT)**.

8. Appeal to the Revenue Tribunal

- If you are dissatisfied with the decision of the Objection Unit, you may lodge an **appeal before the Revenue Tribunal (RT)**, upon payment of **5% of the disputed duty or tax**.
- Following the RT's decision, the Registrar-General will notify you of the **final amount payable**.
- Payment must be made **within 28 days** of notification.

9. Consequences for non payment

Where payment is not made:

- An **inscription of privilege** may be registered on all immovable properties of the taxpayer.
This inscription is erased upon full settlement of the outstanding amount.
- **Interest** will be charged at **0.5% per month or part thereof**, up to a maximum of **50%** of the unpaid amount.
- **Legal action (Contrainte)** may be initiated for recovery.
- Where notices are returned undelivered, the Registrar-General may still proceed with the inscription of privilege.

10. Cases Where Reassessment Does Not Apply

Reassessment does **not** apply to:

1. Transfers made under the **Real Estate Development Scheme (REDS)**, **Property Development Scheme (PDS)**, or **Invest Hotel Scheme**; or
2. Transfers to **non-citizens authorised by the Economic Development Board (EDB)** under the **Non-Citizens (Property Restriction) Act**.

Tip: Always declare the true market value of your property when buying or selling. This avoids penalties, delays, and unnecessary disputes.