

# Registration & taxation of Immovable Property

Registration is done at the **Registrar General's Department (RGD)**. A **notary** prepares the documents and submits them for registration.

## Main Steps

### 1. Meet a Notary

The notary checks:

- Identity of buyer and seller
- Title deeds of previous owners
- Whether the property has any mortgage or caveat
- Site Plan of property
- Document related to tax/duty exemption

### 2. Prepare and Sign the Deed

This includes the deed of Sale or transfer document.

### 3. Pay Duties & Taxes according to prescribed legislations

- Registration Duty
- Land Transfer Tax
- Leasehold right Tax (if applicable)
- Special exemptions exist for first-time buyers and other cases.

### 4. Submission to RGD

The notary files the deed with all required documents.

### 5. Registration

RGD checks everything and registers the deed. A registered copy becomes part of the public record.

# Duties & Tax Rules on transfer of immovable property

## 1. Registration Duty (Buyer)

- **5%** of the property value (higher of declared value or market value) payable by the **buyer** on the transfer of immovable property.

## 2. Land Transfer Tax (Seller)

- **5%** of the property value payable by the **seller** (transferor).

**Note:** In specific cases, including transactions involving foreign sellers or prescribed schemes, a higher rate (up to 10%) may apply, in accordance with the relevant legislation and Budget measures in force.

## 3. Leasehold Right Tax (where applicable)

- Leasehold Right Tax is payable on the **transfer of leasehold rights over State land**.
- The tax is calculated on the **open market value of the leasehold rights**.
- The **aggregate rate is 20%**, generally apportioned as **10% payable by each party**, subject to the terms of the transaction and applicable legal provisions.

## Special Exemptions and Reliefs

Certain transactions may benefit from **exemptions or reduced rates**, including:

- First-time buyers (subject to conditions)
- Transfers between spouses or close family members
- Other cases provided for by law

Supporting documents must be submitted to benefit from any exemption.

## Benefits for First-Time Buyers

### Exemption Amounts

- For **bare residential freehold land** (i.e., land only): exemption on the first **MUR 2,500,000** of its value, when the plot is  $\leq 844$  m<sup>2</sup> (which is about 20 perches).
- For **residential land with a building** or a lot under a “copropriété”: exemption on the first **MUR 5,000,000** of its value.

### Other exemptions may apply in cases such as:

- Transfers between family members,
- Social housing or Government-approved schemes,
- Certain investment project transactions.

### Other Fees You May Encounter

- **Transcription / Administrative Fee:** A fixed administrative fee (around **MUR 1,700**) payable by the buyer; exact amount can vary by transaction.
- **Notary Fees** are calculated on a progressive scale based on the sale price, including 15% VAT. Here's a breakdown:
  - 2% on the first 250,000 MUR
  - 1.5% on the next 500,000 MUR
  - 1% on the next 1,000,000 MUR
  - 0.5% on the remaining amount