

MAURITANIA VAT GUIDE

This guide provides an overview of the value added tax ("VAT") regime in Mauritania, focusing on how it affects foreign businesses trading with Mauritania. It is general in nature and is unlikely to cover the specifics of your business. It should be read as such and should not be interpreted as advice.

For advice appropriate to your activities in Mauritania, please contact a VAT specialist at Exco GHA Mauritania.



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What is the tax called	VAT – Value Added Tax
What is the tax authority	Directorate-General for Taxation
What type of tax is it	Consumption based tax on consumers on business transactions, and imports and exports.
What is it due on	Taxable turnover - VAT is added to the value of supplies of goods and services where the 'place of supply or execution' is the Mauritania
What are the VAT rates	Taxable: 16% - (standard rate) 0% - zero rate for the exportations of goods and services by a taxable person
	Exempt from VAT eg <ul style="list-style-type: none"> • operations carried out by individuals or legal entities whose turnover is lower than the threshold of MRU 300 000, unless otherwise stipulated; • the services provided by non-residents on the condition that they are subject to tax withholding. • operations subject to the tax on financial operations or to the special tax on insurance; • Medical procedures, hospitalization expenses and hemodialysis materials and inputs; Any teaching activity carried out by public or private institutions approved by the competent public authority,
What does a VAT number look like	21106049 <i>NB: In Mauritania, we have not a number for VAT. The Tax authorities issue a tax identification number for each taxpayer which used for all tax operation</i> <i>However, , regardless of the nature of the activity carried out.</i>

	<i>Thus, every taxpayer must have a certificate of VAT liability to prove to his customers that he is liable for VAT, include the Tax ID.</i>
Is there a registration limit	the taxpayers are only allowed to charge VAT when their annual turnover before tax is equal to or higher than MRU 3 million
When does a non-established entity need to register	<p>If the activities or contract in Mauritania is longer than 6 months</p> <p>NB: <i>For the non- established entity resident in country having a non- double taxation agreement with Mauritania, It must designate a local tax representative having a tax number.</i></p>
When is the place of supply in the Mauritania	<p>A supply that takes place in the Mauritania. Thus, services used or consumed in Mauritania are taxable in Mauritania even if the supplier is abroad</p> <p>Also, special rules for services, no matter where the supplier belongs, such as:</p> <ul style="list-style-type: none"> • Land and property related • Services, including admissions, linked to physical performance, including artistic, cultural, educational, sporting, entertainment, exhibition and conferences/meetings • the sale of transport tickets by travel agencies registered in Mauritania
Any special rules	Non-established entities subject to VAT must appoint a legal representative in Mauritania to declare and remit the VAT due
Does a non-established entity need a fiscal representative	<p>Yes, Fiscal representation is required in Mauritania.</p> <p>The non-established entity must be accredited by a tax representative domiciled in Mauritania who undertakes to complete the formalities incumbent upon it and to pay the VAT on its behalf.</p>

How often do VAT returns need to be submitted	Normally by the 15th of each month .
Are penalties imposed for late registration	<p>Yes,</p> <ul style="list-style-type: none"> • 10% of the amount of duty normally due when the delay is less than two (2) months; • and 25% where the delay exceeds two (2) months.
Are penalties imposed in other circumstances	<p>Yes – penalties are charged for:</p> <ul style="list-style-type: none"> - Delay in filing a nil or credit value added tax return is punishable by a fine of MRU 2,000 per month. The amount of the fine is increased to MRU 10,000 for companies whose turnover in the previous year exceeds MRU 30,000,000. - For the omissions and inaccuracies in value added tax declarations are sanctioned by a penalty equal to 40% of the compromised rights. The rate of this penalty is increased to 80% when, given the nature of the offence committed, the good faith of the taxpayer cannot be accepted.
Can VAT incurred by overseas businesses be recovered	No, this VAT is not recoverable.
Can VAT be deducted	<p>VAT incurred on expenditure can be reclaimed where it is used in connection with 'taxable' sales, being at the standard rate of 15%, the reduced rate of the zero-rate of 0%.</p> <p>VAT on expenditure used in connection with exempt supplies cannot usually be reclaimed.</p>
Do I need to issue an invoice	.Invoices must be raised except even if supplying private persons. There are specific requirements for what is included on VAT invoices. Invoices may be raised in foreign currency but the counter value in MRU must be mentioned.
Other	N/A