

Mauritius

AXIS Fiduciary

More choice for wealth management

Mauritius has, over the last two decades, forged a strong reputation as a premier international financial centre. The combination of fiscal and non-fiscal advantages together with the diverse product-base has been the key ingredient of the Mauritius success story. Although Mauritius is better known as a gateway for the structuring of investments into India



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and increasingly Africa, it is also being used by professional advisers and their high net worth clients as a jurisdiction of choice for private wealth management services. The enactment of the Foundations Act in 2012 has widened the choice of

structures available to wealth management specialists.

Traditionally, trusts have been the preferred planning tool in the context of wealth management planning for high net worth families. Mauritius law allows for the setting up of various types of trusts – fixed, discretionary, protective, purpose, spendthrift, sharia-compliant and charitable trusts. A number of high net worth individuals (HNWI) and ultra-high net worth individuals (UHNWI) already use a Mauritius trust for estate, succession planning and family office services.

As for the recently enacted foundation legislation, it allows for foundations to be set up to benefit persons or a class of persons, and with a charitable or non-charitable purpose, or both. Foundations have some of the attractions of a trust vehicle, and can therefore potentially be used for purposes similar to trusts, as described above.

Both have their advantages and weaknesses, and probably equal worth. Trusts would continue to be preferred by clients from common law jurisdictions, whereas foundations would certainly appeal to those from civil law jurisdictions.

Interestingly enough, they can be used together in the context of an estate plan, where there is a need, for example, to have an orphan structure. For instance, it is common to use a private foundation to hold the shares of a private trust company (PTC).

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