MAURITIUS PAYROLL

OPERATIONS MANUAL

Income year 1 July 2026 - 30 June 2027

codeblix

Turning ideas into impact.

Codeblix is a technology-driven company dedicated to building smart, scalable, and innovative digital solutions that empower businesses and create lasting value.

About this manual

This manual explains how to prepare, review, approve and record a monthly Mauritius payroll in the Codeblix Payroll System. It covers:

- what information must be entered;
- how gross pay, deductions, net pay and employer cost are calculated;
- how PAYE, CSG, NSF, the HRDC Training Levy and PRGF are treated;
- how the statutory end-of-year bonus is handled;
- what the employer should review before approving payroll;
- what MRA files and annual documents can be prepared;
- how payroll totals can be transferred to Zoho Books; and
- the official MRA and Government sources used for each rule.

> **Important:** This document explains the standard monthly payroll process. A special employment contract, Remuneration Order, collective agreement, court order, public-sector category, household-employer rule, expatriate arrangement or written ruling may require a different treatment. Such cases should be reviewed before payroll is approved.

> **MRA filing note:** The system prepares information and files according to published MRA formats. A return is not treated as successfully filed until it has been submitted through the relevant MRA service and an MRA acknowledgement has been received. See Source S7 and Source S13.

Contents

1. Payroll at a glance

A normal monthly payroll follows this sequence:

```
Company and employee setup
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Automatic payroll calculation
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Payroll review and correction of warnings
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Approval and locking of the payroll period
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Payslips and employee payment list
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MRA monthly files and payment totals
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MRA submission, acknowledgement and payment evidence
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Payroll journal for Zoho Books
```

Simple calculation summary

```
Gross Pay
= Basic salary
+ Overtime
+ Allowances
+ Commission and bonuses
+ Travel and reimbursements
+ Taxable benefits
+ Other approved earnings

Total Employee Deductions
= Unpaid leave
+ PAYE
+ Employee CSG
+ Employee NSF
+ Loan, advance, pension and other authorised deductions

Net Pay
= Gross Pay - Total Employee Deductions

Employer Cost
= Payable Earnings
+ Employer CSG
+ Employer NSF
+ HRDC Training Levy
+ Employer PRGF
```

The employee receives **net pay**. The employer's actual payroll cost is normally higher because employer contributions are added separately.

2. What the system provides

Output or function	What it is used for
Employee payroll calculation	Calculates earnings, deductions, net pay and employer cost for each employee.
Detailed payslip	Shows each earning and deduction separately so the employee can understand the result.
Payroll summary	Shows total gross pay, total deductions, net salary and employer contributions for the month.
Employer cost report	Shows salary cost plus employer CSG, NSF, levy and PRGF.
Generic bank payment list	Provides employee names, bank details and approved net amounts for payment preparation. A bank-specific bulk-upload format must be separately confirmed and tested.
Monthly PAYE/CSG/NSF file	Prepares the MRA PACO V1.0 monthly CSV structure from approved payroll data. See Source S8.
Monthly PRGF file	Prepares the monthly PRGF V1.0 CSV structure for eligible workers. See Source S11.
PRGF exit and gratuity records	Supports the separate information needed when an eligible worker exits, retires or dies.
Annual Return of Employees	Prepares annual employee totals for the MRA ROE format. See Source S13 and Source S14.
Statement of Emoluments	Prepares annual employee tax and emolument information using the current MRA statement structure. See Source S15.
Payroll accounting journal	Produces balanced payroll totals for posting to an accounting system such as Zoho Books.
Approval history	Records who prepared, reviewed and approved the payroll and which values were used.
Effective-dated statutory rules	Allows a new official rate to apply from its legal start date without silently changing an older approved payroll.

Current operating scope

The standard calculation described in this manual is for **monthly payroll**. Daily, weekly, fortnightly and half-monthly statutory calculations should not be assumed to use the same setup unless they are separately configured and tested.

3. Information required before the first payroll

Accurate payroll begins with accurate company and employee information.

3.1 Company information

The following details should be completed and checked:

Required information	Why it is needed
Legal company name	Used on payroll and MRA documents.
Business Registration Number (BRN)	Used in statutory records where applicable.
Employer Registration Number (ERN)	Used for MRA employer returns.
Registered or business address	Used on reports and employee documents.
Employer contact details	MRA formats require declarant and contact information.
Payroll contact and approver	Establishes who prepares and who approves payroll.
Bank details	Used for payment preparation and reconciliation.
Accounting chart	Used to map salary and statutory totals to Zoho Books.

Required information	Why it is needed
Household-employer status	Changes some NSF and levy rules.

As per the MRA monthly return specifications, employer identity, tax period, contact details and declarant details form part of the statutory file. See Source S8.

3.2 Employee information

Required information	Why it affects payroll
Full legal name	It should match the employee's NID or NCID record.
NID, NCID or other accepted tax identifier	Used in MRA monthly and annual returns.
Date of birth	Can affect contribution treatment and PRGF eligibility.
Nationality	Important for PRGF and special non-citizen rules.
Tax residence status	Determines whether EDF deductions and certain exemptions may be used.
Joining and leaving dates	Determines active payroll periods, annual totals and exit reporting.
Basic monthly salary	Main basis for salary and several statutory contributions.
Director status	May change PAYE withholding.
Full-time or part-time status	Required for records and some statutory outputs.
Bank information	Used to prepare salary payment instructions.
Current EDF status and annual deductions	Used for cumulative PAYE.
CSG/NSF contribution category	Determines whether employee and employer contributions apply.
PRGF status	Determines whether the employer must contribute to PRGF.
Approved private pension information	May exempt the worker from PRGF.
Travel exemption evidence	Required before a private-car travel exemption is used.
Loan, advance or pension deduction balance	Required for accurate authorised deductions.

Official basis: MRA requires employee names and identifiers to be correctly entered in monthly and annual returns. See Source S7, Source S8, Source S13 and Source S14.

3.3 Documents normally collected

The employer should retain, where applicable:

- employment contract and salary letter;
- the employee's NID or NCID details;
- annual EDF information;
- approved overtime and attendance records;
- leave without pay approval;
- proof supporting an exempt payment or reimbursement;
- proof that the employee uses a qualifying private car for work, where a travel exemption is claimed;
- approved private pension evidence for a PRGF exemption;
- loan, advance or other deduction authorisation; and
- previous payroll history when moving to the system during an income year.

3.4 Important rule when moving during the year

PAYE is cumulative from July. The end-of-year bonus is based on calendar-year earnings. Annual ROE and Statement of Emoluments totals require the full income-year history.

For a mid-year migration, the following opening figures should therefore be provided:

Opening information	Period normally required	Why it is needed
Taxable emoluments already paid	From July to the month before go-live	Needed for cumulative PAYE.
PAYE already withheld	From July to the month before go-live	Prevents double withholding or under-withholding.
Statutory bonus already paid	Current calendar year	Needed for separate bonus CSG treatment.
Earnings already paid	From January to the month before December payroll	Needed for the end-of-year bonus review.
Prior monthly MRA filing totals	Relevant months	Needed for reconciliation and annual reporting.
Employee deduction balances	As at go-live date	Needed for loan, advance and pension deductions.

Without this history, a current monthly payslip may still be prepared, but cumulative tax and complete annual reporting may be incomplete.

4. Monthly payroll procedure

Step 1: Open the payroll period

Create the month and confirm:

- payroll month;
- pay date;
- company;
- authorised preparer; and
- expected active employees.

The pay date is important because statutory rates are selected using their effective date.

Step 2: Enter or import monthly payroll information

For each employee, enter only the items that apply:

- basic salary;
- days worked and unpaid leave days;
- overtime hours and approved overtime amount;
- allowances;
- commission;
- ordinary bonus;
- statutory end-of-year bonus;
- wage relativity adjustment;
- travel allowance and reimbursements;
- fringe benefits;
- lump sums or pension/annuity payments;
- loan, advance, pension and other deductions; and

- explanatory notes or supporting references.

Step 3: Calculate payroll

The system calculates, in order:

1. unpaid leave and payable basic salary;
2. gross pay and payable earnings;
3. taxable emoluments;
4. the CSG/NSF/levy wage bill;
5. PAYE;
6. employee and employer CSG;
7. employee and employer NSF;
8. HRDC Training Levy;
9. employer PRGF;
10. total deductions, net pay and employer cost.

Step 4: Review warnings and unusual results

The payroll reviewer should check:

- employees with missing or invalid identity information;
- new employees without an income-year tax profile;
- large salary changes;
- unusual overtime or allowances;
- negative or unusually low net pay;
- travel exemptions without evidence;
- PRGF exemptions without evidence;
- new directors or non-residents;
- employees reaching a relevant age threshold;
- employees who joined or left during the month; and
- differences from the previous month.

Step 5: Approve and lock payroll

Once approved, the payroll period is locked. The locked values are used for payslips, statutory files, annual totals and accounting reports.

This protects the company from a situation where an employee record is edited later and an older approved payroll changes silently.

Step 6: Produce payslips and payment information

The system prepares employee payslips and a payment list using approved net pay.

Step 7: Prepare statutory files

The system prepares the relevant MRA file from the same approved payroll data. The employer or authorised payroll provider then uploads the file through the correct MRA service.

Step 8: Store acknowledgement and payment evidence

As per MRA, a successful submission produces an acknowledgement message or ID. If it is not received, the submission is incomplete. See Source S7 and Source S13.

Step 9: Post the payroll journal to Zoho Books

The approved payroll totals are mapped to salary expense, employer statutory expense, payroll liabilities and net salary payable. See Section 9.

5. The three different calculation bases

A common payroll mistake is to use gross pay as the basis for every tax and contribution. Mauritius payroll uses different bases for different purposes.

```
ALL APPROVED EARNINGS
        │
        ├── Gross Pay
        │     Used to show the employee's total earnings before deductions
        │
        ├── Taxable Emoluments
        │     Used for PAYE after approved tax exemptions and EDF deductions
        │
        ├── Wage Bill
        │     Normally basic wage plus wage relativity, after unpaid leave
        │     Used for CSG, NSF and HRDC levy
        │
        └── PRGF Remuneration
              Payable basic wage plus only qualifying productivity,
              attendance and extra-work payments
```

5.1 Gross pay

Gross pay includes all approved earnings before employee deductions.

```
Gross Pay = Total of all earning items
```

The payslip shows unpaid leave as a separate deduction. This makes it easier for the employee and reviewer to understand the original salary and the reason for the reduction.

5.2 Taxable emoluments

For a resident employee:

```
Taxable Emoluments
= Payable Earnings
- Approved Exempt Travel Amount
- Other Approved Exempt Emoluments
```

For a non-resident employee, gross or payable emoluments normally represent chargeable income because the employee is not entitled to personal reliefs, deductions and allowances. See Source S3.

5.3 Wage bill for CSG, NSF and levy

The standard wage bill is based on payable basic salary and any wage relativity amount. It is not the same as total gross pay.

```
Wage Bill = Payable Basic Salary + Wage Relativity Adjustment
```

This is why overtime, general allowances, travel and commission can increase gross pay without necessarily increasing the CSG/NSF wage bill.

As per the MRA PACO specification, the total wage bill is reported separately from wider emoluments. See Source S8.

5.4 PRGF remuneration

PRGF uses another basis:

```
PRGF Remuneration
= Payable Basic Salary
+ Approved Productivity Bonus
+ Approved Attendance Bonus
+ Approved Payment for Extra Work
```

As per the MRA PRGF Guide, commission and ordinary allowances are not automatically included in this basis. See Source S10.

6. How each payroll item is calculated

6.1 Basic salary and unpaid leave

The standard system method is:

```
Daily Basic Rate = Monthly Basic Salary ÷ Standard Monthly Days

Unpaid Leave Deduction
= Daily Basic Rate × Unpaid Leave Days

Payable Basic Salary
= Monthly Basic Salary - Unpaid Leave Deduction
```

The default monthly divisor is **26 days**, but this is a company payroll policy setting. It is not presented as a universal MRA tax rate. It must be checked against the employee's contract, applicable Remuneration Order and company policy before the first payroll.

Example

```
Monthly basic salary:       MUR 26,000
Standard monthly days:      26
Unpaid leave:                1 day

Daily basic rate:            26,000 ÷ 26 = MUR 1,000
Unpaid leave deduction:      1,000 × 1 = MUR 1,000
Payable basic salary:        26,000 - 1,000 = MUR 25,000
```

Why it is shown separately

Showing the full basic salary and the unpaid leave deduction separately provides a clearer audit trail than silently replacing the basic salary with a lower amount.

6.2 Overtime

The system records:

- approved overtime hours; and
- the approved overtime amount.

It does not assume that one universal overtime multiplier applies to every employee. Overtime rules may come from an employment contract, Remuneration Order, collective agreement or company policy.

```
Overtime Amount = Approved Hours × Applicable Approved Hourly Rate
```

The approved overtime amount is included in gross pay and taxable emoluments. It is not normally part of the CSG/NSF wage bill. It may be included in PRGF remuneration when it represents an approved payment for extra work.

6.3 Allowances, commission, benefits and reimbursements

The following table shows the normal system treatment. Evidence or a special legal category may change the result.

Payroll item	Included in gross pay	Normally taxable	Included in CSG/NSF wage bill	Included in PRGF remuneration
Basic salary	Yes	Yes	Yes	Yes, if eligible
Wage relativity adjustment	Yes	Yes	Yes	Only if legally classified as basic/qualifying remuneration
Overtime	Yes	Yes	No	Yes only when classified as extra work
General allowance	Yes	Usually yes	No	Only if classified as productivity, attendance or extra work
Productivity bonus	Yes	Usually yes	No	Yes, if explicitly classified
Attendance bonus	Yes	Usually yes	No	Yes, if explicitly classified
Commission	Yes	Yes	No	No under the current MRA PRGF remuneration definition
Ordinary bonus	Yes	Yes	No	Only if it is a qualifying productivity/attendance payment
Statutory end-of-year bonus	Yes	Yes	Calculated separately for CSG	No
Travel allowance	Yes	Partly or fully taxable unless exemption conditions are met	No	No
Travel reimbursement	Yes in the payroll record	Depends on the nature and evidence	No	No
Other reimbursement	Yes in the payroll record	Depends on the nature and evidence	No	No
Housing, car, tax or other fringe benefit	Yes	Normally yes	No	No
Lump sum	Yes	Depends on legal tax treatment	No	No
Pension or annuity payment	Yes	Depends on the employee and payment type	No	No

Why the payroll keeps separate fields

MRA annual reporting separates salary, entertainment, travel, other reimbursements, car benefit, house benefit, tax benefit, other fringe benefits, lump sums and pension/annuity amounts. Keeping them separate during the year makes the annual ROE and Statement of Emoluments easier to reconcile. See Source S14 and Source S15.

6.4 Travel allowance exemption

> **Official basis:** As per the MRA PAYE Guide, a qualifying private-car travel amount is limited to the lowest of the actual allowance, 25% of monthly basic salary, or MUR 20,000. The employee must use a private car registered in the employee's own name for attending work and performing employment duties. See Source S4.

The system therefore uses:

```
Exempt Travel Amount
= Lowest of:
  1. Actual travel allowance paid
  2. 25% of monthly basic salary
  3. MUR 20,000
```

The exemption is used only when:

- the employee is tax resident;

- the employee is marked as eligible; and
- the employer has retained supporting evidence.

Example

```
Monthly basic salary:        MUR 20,000
Travel allowance paid:       MUR 2,000
25% of basic salary:          MUR 5,000
Monthly maximum:              MUR 20,000

Exempt amount:                Lowest of 2,000, 5,000 and 20,000
                              = MUR 2,000
```

The system does not automatically treat every travel payment or reimbursement as tax exempt. The payment must be correctly described and supported.

6.5 PAYE income tax

PAYE is tax withheld from the employee and paid to MRA by the employer.

> **Official basis:** As per MRA, PAYE is calculated on a cumulative basis from July. The employer considers current and previous pay periods, the employee's EDF deductions and PAYE already withheld. See Source S3.

Current income tax bands for the income year ending 30 June 2027

Annual chargeable income band	Rate
First MUR 500,000	0%
Next MUR 500,000	10%
Next MUR 11,000,000	20%
Remaining amount above MUR 12,000,000	35%

These are the current 2026/27 bands shown in the MRA EDF notes and Finance Act 2026. See Source S1 and Source S2.

Cumulative PAYE method

```
Step 1: Add taxable emoluments from July to the current pay period.

Step 2: Calculate cumulative EDF deductions:
        Annual EDF Deductions ÷ 13 × PAYE Periods Reached

Step 3: Cumulative Chargeable Income
        = Cumulative Taxable Emoluments
        - Cumulative EDF Deductions

Step 4: Apply the cumulative portions of the 0%, 10%, 20% and 35% bands.

Step 5: Current PAYE
        = Tax Due to Date - PAYE Already Withheld
```

The statutory end-of-year bonus period is treated as the 13th PAYE step. See Source S3.

MRA requires PAYE withheld to be rounded down to the nearest rupee. See Source S3.

PAYE example with an EDF

Assumptions:

- July payroll, which is the first period of the income year;
- resident employee;

- EDF submitted;
- no annual EDF deduction in this example;
- taxable emoluments of MUR 100,000.

```
First 0% band for one period:     500,000 ÷ 13 = 38,461.54
Next 10% band for one period:     500,000 ÷ 13 = 38,461.54
Remaining taxable amount:         100,000 - 38,461.54 - 38,461.54
                                  = 23,076.92

Tax at 0%:                        38,461.54 × 0%  = 0.00
Tax at 10%:                       38,461.54 × 10% = 3,846.15
Tax at 20%:                       23,076.92 × 20% = 4,615.38

Tax due before whole-rupee rule:  MUR 8,461.53
PAYE after rounding down:         MUR 8,461
```

This example is for explanation only. In a later month, the system also considers all prior taxable income and PAYE already withheld.

Employee without an EDF or a director

MRA guidance provides a 15% withholding treatment in the relevant no-EDF or director situation, with 20% available where the person has made the required request. Employees earning not more than MUR 38,462 per month are generally outside PAYE, except for relevant director or board fees. See Source S3 and Source S4.

Simple example

```
Taxable director fee or applicable no-EDF emoluments: MUR 100,000
PAYE at 15%:                                           MUR 15,000
PAYE at an approved 20% request:                       MUR 20,000
```

Non-resident employee

A non-resident is not entitled to personal reliefs, deductions and allowances. The system therefore does not apply EDF deductions or the private-car travel exemption to a non-resident payroll calculation. See Source S3.

Current Fair Share position

For payroll from 1 July 2026, individual Fair Share is set to zero in the current rule set. Finance Act 2026 removed the wording that extended the measure to the following two income years. The system follows the later enacted law and the current 2026/27 income-tax bands rather than older general webpage wording. See Source S2.

6.6 Contribution Sociale Généralisée (CSG)

CSG has an employee part and an employer part.

- The employee part is deducted from salary.
- The employer part is an additional employer cost.

> **Official basis:** As per MRA, the standard private-sector rates depend on whether the monthly basic wage or prescribed bonus exceeds MUR 50,000. See Source S5.

Standard private-sector rates

Monthly basic wage or prescribed bonus	Employee CSG	Employer CSG
Not more than MUR 50,000	1.5%	3%
More than MUR 50,000	3%	6%

```
Employee CSG = Wage Bill × Applicable Employee Rate
Employer CSG = Wage Bill × Applicable Employer Rate
```

Example

```
Wage bill:                   MUR 20,000
Employee rate:               1.5%
Employer rate:               3%

Employee CSG:                20,000 × 1.5% = MUR 300
Employer CSG:                20,000 × 3%   = MUR 600
```

CSG on statutory end-of-year bonus

As per MRA, social contribution on the prescribed end-of-year bonus is calculated separately from the normal monthly basic wage. If the statutory bonus is paid in more than one month, the applicable rate is selected using the cumulative bonus paid in that calendar year. See Source S5.

Special categories, including public-sector, domestic-service, age-related and exempt employees, may use a different contribution treatment. The employee profile must therefore be correct before calculation.

6.7 National Savings Fund (NSF)

NSF also has an employee part and an employer part.

> **Official basis:** As per MRA, the employee NSF rate is 1% and the employer NSF rate is 2.5%. NSF is calculated on basic wage or salary, subject to the prescribed minimum and maximum. See Source S6.

Monthly NSF limits from 1 July 2026

Employee type	Monthly minimum basis	Monthly maximum basis
Private household employee	MUR 2,910	MUR 29,710
Other employee	MUR 4,580	MUR 29,710

For a normal non-household employee:

```
NSF Basis
= Basic Wage, but not lower than MUR 4,580
  and not higher than MUR 29,710

Employee NSF = NSF Basis × 1%
Employer NSF = NSF Basis × 2.5%
```

Example

```
Basic wage:                  MUR 20,000
NSF basis:                   MUR 20,000

Employee NSF:                20,000 × 1%   = MUR 200
Employer NSF:                20,000 × 2.5% = MUR 500
```

MRA statutory CSV formats require contribution amounts in whole rupees. See Source S8.

Age and contribution-category rules may change whether an employee or employer share applies. The standard example above assumes an ordinary eligible employee.

6.8 HRDC Training Levy

The HRDC Training Levy is an employer-only cost. It is not deducted from the employee.

> **Official basis:** As per MRA, the standard levy rate is 1.5% of total basic wage or salary for employees other than a household worker. The NSF minimum and maximum do not cap the levy. See Source S6.

```
HRDC Training Levy = Full Wage Bill × 1.5%
```

Example

```
Wage bill:                  MUR 20,000
Training Levy:              20,000 × 1.5% = MUR 300
```

6.9 Portable Retirement Gratuity Fund (PRGF)

PRGF is paid by the employer. It is not an employee deduction.

> **Official basis:** As per the MRA PRGF Guide, the current standard employer rate is 4.5% of monthly PRGF remuneration. See Source S9 and Source S10.

```
PRGF Remuneration
= Payable Basic Wage
+ Approved Productivity Bonus
+ Approved Attendance Bonus
+ Approved Payment for Extra Work

Employer PRGF = PRGF Remuneration × 4.5%
```

Example

```
Payable basic wage:         MUR 20,000
Approved extra-work amount: MUR 2,000
PRGF remuneration:          MUR 22,000
PRGF contribution:          22,000 × 4.5% = MUR 990
```

A general allowance of MUR 1,000 in the same payroll is not added automatically unless it is genuinely a productivity bonus, attendance bonus or payment for extra work and is classified as such.

Main PRGF exclusions

As per the MRA PRGF Guide, no PRGF contribution is normally payable for:

- a worker under 16;
- a public officer or local government officer;
- a worker whose monthly basic wage or salary is more than MUR 200,000;
- a worker covered by an FSC-approved private pension scheme;
- a worker covered by the relevant statutory bodies or sugar-industry pension fund;
- certain regulated apprentices or Government training participants; or
- a non-Mauritian or migrant worker.

See Source S10.

The employee's eligibility and supporting evidence should be reviewed before the first payroll and whenever the employee's circumstances change.

6.10 Statutory end-of-year bonus

The end-of-year bonus is governed mainly by the Workers' Rights Act rather than being an MRA contribution rate.

> **Official basis:** For a covered worker who remains employed with the same employer at 31 December, the Workers' Rights Act provides a bonus equivalent to one-twelfth of earnings for the year. The Act defines a worker for this section as a person drawing a monthly basic wage or salary of not more than MUR 100,000. See Source S12.

```
Indicative Statutory End-of-Year Bonus
= Qualifying Earnings for the Calendar Year ÷ 12
```

Example

```
Qualifying calendar-year earnings: MUR 360,000
End-of-year bonus:                  360,000 ÷ 12
                                    = MUR 30,000
```

The system can suggest the bonus in December using approved payroll earnings already recorded for the calendar year. The payroll reviewer must still confirm:

- whether the worker is legally covered;
- whether a Remuneration Order or special sector rule applies;
- whether all qualifying earnings have been included;
- whether any previous bonus payment has already been made; and
- whether the employee joined, left, retired or resigned during the year.

Payment timing

For a covered worker, the Workers' Rights Act states that:

- 75% of the expected bonus is payable not later than five clear working days before 25 December; and
- the balance is payable by the last working day of the same year.

See Source S12.

The Act also contains rules for termination, contract expiry, retirement and a resignation after the required continuous-employment period. These cases should be reviewed individually.

Tax and CSG treatment

The statutory bonus:

- is included in taxable emoluments for PAYE;
- creates the 13th PAYE step; and
- has CSG calculated separately from ordinary monthly basic wage.

See Source S3 and Source S5.

6.11 Loan, advance, pension and other deductions

These are not automatic MRA tax rates. They are company or employee-specific deductions.

```
Other Employee Deductions
= Loan Deduction
+ Advance Deduction
+ Employee Pension Deduction
+ Other Authorised Deduction
```

Each deduction should have a clear description and authority. The system keeps the statutory deductions separate from these company-specific deductions.

If deductions would reduce net pay below zero, the result must be reviewed. The payroll output does not create a negative net payment; any excess deduction should be corrected or carried forward under an authorised process.

6.12 Net pay

```
Total Deductions
= Unpaid Leave
+ PAYE
+ Employee CSG
+ Employee NSF
+ Loan
+ Advance
+ Pension
+ Other Authorised Deductions

Net Pay = Gross Pay - Total Deductions
```

Net pay is the amount payable to the employee.

6.13 Employer cost

```
Employer Cost
= Payable Earnings
+ Employer CSG
+ Employer NSF
+ HRDC Training Levy
+ Employer PRGF
```

Employer cost is useful for management accounts, budgeting and Zoho Books posting. It should not be confused with the employee's net salary.

7. Complete worked payroll example

The following example shows a standard private-sector monthly payroll. It is illustrative and assumes that the employee is eligible for the normal contribution treatment and PRGF.

Employee information

Item	Value
Monthly basic salary	MUR 20,000
Overtime, approved as extra work	MUR 2,000
General allowance	MUR 1,000
Qualifying private-car travel allowance	MUR 2,000
Unpaid leave	None
Loan or advance deduction	None
Employee type	Standard private employee
Tax position	Monthly taxable emoluments below the ordinary PAYE threshold in this example
PRGF	Eligible

Step 1: Gross pay

```
Basic salary                 MUR 20,000
Overtime                     MUR  2,000
General allowance            MUR  1,000
Travel allowance             MUR  2,000
                             -----------
Gross pay                    MUR 25,000
```

Step 2: Taxable emoluments

The travel allowance is fully within the qualifying exemption in this example:

```
Actual travel allowance      MUR 2,000
25% of basic salary          MUR 5,000
Monthly maximum              MUR 20,000
Exempt travel                MUR 2,000

Taxable emoluments
= 25,000 - 2,000
= MUR 23,000
```

PAYE is MUR 0 in this example because the amount is below the ordinary monthly threshold and no director rule applies.

Step 3: Wage bill

```
Payable basic salary         MUR 20,000
Wage relativity              MUR      0
                             -----------
Wage bill                    MUR 20,000
```

Step 4: Employee and employer contributions

Contribution	Calculation	Employee deduction	Employer cost
CSG	MUR 20,000 at 1.5% / 3%	MUR 300	MUR 600
NSF	MUR 20,000 at 1% / 2.5%	MUR 200	MUR 500
HRDC levy	MUR 20,000 at 1.5%	MUR 0	MUR 300
PRGF	MUR 22,000 at 4.5%	MUR 0	MUR 990
PAYE	Below threshold in this example	MUR 0	MUR 0

Why is the PRGF basis MUR 22,000? It includes the MUR 20,000 basic wage and the MUR 2,000 approved extra-work payment. The general allowance and travel allowance are not added to PRGF remuneration.

Step 5: Net pay

```
Gross pay                    MUR 25,000
Less employee CSG            MUR    300
Less employee NSF            MUR    200
Less PAYE                    MUR      0
                             -----------
Net pay                      MUR 24,500
```

Step 6: Employer cost

```
Payable earnings           MUR 25,000
Employer CSG               MUR    600
Employer NSF               MUR    500
HRDC Training Levy         MUR    300
Employer PRGF              MUR    990
                           -----------
Total employer cost        MUR 27,390
```

What the employee sees compared with what the employer pays

Description	Amount
Gross pay on payslip	MUR 25,000
Employee deductions	MUR 500
Net pay to employee	MUR 24,500
Additional employer statutory cost	MUR 2,390
Total employer payroll cost	MUR 27,390

8. MRA returns and annual documents

8.1 Joint Monthly PAYE/CSG/NSF Return

> **Official basis:** MRA states that every employer should submit the joint monthly return for all employees, whether PAYE was withheld or not. The return and payment are generally due by the end of the following month. For the returns and payments relating to May and November, MRA publishes an earlier cut-off: two days, excluding Saturdays and public holidays, before the end of June and December respectively. See Source S7.

The Codeblix payroll output follows the published PACO V1.0 structure for monthly PAYE and contributions. See Source S8.

The file includes, among other items:

- employer identity and tax period;
- employee identity;
- wage bill and wage relativity;
- contribution code and monthly pay code;
- CSG and NSF amounts;
- levy applicability;
- emoluments;
- PAYE;
- statutory end-of-year bonus; and
- CSG on the statutory bonus.

MRA requires the statutory amounts in the CSV file without cents. See Source S8.

8.2 Monthly PRGF Return

> **Official basis:** As per MRA, the monthly PRGF return and payment are due electronically by the end of the month following the relevant month. See Source S9.

The PRGF file includes:

- employer details;
- Mauritian employee NID and name;
- pension-scheme status;
- full-time status;
- employment start date;
- monthly basic wage;
- qualifying allowances;
- commission as a separate reporting field;
- total PRGF remuneration; and
- PRGF contribution.

The MRA PRGF specification requires monetary fields without cents. See Source S11.

8.3 Return of Employees (ROE)

The annual ROE includes all employees, whether PAYE was withheld or not. MRA accepts the relevant electronic format, including CSV for employers using that method. A successful annual submission produces an acknowledgement ID. See Source S13.

The current ROE structure separates major annual categories such as:

- salary, wages, overtime, allowance, bonus and commission;
- entertainment allowance;
- travel and travelling-expense reimbursement;
- other reimbursements;
- car, house, tax and other benefits;
- lump sum;
- pension or annuity;
- exempt emoluments;
- EDF deductions; and
- PAYE withheld.

See Source S14.

8.4 Statement of Emoluments and Tax Deduction

The annual Statement of Emoluments provides the employee with the employer's annual record of emoluments, exemptions, EDF deductions, PRGF and tax withheld. The system uses the current MRA specimen structure as the reference. The current specimen states that the Statement should be given to the employee not later than 15 August in the year of assessment. The company should confirm the applicable annual timetable and the latest MRA specimen before issue. See Source S15.

8.5 Filing status meanings

Status	Meaning
Draft	Information is still being prepared.
Calculated	Payroll formulas have been run, but the period is not yet approved.
Approved and locked	The authorised payroll result is fixed for outputs and reporting.
Generated	The statutory file has been created but not yet submitted.
Submitted	The file has been sent to MRA, but acknowledgement must still be checked.
Acknowledged	MRA has returned a successful acknowledgement message or ID.
Paid	The related tax or contribution payment evidence has been recorded.
Rejected	MRA did not accept the submission and a correction is required.
Amended	A controlled correction or replacement has been prepared after approval.

> **Important:** “Generated” does not mean “filed”. “Submitted” does not mean “accepted” unless the MRA acknowledgement is received.

9. Zoho Books accounting hand-off

Zoho Books is the accounting ledger. The payroll system remains the source of employee-level salary calculations and statutory payroll details.

9.1 Standard accounting result

After payroll approval, the system can provide a balanced monthly journal containing:

- salary and wage expense;
- employer CSG expense;
- employer NSF expense;
- HRDC levy expense;
- PRGF expense;
- PAYE payable;
- CSG payable;
- NSF payable;
- levy payable;
- PRGF payable;
- employee loan or advance balances; and
- net salary payable or bank clearing.

9.2 Example journal from the worked payroll

Account	Debit	Credit
Salary and wages expense	MUR 25,000	
Employer statutory contribution expense	MUR 2,390	
Net salary payable		MUR 24,500
CSG payable, employee plus employer		MUR 900
NSF payable, employee plus employer		MUR 700
HRDC Training Levy payable		MUR 300
PRGF payable		MUR 990
Total	**MUR 27,390**	**MUR 27,390**

The exact account names depend on the organisation's Zoho Books chart of accounts.

9.3 Available Zoho Books methods

Method A: Journal import

Zoho Books officially supports the import of manual journals. Zoho notes that, because it is a double-entry system, total debits and credits must be equal. See Source S16.

The payroll system can provide an accounting-ready journal file or summary after the required columns and account mapping are confirmed.

Method B: API connector

Zoho Books also provides a REST API for journal operations and uses OAuth 2.0 for authorised application access. See Source S17 and Source S18.

A live API connector requires:

- the organisation's Zoho Books account;
- authorised OAuth access;
- the Zoho organisation ID;
- mapped account IDs;
- a decision on draft, submitted or published journal status;
- tracking or branch mapping where required;
- duplicate-posting protection; and
- testing in the organisation's actual Zoho Books environment.

> **Integration note:** The standard payroll workflow provides accounting-ready totals. Enable a live Zoho Books connection only after the integration method, account mapping, permissions and duplicate controls have been confirmed and tested.

9.4 Information needed for Zoho setup

- Zoho Books organisation name and organisation ID;
- chart of accounts or accountant-approved payroll accounts;
- salary expense account;
- employer contribution expense accounts;
- PAYE, CSG, NSF, levy and PRGF liability accounts;

- net salary payable or salary-clearing account;
- department, branch or reporting-tag requirements;
- preferred journal date and reference format;
- preferred import or API method; and
- person authorised to approve the journal in Zoho Books.

9.5 Reconciliation after posting

The following totals should agree:

```
Payroll report gross and employer costs
= Debit totals in Zoho Books

Employee and employer statutory liabilities
= Credit balances for PAYE, CSG, NSF, levy and PRGF

Approved net pay
= Salary payable or bank-clearing credit

Total debits
= Total credits
```

10. Controls, approval and corrections

10.1 Why the system uses effective dates

Statutory rates can change. A rate should apply only from its legal start date.

Example:

- June 2026 payroll keeps the June 2026 rule;
- July 2026 payroll uses the new July 2026 rule; and
- changing the current rate must not rewrite an already approved June payroll.

This is why PAYE bands, NSF limits and other statutory rates are stored by effective date.

10.2 Source hierarchy

When official publications appear to conflict, the system follows this order:

1. enacted legislation and Finance Acts;
2. income-year-specific MRA instructions;
3. current MRA statutory file specifications;
4. current MRA service pages;
5. general guides and examples.

The later and higher-authority source is used, and the reason should be recorded. The 2026/27 Fair Share treatment is an example of this approach. See Source S2.

10.3 Approval controls

A professional payroll process should separate:

- preparation;
- review;
- approval;

- payment; and
- MRA filing confirmation.

The person preparing the payroll should not silently change approved figures after payslips or statutory files have been issued.

10.4 Corrections

When an error is found:

1. identify the affected employee and period;
2. record the reason and supporting evidence;
3. calculate the correction;
4. obtain approval;
5. regenerate the affected report or statutory file using a controlled amendment process;
6. submit the correction through the required MRA process; and
7. retain the new acknowledgement and payment evidence.

An older approved payroll should remain available for audit comparison.

10.5 Monthly review checklist

Before approval, the reviewer should confirm:

- [ ] Company, period and pay date are correct.
- [ ] All expected employees are included.
- [ ] Joiners and leavers are correctly handled.
- [ ] Basic salaries agree with approved salary records.
- [ ] Unpaid leave agrees with authorised attendance records.
- [ ] Overtime has been approved.
- [ ] Allowances and benefits are correctly described.
- [ ] Travel exemption has supporting evidence.
- [ ] EDF and tax-residence details are correct for the income year.
- [ ] Director and no-EDF cases have been reviewed.
- [ ] CSG/NSF category is correct.
- [ ] PRGF eligibility or exemption evidence is current.
- [ ] Loan, advance and other deductions are authorised.
- [ ] Net pay differences from the prior month are explained.
- [ ] Employer cost agrees with the payroll summary.
- [ ] Payroll is approved before payslips and MRA files are issued.
- [ ] MRA acknowledgement and payment evidence are stored after filing.
- [ ] Zoho Books journal balances and has not already been posted.

11. Common questions

Why can two employees with the same salary have different PAYE?

PAYE is cumulative and depends on the employee's EDF, tax residence, prior taxable income, prior PAYE and director/no-EDF status. The same current salary does not always mean the same current PAYE.

Why is PAYE sometimes higher or lower than the previous month?

The system recalculates tax due from July to the current period and deducts PAYE already withheld. Overtime, bonus, a new EDF, a salary change or a correction to prior payroll can change the current amount.

Why is CSG not calculated on the full gross pay?

MRA applies CSG to the relevant basic wage or wage bill. Overtime, travel, commission and many other earnings can form part of gross pay without forming part of the CSG wage bill. The statutory bonus is handled separately.

Why is NSF capped but the HRDC levy is not?

MRA publishes a minimum and maximum wage basis for NSF. MRA also states that those NSF ceilings do not apply to the levy, which is calculated on the full applicable basic wage. See Source S6.

Is PRGF deducted from the employee?

No. PRGF is an employer contribution.

Why is commission shown separately from PRGF remuneration?

The current MRA PRGF Guide defines PRGF remuneration as basic wage plus productivity bonus, attendance bonus and payment for extra work. Commission is reported separately in the MRA PRGF file specification but is not automatically added to the contribution basis. See Source S10 and Source S11.

Does a generated MRA file mean the return has been filed?

No. The file must be submitted through the correct service, and MRA must provide an acknowledgement. See Source S7 and Source S13.

Does the payroll system replace Zoho Books?

No. The payroll system calculates employee payroll. Zoho Books receives the approved accounting journal and keeps the general ledger.

Is an automatic Zoho Books connection included automatically?

The standard payroll output provides accounting-ready totals. A live API connector is optional and requires the organisation's Zoho account, OAuth permission, account mapping and controlled testing.

Can an old approved payroll change when an employee profile is edited?

It should not. Approved payroll values are locked so that later changes apply to future payroll rather than silently changing past records.

Are statutory rates fixed permanently?

No. The guide records the rules checked on 27 August 2026. Future MRA or legislative changes should be added using their official effective dates.

12. Operational readiness checklist

Validate the complete payroll process before the first live payroll and after any material configuration change.

Control area	Expected evidence
Employee setup	Identity, salary, EDF, residence, contribution category, PRGF status and bank details.
Normal monthly payroll	Basic salary, overtime, allowance, travel, deductions and employer cost.
Calculation explanation	The system should show the base and rate used for PAYE, CSG, NSF, levy and PRGF.
Unpaid leave example	How the daily deduction and payable basic salary are produced.
PAYE example	A cumulative PAYE employee and a director/no-EDF example.
Travel exemption	Evidence requirement and the lowest-of-three formula.
End-of-year bonus	One-twelfth suggestion, PAYE 13th step and separate bonus CSG.
Payroll approval	Review, approval, locking and controlled correction.
Payslip	Clear earning and deduction breakdown.
MRA monthly file	PACO and PRGF file generated from the same approved payroll.
Filing evidence	Difference between generated, submitted and acknowledged.
Annual reporting	ROE and Statement of Emoluments totals.
Zoho Books	Balanced journal, account mapping and the agreed import or API method.

Complete a controlled test run with anonymised records that represent the organisation's usual payroll cases, then reconcile the results before live processing.

13. Configuration and rollout planning

Confirm the following before configuration and rollout:

- number of companies;
- number of employees;
- whether historical payroll must be migrated;
- required payroll training and support;
- whether a generic payment list or a tested bank-specific format is required;
- whether Zoho Books will use journal import or a live API connector;
- whether departments, branches or reporting tags must be mapped; and
- whether any special employee categories or Remuneration Orders apply.

Record the agreed rollout boundary for data migration, Zoho Books setup, bank files, custom reports, training and ongoing support. Complete user acceptance checks before the first live payroll.

14. Official source register

All official sources below were checked for this manual on **27 August 2026**. The links allow readers to verify each rule directly.

S1. MRA Employee Declaration Form Notes, income year ending 30 June 2027

Used for: Current 2026/27 income-tax bands and resident entitlement to claim reliefs and deductions.

Official link: [MRA EDF Notes for the income year ending 30 June 2027]

Key rule used in this guide:

- first MUR 500,000 at 0%;
- next MUR 500,000 at 10%;
- next MUR 11 million at 20%; and
- remainder at 35%.

S2. Finance Act 2026, Act No. 14 of 2026

Used for: Enacted 2026 income-tax bands and the current Fair Share applicability decision.

Official link: Finance Act 2026 PDF, National Assembly of Mauritius

Relevant parts used:

- amendment to section 16C removing the words that extended Fair Share to the subsequent two income years; and
- First Schedule rates of 0%, 10%, 20% and 35%.

S3. MRA PAYE service page

Used for: PAYE purpose, cumulative calculation, annual EDF requirement, director/no-EDF treatment, non-resident treatment, 13-period method and PAYE whole-rupee rule.

Official link: MRA PAYE

Source note: Where the general page contains older rate or Fair Share wording, the later Finance Act 2026 and current 2026/27 EDF notes in S1 and S2 are used for the current rule.

S4. MRA Guide on Pay As You Earn, December 2025

Used for: Detailed PAYE mechanics, examples, travel exemption conditions and no-EDF examples.

Official link: MRA Guide on PAYE PDF

Source note: The guide is used for calculation mechanics and evidence requirements. Current 2026/27 bands come from S1 and S2.

S5. MRA Contribution Sociale Généralisée page

Used for: Standard employee and employer CSG rates, MUR 50,000 threshold, and separate CSG treatment of the prescribed end-of-year bonus.

Official link: MRA CSG

S6. MRA NPF/NSF Contributions and Training Levy page

Used for: NSF employee and employer rates, HRDC levy rate, statutory wage basis, July 2026 NSF limits and age/category notes.

Official link: MRA NPF, NSF and Training Levy

Current monthly NSF limits from 1 July 2026:

- household minimum: MUR 2,910;
- other-employee minimum: MUR 4,580; and
- maximum: MUR 29,710.

S7. MRA Monthly PAYE/CSG/NSF Return service

Used for: Employer filing obligation, inclusion of all employees, monthly deadline, employer responsibility and acknowledgement requirement.

Official link: MRA Monthly PAYE/CSG/NSF Return

S8. MRA PACO V1.0 monthly CSV specification

Used for: Exact monthly PAYE and contribution file structure, employee fields, wage bill, contribution code, PAYE, end-of-year bonus and whole-rupee file requirements.

Official link: MRA Monthly PACO Specification PDF

S9. MRA Monthly PRGF Return service

Used for: Monthly PRGF filing, electronic payment, 4.5% rate, CSV option, approved-pension note and monthly deadline.

Official link: MRA Monthly PRGF Return

S10. MRA Guide on Portable Retirement Gratuity Fund, August 2025

Used for: PRGF eligibility, exclusions, 4.5% rate, remuneration basis, return deadline and exit requirements.

Official link: MRA PRGF Guide PDF

S11. MRA monthly PRGF CSV specification

Used for: PRGF employee fields, basic wage, qualifying allowances, commission, contribution basis, contribution amount and whole-rupee format.

Official link: MRA Monthly PRGF CSV Specification PDF

S12. Workers' Rights Act 2019, current consolidated version

Used for: End-of-year bonus entitlement, one-twelfth calculation, covered-worker salary threshold, December payment timing and part-year exit rules.

Official link: Workers' Rights Act 2019, Laws of Mauritius

S13. MRA Return of Employees service

Used for: Annual ROE obligation, inclusion of all employees, accepted electronic formats and acknowledgement ID requirement.

Official link: MRA Return of Employees

S14. MRA annual ROE V1.0 CSV specification

Used for: Annual employee categories, field widths, annual PAYE reconciliation and whole-rupee reporting.

Official link: MRA Annual ROE Specification PDF

S15. MRA Statement of Emoluments and Tax Deduction specimen

Used for: Annual employee statement structure and the categories shown to the employee.

Official link: MRA Statement of Emoluments Specimen PDF

S16. Zoho Books official journal-import guidance

Used for: Manual journal import method and the requirement for equal debit and credit totals.

Official link: Zoho Books migration and manual journal import guidance

S17. Zoho Books Journals API documentation

Used for: Optional API-based creation and management of accounting journals.

Official link: Zoho Books Journals API

S18. Zoho Books OAuth documentation

Used for: Authorised third-party application access for an optional live connector.

Official link: Zoho Books OAuth 2.0 documentation