MINISTRY OF HOUSING AND LANDS

Guidelines on Application for 50% Reduction in rental for Hotels under reconstruction/renovation

1. Section 8 Part 2 of the Second Schedule of the State Lands Act provides that where a hotel suspends its operation for purposes of renovation or reconstruction, the annual rental shall be reduced by 50% provided that:

   (a) the hotel had opted for a lease granted under the said Act;

   (b) the renovation or reconstruction starts at any time during the period 01 January 2013 to 30 June 2018;

   (c) the employment and period of service of all the employees of the hotel in respect of the period of renovation or reconstruction are safeguarded and preserved by the hotel; and

   (d) the reduction of the annual rental shall not exceed a period of 12 months.

2. A Lessee who intends to take advantage of the scheme should make an application to this Ministry on the application form available on the website of this Ministry (http://housing.govmu.org).

3. The following documents should be submitted in three copies along with the application form:

   (i) In case of a company, copy of resolution;

   (ii) Artistic impressions;

   (iii) Plan showing modification of architectural design;

   (iv) In case of reconstruction, copy of new master plan (if any); and

   (v) In case of reconstruction, copy of layout plans.

4. Application should be made by the lessee at least two (2) months prior to planned closure. In case of force majeure, consideration may be given to reducing/waiving the two months' timeframe.

5. The duly filled in application form together with all supporting documents (in 3 copies) should be sent to this ministry at the following address.

   Permanent Secretary
   Ministry of Housing and Lands
   Ebene Tower, Plot 52
   Ebene, Cybercity