

INCOME TAX

This pamphlet contains general information about the income tax (IB; inkomstenbelasting)

This pamphlet will answer the following questions:

- What is Income Tax and who is liable to pay this tax.
- What is Income Tax levied on.
- What is the rate of Income Tax.
- When is Income Tax due and how is it to be paid

What is income tax.

Income Tax (IB) is a tax that has to be paid by everyone who lives within the Netherlands Antilles. Not everyone will notice this however. People that only have a small income and no tax-deductible costs will probably never have to make a declaration. People that only work in paid employment without further income will also probably not have any dealings with Income Tax. As an entrepreneur (sole proprietor) you will certainly have to make a declaration of IB.

What is Income Tax levied on.

IB is levied on the taxable income of a year. This income is determined as follows:

Pay from employment	+/+
Profit from business	+/+
Income from labour	+/+
Income from property	+/+
Income from moveable property (interest, dividend)	+/+
Income from recurrent benefits (Financial assistance or understand, pension)	+/+
	<u>X</u>
Personal burdens (annuity, pension contributions, mortgage interest)	-/-
Exceptional burdens (medical expenses, studies)	-/-
	<u>Y</u>
Taxable Income	<u>Z</u>

What is the rate of Income Tax.

IB is imposed on the Taxable Income. The rate will increase with the income. Up to a Taxable Income of Naf 24345,- the rate is 10%, this will increase to 38% at a Taxable Income of over NAF 107524,-. On these taxes then a number of reductions may be applicable.

- A basic discount of NAF 1267,-
- A single-income household allowance (in instances where one spouse is working) of NAF 846,-

- A senior citizen allowance (when the taxpayer is 60 years or older) of NAF 638,-
- A child allowance, varying from NAF 45,- to NAF 451,- per child.

All mentioned percentages and reductions without 25% surcharges. ("opcenten")

When and how is Income Tax due and how is it to be paid

When the Inspectorate is of the opinion you qualify for IB he will send you a Tax Return. If you didn't receive this form but you do have income which falls under the obligation of Income Tax, you are obliged to request the Tax Return.

You are compelled to file, sign and return the form within 60 days of issue. The Inspector will judge the Tax Return and enforce a tax assessment. After you receive notice of this, you have two months to pay your dues to the receivers.

For any further information you can always contact one of the information centers. They are there to assist you.

INSPECTORATE OF TAXES WINDWARD ISLANDS INFORMATION CENTER SABA

Capt. Mathew Levenstone Street
The Bottom
Saba

Tel: 4163941/42

Fax: 4163943

email-address: informationcenter@taxes-windward.com

INSPECTORATE OF TAXES WINDWARD ISLANDS INFORMATION CENTER ST.EUSTATIUS

H.M. Queen Beatrixstreet (former GEBE office)

Oranjestad

St. Eustatius

Tel: 3183325/26

Fax: 3183327

email-address: informationcenter@taxes-windward.com