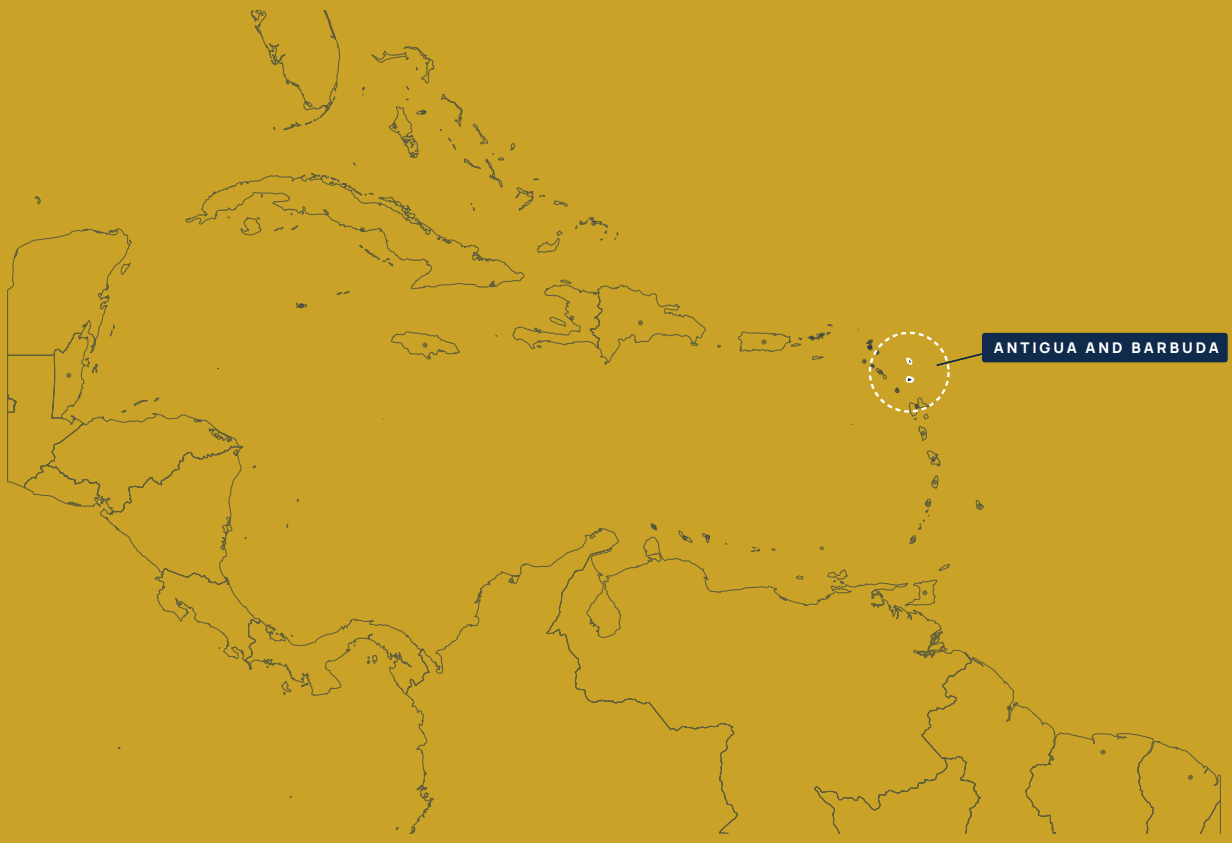


TOTAL BUDGET
XCD 2.08 billion
2026 estimates, including debt service

PRIMARY BALANCE
+1.6% of GDP
IMF estimate of the 2026 Budget

PUBLIC DEBT
66.4% of GDP
IMF projection, end-2026

CARIBBEAN TAX SERVICE DESK · EASTERN CARIBBEAN

Antigua and Barbuda Budget Review 2026

What the 2026 Budget means for businesses and individuals

CONTENTS

01	Budget at a glance	3
02	Economic context	4
03	Fiscal framework	5
04	Tax measures for businesses	6
05	Tax measures for individuals and households	7
06	Indirect taxes, customs and other revenue	8
07	Spending priorities and capital programme	9
08	Debt, financing and fiscal rules	10
09	What it means for your sector	11
10	Action points and key dates	12
11	How Dawgen Global helps	13

FOREWORD

The 2026 Budget adds no new taxes. It aims to raise more from the existing system through digital filing, e-invoicing and stronger customs controls, while paying for a larger capital programme.

The Budget follows a reset of all tax concessions on 30 November 2025 and comes before the 2026 Commonwealth Heads of Government Meeting in St John's. Through the year the Government added targeted sales tax relief for households, a higher minimum wage and an interim pay rise for public servants. The 2027 Budget is expected in December 2026.

This review sets out the figures, the measures and their dates, and what they mean for each sector. It should be read with our Antigua and Barbuda Doing Business Guide and Tax Guide.

Antigua and Barbuda is served through Dawgen Global's Caribbean Service Desk, managed from our headquarters in Kingston. We would be glad to help you work through the impact on your business.

Dr. Dawkins Brown, Ph.D., MCMI, ACFE

Executive Chairman, Dawgen Global

How to use this guide

This review summarises the 2026 Budget and what it means for businesses and individuals in Antigua and Barbuda. It is general information, current to October 2026; measures may change as they pass into law. Our companion Doing Business and Tax Guides give the wider picture. Speak to us before you act.

OVERVIEW

01 Budget at a glance

The 2026 Budget, themed "People-Centred Growth and Development", was presented to the House of Representatives on 4 December 2025 by the Prime Minister and Minister of Finance, Hon. Gaston Browne, and debated in both Houses in December. The fiscal year is the calendar year.

TOTAL BUDGET	APPROPRIATION	RECURRENT REVENUE
XCD 2.078 bn	XCD 1.21 bn	XCD 1.49 bn
Including debt service and other statutory charges	Recurrent XCD 979.9 million; capital XCD 228 million	Tax revenue XCD 1.25 billion, about 18% of GDP

PRIMARY BALANCE	PUBLIC DEBT	BORROWING AUTHORITY
+1.6% of GDP	66.4% of GDP	Up to XCD 1.6 bn
IMF estimate of the Budget; the Government projects a surplus	IMF projection for end-2026, from 68.3% in 2025	Financing and liability management, within set limits

Five key messages

- **No new taxes.** Tax rates are unchanged; more revenue is to come from compliance.
- **A digital tax system.** Full digitisation of ABST, e-invoicing, a new tax administration platform and upgraded customs technology.
- **Concessions reset.** All tax concessions ended on 30 November 2025; businesses could reapply from 1 December.
- **Targeted household relief.** ABST holidays on food and school items, a higher minimum wage and continued fuel and food subsidies.
- **More capital spending.** Public investment rises to about 3.5% of GDP, with debt still on a downward path.

ECONOMY

02 Economic context

Growth has been steady, led by tourism and construction, with low inflation in 2025. The Budget assumes faster growth than the IMF.

REAL GDP 2025	GROWTH 2026	INFLATION 2025
3.0%	2.8%	1.4%
IMF estimate; 2.5% in 2024	IMF projection; the Budget assumes 5%	Average, from 6.2% in 2024

TOURISM RECEIPTS	CURRENT ACCOUNT	CURRENCY
45% of GDP	−11.6% of GDP	XCD 2.70 = US$1
US$1,022.6 million in 2025	2025, IMF estimate	Fixed since 1976; reserves pooled at the ECCB

Drivers

The Budget expects growth from hotel development, construction and international events. Stay-over arrivals rose about 7% in the first quarter of 2026, and March 2026 was the best month on record. The Government reported more than 54,000 active jobs in 2025.

Events in 2026

A general election was held on 30 April 2026. St John's hosts the Commonwealth Heads of Government Meeting on 1 to 4 November 2026.

Outlook and risks

The IMF expects growth to settle at about 2.5% a year and inflation around 2% by end-2026. It lists risks from global uncertainty, commodity prices, citizenship by investment inflows, extreme weather and limits on construction capacity.

IMF Article IV

The IMF Executive Board concluded its 2026 consultation on 4 May 2026.

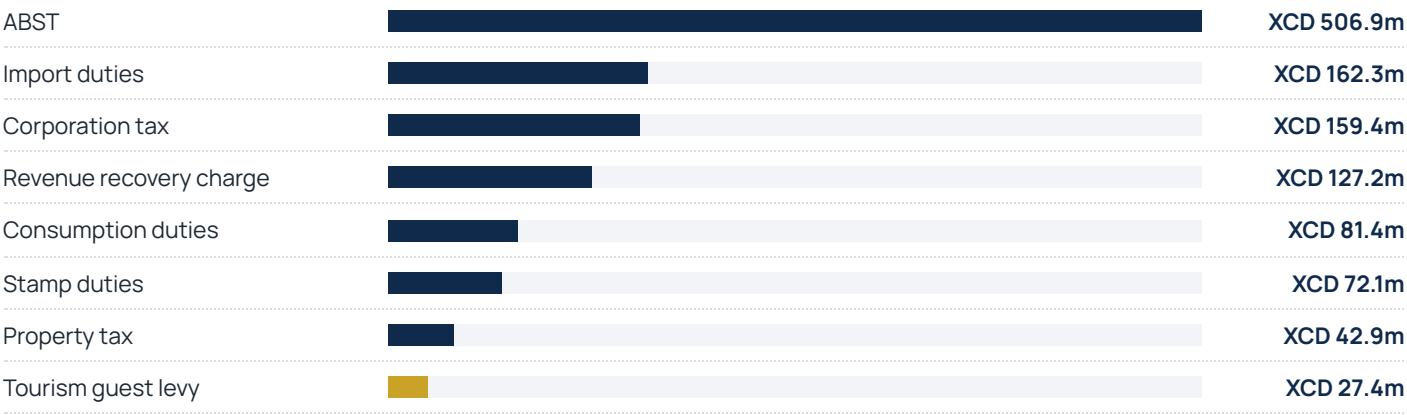
PUBLIC FINANCES

03 Fiscal framework

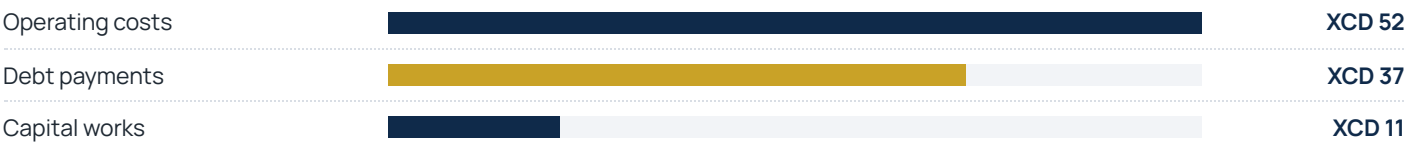
Central government, % of GDP	2024	2025 est.	2026 proj.	2027 proj.
Revenue and grants	21.9	22.4	21.8	21.0
of which tax revenue	16.8	18.2	18.0	17.3
of which citizenship by investment	1.3	2.6	1.9	1.8
Expenditure	20.2	19.3	22.3	22.1
of which capital	1.3	1.6	3.6	3.5
Primary balance	4.0	4.9	1.6	1.0
Overall balance	1.6	3.1	−0.5	−1.0

IMF 2026 Article IV figures, using the IMF's growth assumption.

Main tax revenues, 2026 Budget estimates



How each XCD 100 of the budget is spent



Outturn and outlook

The 2025 primary surplus is estimated at 4.9% of GDP, helped by higher tax collection and one-off effects. The surplus narrows in 2026 as capital spending rises. The IMF's estimate excludes the revenue cost of the temporary ABST reduction.

BUSINESS TAX

04 Tax measures for businesses

There are no new taxes and no rate changes for companies. The changes are about concessions, compliance and digital filing.

Measure	What changes	Effective	Who is affected
Tax concessions reset	All existing concessions, including corporate income tax concessions, ended. New approvals are aligned with national priorities such as the green transition and tourism diversification.	Ended 30 Nov 2025; reapply from 1 Dec 2025	Concession holders and new investors
E-invoicing	**Planned:** e-invoicing for ABST under a dedicated law; scope and timetable to be announced	To be announced	ABST-registered businesses
Digital tax administration	Full digitisation of ABST and a new tax administration platform, replacing paper processes	Being rolled out	All taxpayers
Audit and enforcement	Stricter audit and staff rotation protocols; more revenue expected from corporate and property tax	2026	All taxpayers
Transfer pricing	Arm's length rules, with connected-party transactions reported in the annual return	1 Jan 2026	Groups with related-party dealings
Minimum wage	XCD 11.50 an hour, from XCD 9.00	1 Apr 2026	Employers

Unchanged

Corporate income tax of 25%, or 22.5% and 10% for qualifying sectors; ABST at 17%, or 14% on hotel accommodation, with registration above XCD 300,000; the 10% revenue recovery charge; social security at 16% combined.

Concession holders

A business that relied on a concession before 30 November 2025 should confirm whether it has been re-granted, and on what terms, before pricing contracts or claiming relief.

INDIVIDUALS

05 Tax measures for individuals and households

There is still no personal income tax on employment income. The Budget's household measures are about prices, wages and public services.

Measure	Position
Minimum wage	XCD 11.50 an hour from 1 April 2026, from XCD 9.00; yearly rises towards XCD 13 are planned
Public servants	5% interim increase from the end of March 2026; negotiations continue
ABST holidays	No ABST on food and school items on 10–11 April and 28–29 August 2026
Subsidies	Continued on fuel, LPG and certain food items

Public services

- National Health Insurance pilot, towards universal health coverage by 2030
- Free CXC examinations and tuition-free study at ABCAS

Payroll contribution	Employee	Employer
Social security (to XCD 6,500 a month)	7%	9%
Medical benefits	3.5%	3.5%
Education levy	Graduated	Deducts and remits

Payroll contribution rates are unchanged. The self-employed pay social security at 10% and unincorporated business tax on a sliding scale up to 25%.

Household costs

Inflation was low in 2025, and the ABST holidays cut the cost of food and school supplies on the days announced. Other purchases still carry ABST at 17%.

INDIRECT TAXES

06 Indirect taxes, customs and other revenue

ABST rates are unchanged. The Government expects more revenue from better collection, and has used short ABST holidays for household relief.

Measure	Change	Effective
ABST rates	17% standard and 14% on hotel accommodation, unchanged	Continuing
ABST holidays	0% on food, non-alcoholic drinks and school items for two days at a time	10–11 Apr and 28–29 Aug 2026
Temporary ABST reduction	**Announced:** Cabinet said in early 2026 that ABST on targeted items would fall from 17% to 7% for a relief period; check whether a reduced rate applies on the date of supply	As set by Cabinet
Digital ABST and e-invoicing	Move from paper processes to digital filing; e-invoicing under a dedicated law (proposed)	To be announced
Customs	Upgraded customs technology and scanning equipment	2026

Revenue expected

The Budget projects consumption duties up XCD 20 million, corporate and property tax up XCD 12 million each, and stamp duties up XCD 6 million. Citizenship by investment brings further revenue, which the IMF puts at 1.9% of GDP in 2026.

IMF advice

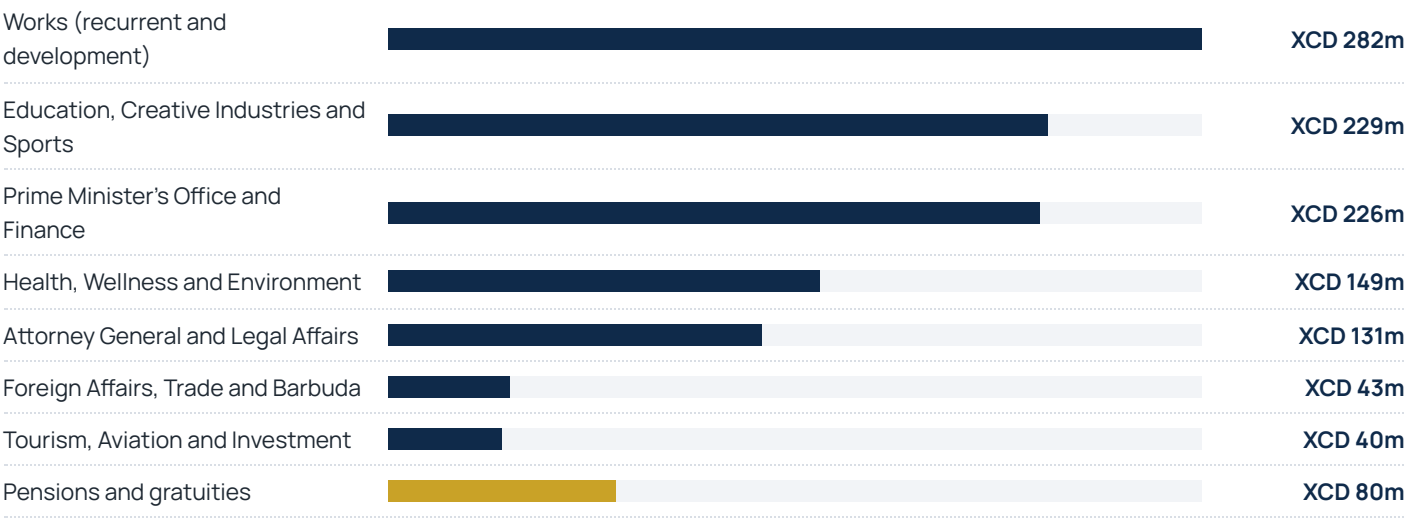
The IMF has urged prompt restoration of the standard ABST rate, fewer exemptions, a customs single window, e-filing and e-payment, and a large taxpayer unit. These are recommendations, not Budget measures.

SPENDING

07 Spending priorities and capital programme

Works, education and the Prime Minister's Office and Ministry of Finance take the largest allocations. Capital spending is set to more than double as a share of GDP.

Largest ministry allocations announced, 2026



Gold bar: a mandatory statutory charge. Debt service is met outside these allocations.

Capital programme

The IMF expects capital spending of about 3.6% of GDP in 2026, up from 1.6% in 2025. Major road rehabilitation is planned.

- Road rehabilitation
- UWI Five Islands expansion
- Renal centre
- Mental health facilities
- Airport terminal upgrade
- Cruise port berth
- CHOGM 2026

Social priorities

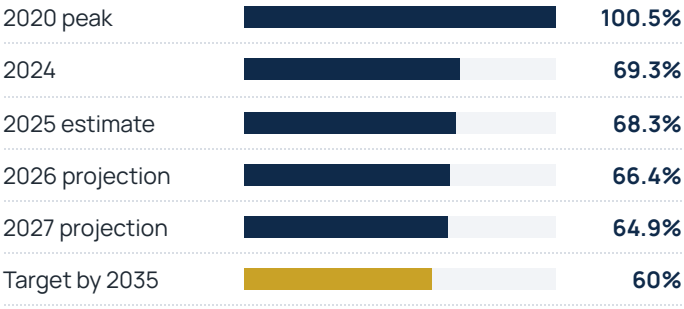
- National Health Insurance pilot and reopening of the cancer centre
- Free CXC examinations and tuition-free ABCAS study
- Subsidies on fuel, LPG and certain food items
- Housing and climate resilience projects

DEBT

08 Debt, financing and fiscal rules

Public debt has fallen by about a third of GDP since 2020. The regional target is 60% of GDP by 2035.

Public debt, % of GDP



IMF figures, including guarantees. The 60% target is the ECCU benchmark.

Fiscal rules

The fiscal resilience guideline calls for a primary surplus of 1½% to 2% of GDP, with tax revenue rising to 20% of GDP. The Fiscal Responsibility Oversight Committee tabled its first report in December 2025.

Financing 2026

The Budget needs XCD 567.1 million of financing, much of it through the Regional Government Securities Market. The Budget seeks authority to borrow up to XCD 1.6 billion:

- Up to XCD 405 million (US$150 million) to finance spending
- XCD 1.2 billion (US$450 million) for liability management, including debt swaps and buybacks
- Domestic securities may rise by no more than XCD 75 million, and total public debt by no more than XCD 300 million, over the year

Risks to watch

The IMF puts domestic arrears at about 6% of GDP and Paris Club arrears at about 7% at end-2025, and calls for a clearance strategy. Debt may be revised up as arrears are validated.

SECTOR IMPACT

09 What it means for your sector

Sector	What the Budget means
Tourism and hospitality	ABST on hotel accommodation stays at 14%. Record arrivals early in 2026, CHOGM in November and airport and cruise port works support demand. Concessions on new projects must be applied for under the new criteria.
Construction and real estate	A larger capital programme, road rehabilitation and hotel development. Stamp duty and the alien landholding licence are unchanged. Check concession terms on imported materials.
Financial services	Sector tax rates of 22.5% and 10% are unchanged. Government borrowing through the regional securities market and debt operations may offer investment opportunities.
Retail and distribution	ABST holidays and any temporary rate need point-of-sale changes on short notice. E-invoicing will change billing systems.
Energy and utilities	Fuel and LPG subsidies continue. The green transition is a stated priority for new concessions.
Technology and digital	Digital ABST, e-invoicing and the new tax platform create demand for compliant systems and integration.
SMEs	The ABST threshold stays at XCD 300,000. Wage costs rise with the minimum wage. Digital filing will apply to registered businesses.
Employers generally	Update payroll for the minimum wage from 1 April 2026 and plan for further rises. The public sector pay round may raise wage expectations.

ACTION PLAN

10 Action points and key dates

Businesses

- [ ] Confirm the status of any tax concession and reapply if needed
- [ ] Prepare invoicing and accounting systems for e-invoicing
- [ ] Plan point-of-sale changes for ABST holidays
- [ ] Keep transfer pricing support for 2026 transactions
- [ ] Update payroll for the minimum wage
- [ ] Watch the 2027 Budget in December 2026

Individuals

- [ ] Self-employed: file the 2026 return by 31 March 2027
- [ ] Check payslips for the new minimum wage
- [ ] Diary future ABST holidays

Date	What happens
30 November 2025	All tax concessions end
1 December 2025	Concession reapplications open
4 December 2025	2026 Budget presented
1 January 2026	Fiscal year begins; transfer pricing rules apply
31 March 2026	Returns for December year-ends; public sector 5% interim rise
1 April 2026	Minimum wage XCD 11.50 an hour
10–11 April 2026	ABST holiday on food and school items
28–29 August 2026	ABST holiday on food and school items
1–4 November 2026	CHOGM in St John's
December 2026	2027 Budget expected; 2025 country-by-country reports due, where required
31 March 2027	Company and business tax returns for 2026

Dates assume a calendar year-end.

YOUR PARTNER

11 How Dawgen Global helps

Our Caribbean Tax Service Desk, managed from Kingston, helps businesses and individuals turn the Budget into a plan.

Budget impact assessment

Modelling the measures against your costs, prices, margins and tax position.

Tax planning and restructuring

Group structure, sector rates, transfer pricing and transactions.

Compliance updates and payroll changes

E-invoicing readiness, digital ABST filing, minimum wage and payroll systems.

Incentives and concessions

Concession reviews and reapplications under the new criteria.

Cash flow and pricing reviews

Forecasts, pricing for ABST changes and working capital.

Engagement with the tax authority

Rulings, objections, audits and correspondence with the IRD and Customs.

Start with a conversation

Tell us how the 2026 Budget affects your plans, and we will set out the steps for your situation. Some regulated services are performed by affiliated firms; we will advise you of the arrangements when you make a request. Fees are tailored to each client's circumstances and set out in an engagement letter. Email **antiguaandbarbuda@dawgen.com** or **info@dawgen.global**, or call (876) 926-5210.

Talk to the Caribbean Tax Service Desk about the 2026 Budget

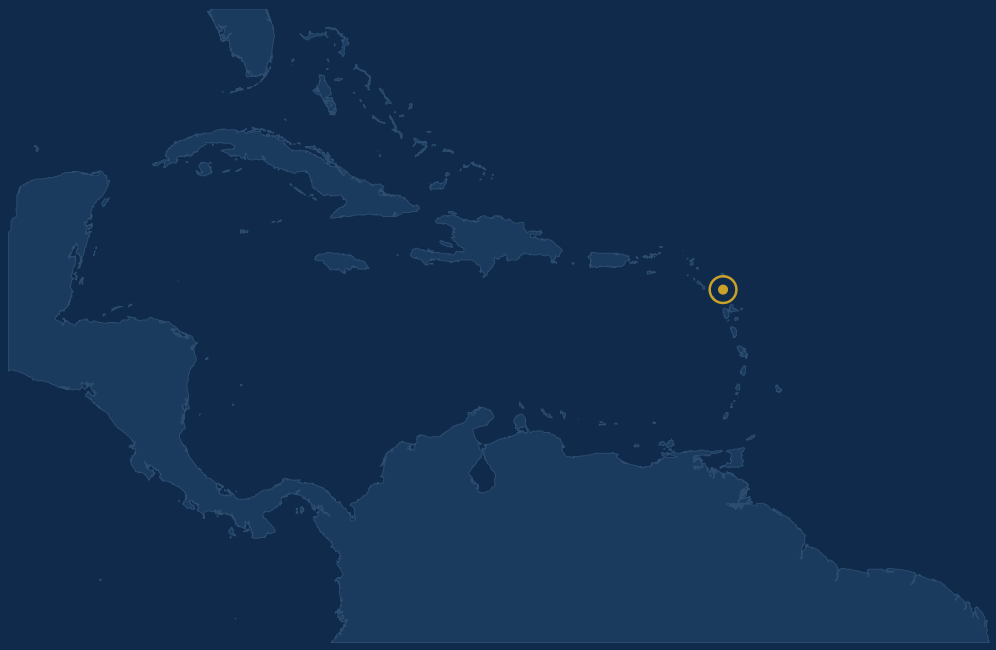
Contact

antiguaandbarbuda@dawgen.com

Dawgen Global, Dawgen Towers
47-49 Trinidad Terrace, Kingston 5, Jamaica
(876) 926-5210 · (876) 630-2011
(876) 929-3670 · (876) 929-3870
US toll free 855-354-2447
info@dawgen.global · dawgen.global

Key official sources

- Office of the Prime Minister and Ministry of Finance (ab.gov.ag)
- Inland Revenue Department (ird.gov.ag)
- Customs and Excise Division (customs.gov.ag)
- Statistics Division (statistics.gov.ag)
- Antigua and Barbuda Investment Authority (investantiguabarbuda.org)
- Social Security Board (socialsecurity.gov.ag)
- Eastern Caribbean Central Bank (eccb-centralbank.org)
- International Monetary Fund (imf.org)



This publication contains general information only, current to October 2026, and is not professional advice. Budget figures are estimates, temporary sales tax measures were in use during 2026, and tax concessions are being re-granted under new criteria; confirm the current position with Dawgen Global or the relevant authority before acting. Some regulated services are performed by affiliated firms; we will advise you of the arrangements when you make a request.

© 2026 Dawgen Global Caribbean Limited. All rights reserved. Maps: Dawgen Global.