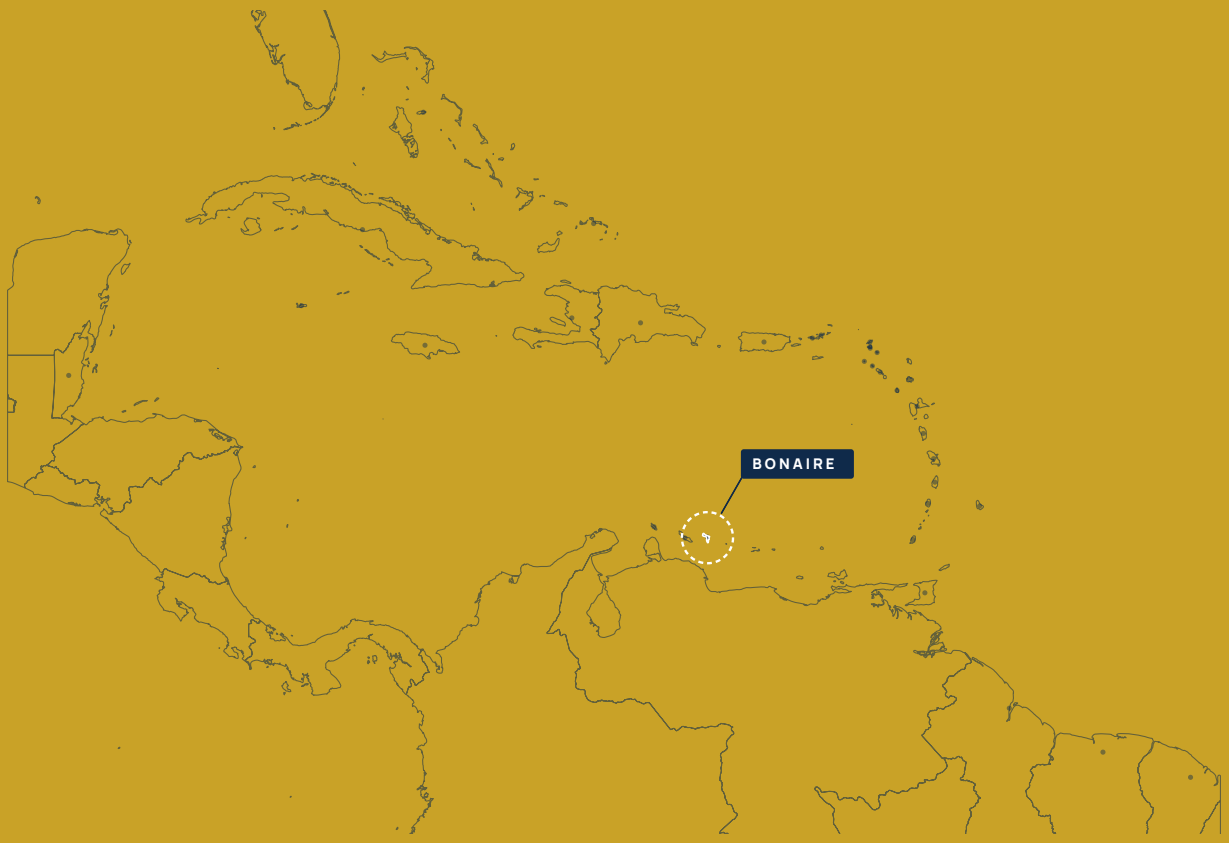


BES FUND 2027
EUR 95.8 million
Proposed free allowances, three islands

COST OF LIVING
EUR 30m a year
Dutch package for the BES islands from 2027

INFLATION
5.9%
Bonaire, third quarter of 2026

CARIBBEAN TAX SERVICE DESK · CARIBBEAN NETHERLANDS

Bonaire Budget Review 2026

What the 2026 Budget and the 2027 Tax Plan mean for businesses and individuals

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FOREWORD

Bonaire has no national budget of its own. Its 2026 tax rates were set by the Dutch Tax Plan 2026, and the bills for 2027 are now before Parliament. Island services are funded by a public entity budget that rests largely on Dutch transfers.

The 2027 proposals are modest for business but worth planning for: a higher hotel property tax rate, an option for ABB fiscal unity within groups, ABB and transfer tax relief for farming, a one-year cut in petrol duty and a higher tax-free kilometre allowance. They sit alongside a new Dutch package of EUR 30 million a year to lower the cost of living on the three islands, at a time when prices on Bonaire are rising faster again.

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

Bonaire is served through Dawgen Global's Caribbean Service Desk, managed from our headquarters in Kingston, with tax matters handled by our Caribbean Tax Service Desk. 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 2027 Tax Plan and what it means for businesses and individuals in Bonaire. 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

As a special municipality of the Netherlands, Bonaire's tax law is made by the Dutch Parliament. On Budget Day, 15 September 2026, the Dutch government submitted the Tax Plan 2027 and the 2027 budget for Kingdom Relations and the BES Fund. A separate bill, the Fiscale verzamelwet BES eilanden 2027, carries most BES tax changes. Island services run on the Public Entity Bonaire's 2026 budget.

ISLAND BUDGET 2026
+USD 30.3 million
First amendment, mostly special grants from Dutch ministries

COST OF LIVING
EUR 30m a year
Dutch package for Bonaire, Sint Eustatius and Saba from 2027

BES FUND 2027
EUR 95.8 million
Proposed free allowances to the three public entities

HOTEL PROPERTY TAX
11% to 12%
Proposed rate on the deemed yield from 1 January 2027

PETROL DUTY
−5.5 US cents
Per litre on Bonaire, proposed for 2027 only

INFLATION
5.9%
Bonaire, third quarter of 2026, year on year

Five key messages

- **No change to the core system.** No profit tax, revenue tax at 7.5% and ABB at 8% and 6% all continue.
- **Targeted business measures.** A higher hotel rate, ABB fiscal unity for wholly owned groups and relief for farming are proposed from 2027.
- **Relief at the pump and on the road.** A one-year petrol duty cut and a kilometre allowance of USD 0.22, back-dated to 2026, are proposed.
- **Help with living costs.** Utility subsidies continue in 2027, with new investment in drinking water on Bonaire.
- **Proposals, not yet law.** Both bills need the approval of the House and the Senate.

ECONOMY

02 Economic context

Bonaire's economy has grown strongly on tourism and a rising population. Prices are now rising faster again, led by energy and transport.

REAL GDP GROWTH	TOURISTS	INFLATION
4.0%	+7.4%	5.9%
2024, after 6.3% in 2023	Overnight tourists, 2024	Q3 2026, up from 3.3% in Q2

POPULATION	CURRENCY	NETHERLANDS GROWTH
27,611	US dollar	1.4% / 1.2%
1 January 2026	Interest rates follow US conditions	Forecast for 2026 and 2027

What drove growth

In 2024 the population grew 5.0% and overnight tourists 7.4%. Value added rose 11.0% in energy and water, 8.0% in hospitality and 6.0% in trade. Construction fell 4.5% and manufacturing 3.7%. Household disposable income rose 15.0%.

Prices

Prices rose 1.6% in the third quarter of 2026 alone. Against the second quarter, electricity rose 15.2%, petrol 13% and air fares 8.9%, while water prices fell.

Outlook

The population grew 5.0% in 2024, adding pressure on housing, infrastructure and public services. The 2027 Kingdom Relations budget plans a multi-year cooperation programme with the islands to tackle backlogs in infrastructure.

The Netherlands

Dutch inflation is forecast at 3.3% in 2026 and 2.7% in 2027. The Netherlands holds top-tier credit ratings.

PUBLIC FINANCES

03 Fiscal framework

Three budgets matter: the Dutch national budget, the BES Fund and the Public Entity Bonaire's own budget.

Item	2026	2027 proposed
BES Fund (EUR million)	96.4	95.8
Cost-of-living package (EUR million)	—	30.0
Netherlands general government balance (% of GDP)	−2.7%	−2.2%
Netherlands government debt (% of GDP)	46.1%	46.7%
Public Entity Bonaire, first amendment (USD million)	+30.3	Draft in preparation

The 2026 BES Fund figure is as updated in the 2027 budget. Island taxes stay with the public entity; national taxes go to the Dutch Treasury.

Island budget 2026: selected increases in the first amendment



Gold bars show revenue; navy bars spending. The amendments raised the budget by USD 30.3 million in total.

Approval and supervision

Island budgets need the approval of the State Secretary for Kingdom Relations, on the advice of the College financieel toezicht BES (Cft). In November 2025 approval of the 2026 budget was postponed while Bonaire supplied information required by the FinBES Act.

BUSINESS TAX

04 Tax measures for businesses

The 2027 bills leave the profit-free system intact. The changes affect hotels, groups, farming and payroll.

Measure	What changes	Effective	Who is affected
Hotel property tax rate	**Proposed:** 11% to 12% of the deemed yield, for hotels not owned by individuals; the national burden rises from 0.44% to 0.48% of value	1 Jan 2027	Hotel owners
ABB fiscal unity	**Proposed:** a parent and its 100% subsidiaries (NV, BV or similar) may file as one; supplies within the group fall outside ABB. Granted by decision on joint request.	1 Jan 2027	Groups of companies
Farming inputs	**Proposed:** ABB exemption for locally produced goods used in farming, livestock, horticulture and fishing, matching the import exemption	1 Jan 2027	Farmers and suppliers
Farmland transfers	**Proposed:** transfer tax exemption for land used in farming, including long lease	1 Jan 2027	Buyers of farmland
Usual salary	**Proposed:** the standard amount for director-shareholders set at twice the 2026 tax-free sum, then indexed	2027	Owner-managers
Kilometre allowance	**Proposed:** tax-free maximum USD 0.20 to 0.22 per km; employers need not pay it	Back-dated to 1 Jan 2026	Employers
Shared company cars	**Proposed:** optional final levy for cars used in turn by several employees	1 Jan 2027	Employers

Unchanged

No profit tax for companies with a place-of-establishment decision; 7.5% revenue tax on distributions; ABB at 8% and 6%; employer premiums of 10.3%; transfer tax at 5%.

INDIVIDUALS

05 Tax measures for individuals and households

The main changes for 2026 are already in force. The 2027 bills add a higher kilometre allowance and cheaper petrol, while Dutch support for living costs continues.

Income tax	2025	2026
Up to the Belastingdienst threshold	30.4%	29.4%
Above the threshold	35.4%	38.4%
Tax-free sum	USD 21,373	USD 21,956
Elderly allowance	USD 1,616	USD 1,678

Rates include the AOV and AWW premiums and the health contribution. The tax-free sum follows the minimum wage; the 2027 bill confirms it is linked to the highest of the three islands' minimum wages.

2027 proposals

- Kilometre allowance and car expense deduction up to USD 0.22 per km, from 2026
- Petrol duty cut by 5.5 US cents a litre for 2027

Bonaire, 2026	Amount
Minimum wage (21+)	USD 10.69 an hour
Child benefit	USD 239 a month per child
Full AOV pension	USD 1,576 a month

The minimum wage rose 3.3% in 2026. Amounts for 2027 are set by the RCN from 1 January.

Household costs

Subsidies that keep energy, telecom and water bills lower continue in 2027, with extra funds for parents who cannot meet childcare contributions.

INDIRECT TAXES

06 Indirect taxes, customs and other revenue

ABB rates do not change. The bills reshape how groups and farmers account for ABB and give temporary relief on petrol.

Measure	Change	Effective
ABB fiscal unity	**Proposed:** optional for a parent and wholly owned subsidiaries; ABB is levied on the parent, and subsidiaries are jointly liable	1 Jan 2027
ABB on farming inputs	**Proposed:** exemption for local supplies, including aquaponics	1 Jan 2027
Petrol excise	**Proposed:** cut by 5.5 US cents a litre on Bonaire	1 Jan to 31 Dec 2027
ABB rates	Unchanged: 8% goods and imports, 6% services, 7% insurance, 25% passenger cars	—

Island revenue

Tourist tax receipts were raised structurally by USD 2 million in the 2026 island budget, based on 2025 results. The hotel rate change is expected to yield about USD 300,000 a year more.

Collection and administration

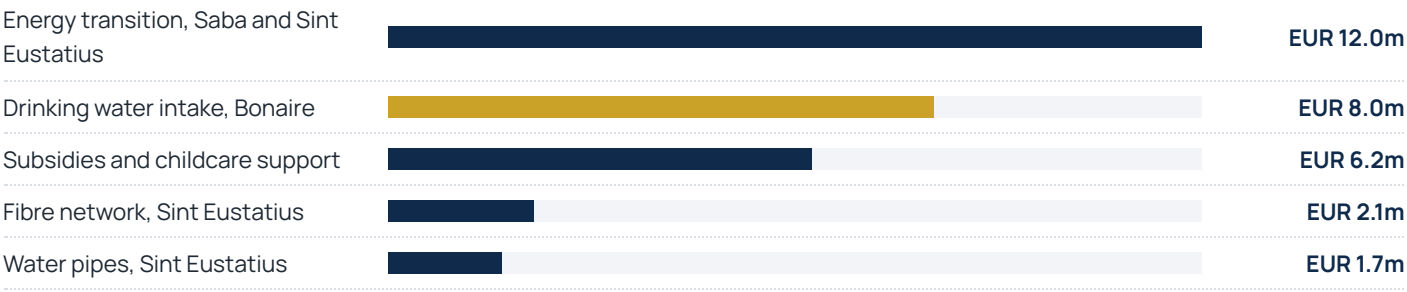
Proposed: vehicles of owners with enforced tax debts may be stopped and seized; enforcement writs may be served by post; the payroll summary statement moves into the wage tax law.

SPENDING

07 Spending priorities and capital programme

Dutch spending on the islands now focuses on the cost of living and basic utilities. The island budget is led by special grants for specific programmes.

Cost-of-living package 2027: EUR 30 million, all three islands



Gold shows the Bonaire project. The package follows the recommendations of the Social Minimum Committee, with longer-term measures from 2028.

National priorities

- A multi-year cooperation programme to tackle infrastructure backlogs
- Adult education funding from 2027
- Larger island councils after the elections of 17 March 2027
- Revision of the FinBES and WolBES Acts

Island programmes 2026

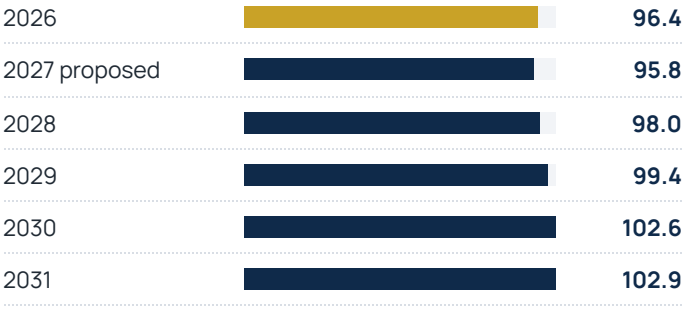
- USD 2.5 million rental subsidy
- USD 1.9 million one-off for roads, streets and squares
- USD 1.5 million one-off for the Tourism Corporation Bonaire
- USD 1.3 million for public health, including youth health care
- A recovery plan for the waste company Selibon

DEBT

08 Debt, financing and fiscal rules

The island's budget is funded mainly by the Dutch State and must balance. National borrowing is carried by the Netherlands.

BES Fund, EUR million



Multi-year estimates in the 2027 budget. The fund is fed from national tax revenue.

Island rules

Under the FinBES Act the island budget is supervised by the Cft. Revisions of the FinBES and WolBES Acts go to the House in the first quarter of 2027.

Selibon and the Lagun landfill

An agreement with the Dutch State, updated on 19 June 2026, puts the waste company's funding need at USD 40.1 million for 2026 to 2028. The extra island contribution is to be added in a second 2026 budget amendment.

The Netherlands

The deficit is forecast at 2.7% of GDP in 2026 and 2.2% in 2027, within the 3% reference value, with debt of about 46% to 47% of GDP.

Risks to watch

The realism and support of island budget figures, waste costs that tariffs cannot cover in the short term, and rapid population growth.

SECTOR IMPACT

09 What it means for your sector

Sector	What the measures mean
Tourism and hospitality	Hotel property tax rate of 12% proposed from 2027. Air fares rose 8.9% in the third quarter of 2026. One-off funding for the Tourism Corporation Bonaire.
Construction and real estate	Population growth keeps demand for housing high. A national programme for infrastructure and housing, and a rental subsidy in the island budget.
Retail and distribution	ABB fiscal unity could simplify group structures. Cheaper petrol in 2027, but higher electricity and transport costs.
Agriculture and fisheries	Proposed ABB exemption for local farming inputs and transfer tax exemption for farmland.
Energy and utilities	EUR 8 million for Bonaire's seawater intake for drinking water; utility subsidies continue. Electricity prices rose 15.2% in the third quarter of 2026.
Financial services	No new measures. Groups may review ABB fiscal unity and related-party flows.
Technology and telecoms	Telecom subsidies continue in 2027; digitalisation grants in the island budget.
SMEs and owner-managers	Check the usual salary for 2027, the kilometre allowance and the effect of 5.9% inflation on costs.
Employers generally	Update payroll for the kilometre allowance and the 2027 minimum wage, and consider the shared-car final levy.

ACTION PLAN

10 Action points and key dates

Businesses

- [ ] Model the 12% hotel rate in 2027 budgets
- [ ] Assess ABB fiscal unity for wholly owned groups
- [ ] Review ABB on farming inputs and land deals
- [ ] Set 2027 usual salary for director-shareholders
- [ ] Update the kilometre allowance policy
- [ ] Review pricing for higher energy costs

Individuals

- [ ] Claim the higher car expense limit for 2026
- [ ] Check payroll applies the 2027 tax-free sum
- [ ] File the 2026 return by the date on the invitation

Date	What happens
1 January 2026	Rates 29.4% and 38.4%; kilometre allowance USD 0.22 (proposed, back-dated)
15 September 2026	Tax Plan 2027 and budget presented
By end-2026	Votes in the House and Senate
1 January 2027	Hotel rate 12%, ABB fiscal unity, farming reliefs, petrol cut (all proposed); new minimum wage
First quarter 2027	FinBES and WolBES revisions to the House
17 March 2027	Island council elections
Spring 2027	2026 income tax returns
30 September 2027	2026 annual accounts due
31 December 2027	Petrol duty cut ends

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 2027 measures into a plan.

Budget impact assessment

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

Tax planning and restructuring

ABB fiscal unity, group structure, distributions and owner-manager pay.

Compliance updates and payroll changes

Kilometre allowance, usual salary, wage tax, premiums and ABB returns.

Incentives and concessions

Property tax exemptions, hotel rate, farming reliefs and warehouse regimes.

Cash flow and pricing reviews

Forecasts, repricing for energy and transport costs, and working capital.

Engagement with the tax authority

Requests, objections and correspondence with the Belastingdienst Caribisch Nederland.

Start with a conversation

Tell us how the 2027 measures affect 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 **bonaire@dawgen.com** or **info@dawgen.global**, or call (876) 926-5210.

Talk to the Caribbean Tax Service Desk about the 2026 Budget and 2027 Tax Plan

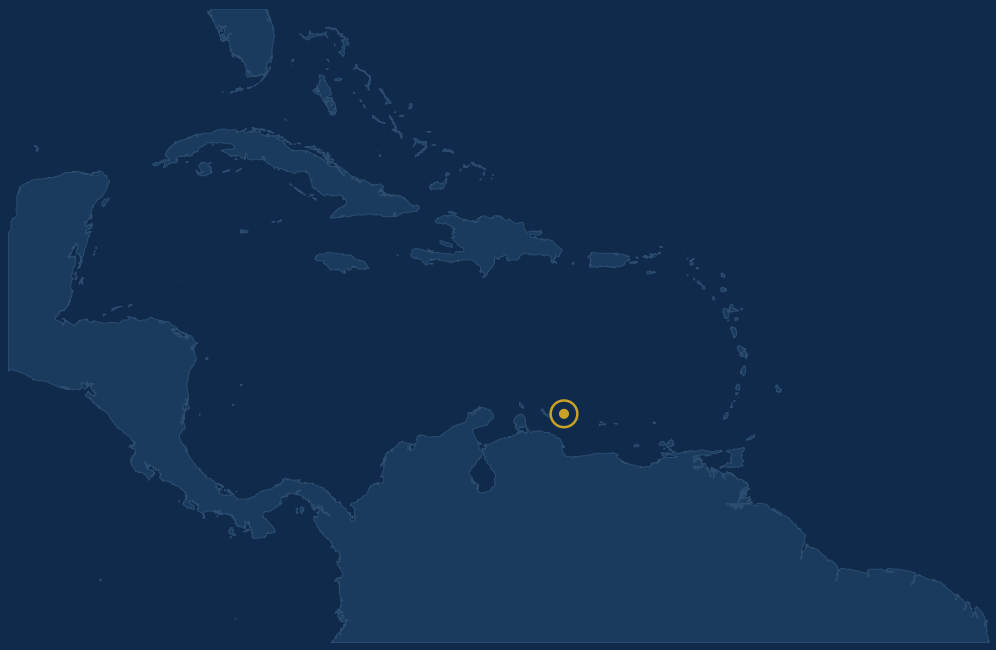
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Key official sources

- Government of the Netherlands, Ministry of Finance (rijksoverheid.nl)
- House of Representatives of the Netherlands (tweedekamer.nl)
- Belastingdienst Caribisch Nederland (belastingdienst-cn.nl)
- Rijksdienst Caribisch Nederland (rijksdienstcn.com)
- Public Entity Bonaire (bonairegov.com)
- College financieel toezicht BES (cft.cw)
- Statistics Netherlands (cbs.nl)
- Central Government Finances (rijksfinancien.nl)



This publication contains general information only, current to October 2026, and is not professional advice. Budget figures are estimates, and the 2027 tax measures were still bills before the Dutch Parliament at the time of writing; they may change before they become law. 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.

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