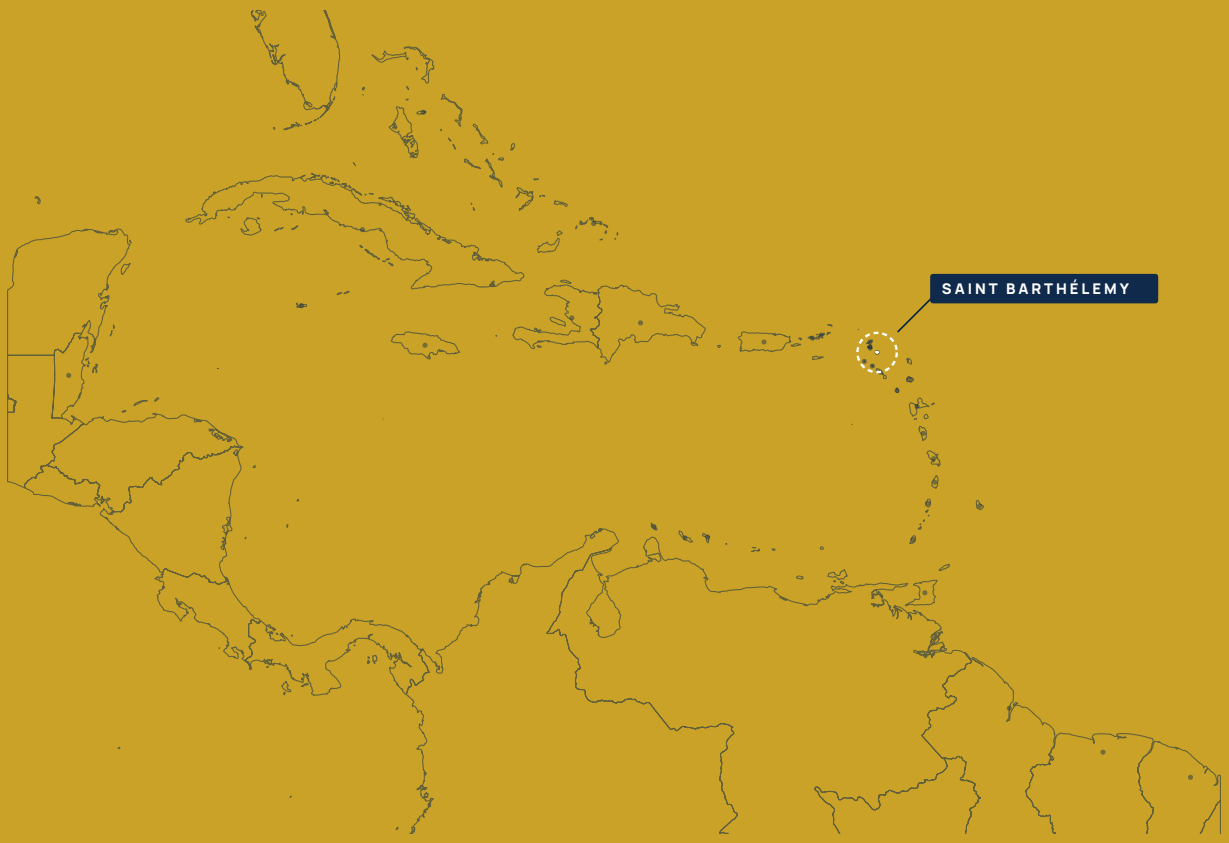


COLLECTIVITÉ BUDGET
€458.5 million
2026 budget, adopted 26 March 2026

INVESTMENT
€245.7 million
Investment section of the 2026 budget

NEW TAXES
None
No tax measures in the 2026 budget

CARIBBEAN TAX SERVICE DESK · EASTERN CARIBBEAN

Saint Barthélemy 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

Saint Barthélemy has its own tax code. The Collectivité's 2026 budget, adopted on 26 March 2026, sets the island's public finances, while the French Finance Law matters mainly for people and companies not yet resident under the five-year rule.

The 2026 budget of about €458.5 million introduced no new taxes. It is funded largely by property transfer duties, the droit de quai and the tourist tax, after a year in which tax revenue rose by about 11%. The Collectivité expects lower revenue in 2026 and is investing heavily from accumulated surpluses, including a new school complex and support for the new hospital. In Paris, the Finance Law for 2026 raised the flat tax on investment income, and the draft Finance Law for 2027 is still before Parliament.

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

Saint Barthélemy 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 what it means for businesses and individuals in Saint Barthélemy. 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

Saint Barthélemy is a French overseas collectivity that has set its own taxes since 2007. This review covers the Collectivité's 2026 budget, adopted by the Territorial Council on 26 March 2026 by 12 votes to 5 with 2 abstentions, and the French measures that still apply: the Finance Law for 2026 (19 February 2026) and the draft Finance Law for 2027, presented on 1 October 2026.

TOTAL BUDGET	OPERATING SECTION	INVESTMENT SECTION
€458.5 million	€212.8 million	€245.7 million
Collectivité, 2026, both sections	Balanced in spending and revenue	Balanced in spending and revenue

TAX REVENUE, 2025	NEW TAXES	INCOME TAX AND VAT
About +11%	None	None
Led by transfer duties of €45.9 million	No tax measures in the 2026 budget	For residents meeting the five-year rule

Five key messages

- **No new taxes.** The CFAE, droit de quai, tourist tax and transfer duties continue on existing terms.
- **Lower revenue expected.** Revenue has eased since its 2023 peak, and transfer duties follow the property market.
- **Investment from reserves.** A large investment section is financed mainly by past operating surpluses.
- **French law for newcomers.** People and companies not yet resident under the five-year rule stay within French tax.
- **2027 French measures are proposals.** The draft Finance Law is before Parliament.

ECONOMY

02 Economic context

A small, high-end tourism economy. The latest official annual data, for 2024, show record visitor numbers, and tax receipts rose again in 2025.

VISITORS
319,793
2024; about 65.9% from the United States

PRIVATE-SECTOR JOBS
6,886
2024; over a third in hotels and restaurants

POPULATION
10,562
2022 census

AIRPORT PASSENGERS
203,592
2024

BANK LENDING
€1.08 billion
End-2024

CURRENCY
Euro
Interest rates follow the European Central Bank

Tax receipts, 2025, € million

Transfer duties	**€45.9m**
Droit de quai	**€25.0m**
Tourist tax	**€17.3m**
CFAE	**€6.2m**
Waste tax	**€2.4m**

What drove 2025

Transfer duties rose 16.6%, the tourist tax 13.7%, the droit de quai 7.5% and the CFAE 34.2%. Port arrivals at Gustavia were 212,595 in 2024.

Outlook

The Collectivité expects lower revenue in 2026. Its economic, social and cultural council (CESCE) sees the volatility of transfer duties as a structural risk and recommends broadening other revenue.

PUBLIC FINANCES

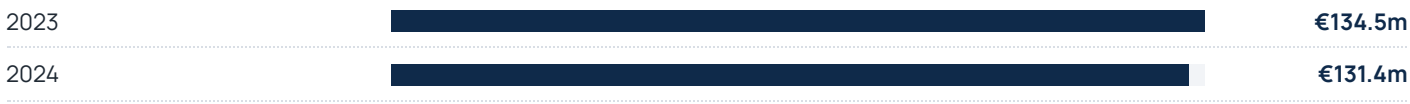
03 Fiscal framework

The Collectivité's budget has two balanced sections. Operating revenue far exceeds operating spending, and the surplus funds investment.

Collectivité, € million	2025 provisional	2026 budget
Operating section	Spending over 68.3	212.8
Investment section	Spending over 100.6	245.7
Investment revenue	About 47.3	—
Operating surplus carried from 2024	Over 105.3	—
Provisional operating surplus, 2025	About 91.7	—
Investment financing need	About 70.9	Covered by operating surplus

The 2026 sections include surpluses carried forward, so they are much larger than annual revenue.

Operating revenue, € million



Operating revenue fell again in 2025, and lower revenue is forecast for 2026. Operating spending has stayed between about €69 million and €71 million a year since 2023, up from under €50 million before.

Transfer duties

Duties on property sales were €56.0 million in 2023, €39.4 million in 2024 and €45.9 million in 2025. They are the largest and most volatile revenue line.

BUSINESS TAX

04 Tax measures for businesses

The 2026 budget makes no change to business taxes. Companies meeting the five-year rule pay no profits tax; others remain within French corporate tax, where the Finance Law for 2026 applies.

Measure	Position for 2026	Effective	Who is affected
CFAE	Annual business contribution of €350 plus €100 per employee; €350 only in the year of creation, none if trading starts after 30 September	Due 31 March	All businesses
Property value declaration	Companies owning buildings declare market value, or pay a 3% tax on it	1 Jan to 31 Mar	Property-owning companies
French corporate tax	25%, or 15% on the first €42,500 for qualifying SMEs; unchanged	2026	Companies not yet locally resident
Large-group surtax	French exceptional contribution extended for a second year	Years ending from 31 Dec 2026	Groups with French turnover of €1.5bn or more
Holding company tax	French 20% tax on certain luxury and non-operating assets	Years ending from 31 Dec 2026	French-taxed family holding companies
LODEOM	Employer social charge reductions for overseas employers, reformed by France from 2026	1 Jan 2026	Employers

The five-year rule

A company is locally resident if managed from the island for five years, or controlled by individuals resident for five years. Until then it is treated as domiciled in mainland France for corporate tax, and local taxes still apply.

Proposed for 2027

The French draft renews the surtax for a third year at lower rates; the National Assembly deleted that article on 27 October 2026. It does not change the island's own taxes.

INDIVIDUALS

05 Tax measures for individuals and households

Residents who meet the five-year rule pay no income tax. For newcomers still taxed by France, the Finance Law for 2026 indexed the bands and raised the flat tax on investment income.

French scale, 2025 income per share	Rate
Up to €11,600	0%
€11,601 to €29,579	11%
€29,580 to €84,577	30%
€84,578 to €181,917	41%
Above €181,917	45%

Applies to individuals still taxed by France under the five-year rule. Bands rose by 0.9% for inflation. The French draft for 2027 indexes them again and contains no increase in income tax rates.

The five-year rule

Individuals become locally resident after five years' residence on the island, counted at 1 January. Those settled before 15 July 2007 are already resident.

Measure	From
French flat tax on investment income: 31.4% (12.8% plus 18.6% social levies)	1 Jan 2026
SMIC €12.02 an hour	1 Jan 2026
SMIC €12.31 an hour (€1,867.02 a month)	1 Jun 2026
Waste tax and vehicle tax	Due 31 March

Social contributions

Social contributions remain a State matter, collected by the CPS of Saint-Barthélemy. The French Social Security Finance Law for 2027 was rejected by the National Assembly at first reading and goes to the Senate in November.

There is no local duty on death; French rules may apply to those within French tax. Registration duty on property purchases is generally about 5%, paid by the buyer.

INDIRECT TAXES

06 Indirect taxes, customs and other revenue

There is no VAT and no customs duty. The droit de quai and the tourist tax are the main taxes on goods and stays, and both are unchanged for 2026.

Tax	Position	2025 receipts
Droit de quai	Port duty on goods brought into the island, at a general rate of 5%, with specific rules for some products	€25.0 million
Tourist tax	5% of the price of hotel and villa stays, collected by the operator	€17.3 million
Transfer duties	Registration duty on property purchases, generally about 5%	€45.9 million
Waste tax	€105 per dwelling, due 31 March	€2.4 million
Other local taxes	Taxes on vehicles, fuel and electricity, port and airport taxes and a local planning tax	—
VAT	None on sales or imports	—

Trade with France and the EU

As an overseas country and territory since 2012, the island is outside the EU customs area. Goods sent to mainland France or the overseas departments bear VAT and, where relevant, octroi de mer on arrival.

Administration

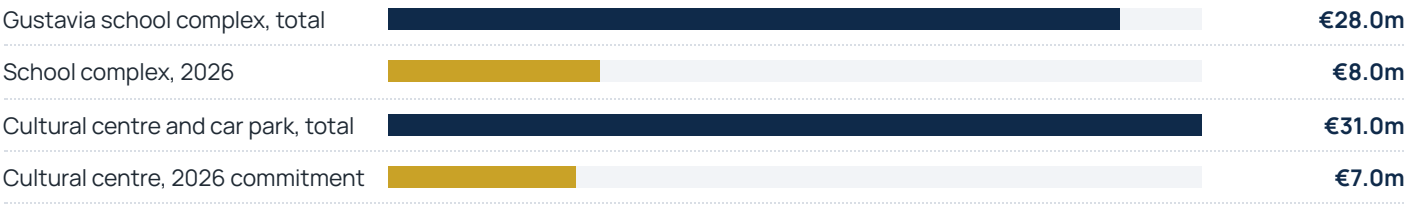
The CFAE, vehicle tax and waste tax are due by 31 March, with an 80% surcharge on unpaid CFAE and vehicle tax from 1 April.

SPENDING

07 Spending priorities and capital programme

The investment programme focuses on schools, culture, public safety and health, financed largely from reserves.

Major projects: 2026 amount and total cost, € million



Gold bars show 2026 amounts. The school complex is planned over about five years and the cultural centre and car park in Gustavia over a longer period.

Other projects

- Completion of the educational farm, with €667,587 to pay in 2026
- Completion of the fire station, with €521,915 to pay in 2026
- Support for building the new hospital on its Gustavia site, with land acquisitions in Gustavia

Operating priorities

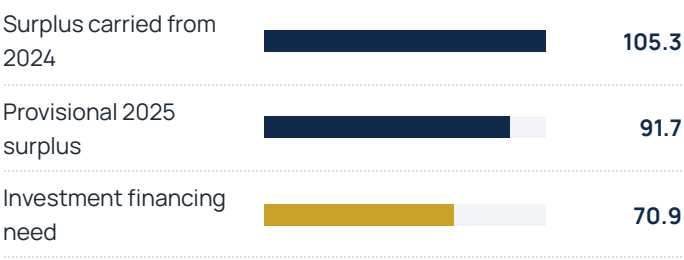
Payroll is over €15.3 million a year, with 278 staff at the end of 2025. The Collectivité also funds the Territorial Tourism Committee; the council did not approve its proposed 2026 grant of €1.89 million in March, and a revised proposal was expected.

DEBT

08 Debt, financing and fiscal rules

The Collectivité finances its investment from accumulated surpluses rather than borrowing. The main financial risk is the volatility of its revenue.

How investment is financed, 2025, € million



Figures are minimum or approximate values from the 2026 budget orientation debate.

Fiscal rules

As a French local authority, the Collectivité must adopt balanced budgets and may borrow only to invest. Its accounts are subject to State legality and budget control.

Risks to watch

- Transfer duties that rise and fall with the property market
- Reliance on tourism, mainly from the United States
- Payroll growth of more than €1 million a year since 2022
- Investment projects that take several years to deliver

The French State

French public debt is projected at 121.7% of GDP in 2027, and the draft Finance Law targets a deficit of 5.0% of GDP. These figures matter on the island mainly through French tax on newcomers and through social security.

SECTOR IMPACT

09 What it means for your sector

Sector	What the Budget means
Tourism and hospitality	Tourist tax unchanged at 5% of the price of stays; receipts rose 13.7% in 2025. Operators collect it as set by the Collectivité.
Real estate	Registration duty generally about 5%, paid by the buyer. Companies owning buildings must file the annual value declaration by 31 March or pay 3% of market value.
Construction	A public pipeline from the school complex, the cultural centre and car park and the new hospital.
Retail and distribution	Droit de quai unchanged at a general rate of 5%; no VAT on imports.
Financial services and investors	Newcomers still taxed by France pay the 31.4% flat tax on investment income from 2026.
Employers generally	CFAE of €100 per employee on top of €350. Update payroll for the June 2026 SMIC rise and check LODEOM relief with the CPS.
New arrivals	Plan for French tax until the five-year rule is met, for both individuals and companies.

ACTION PLAN

10 Action points and key dates

Businesses

- [ ] Pay the CFAE, vehicle and waste taxes by 31 March
- [ ] File the property value declaration by 31 March
- [ ] Check the company's five-year position
- [ ] Collect and file the tourist tax on time
- [ ] Check LODEOM relief with the CPS

Individuals

- [ ] Confirm when you meet the five-year rule
- [ ] File French returns until then
- [ ] Review investment income at the 31.4% flat tax

Date	What happens
1 January 2026	French flat tax 31.4%; LODEOM reform
19 February 2026	French Finance Law for 2026 enacted
26 March 2026	Collectivité 2026 budget adopted
31 March 2026	CFAE, vehicle and waste taxes; value declarations
1 April 2026	80% surcharge on unpaid CFAE and vehicle tax
1 June 2026	SMIC €12.31 an hour
17 November 2026	National Assembly deadline on the 2027 draft
31 March 2027	Next CFAE, vehicle and waste tax deadline

Check each year's local deadlines with the Collectivité.

YOUR PARTNER

11 How Dawgen Global helps

Our Caribbean Tax Service Desk, managed from Kingston, helps businesses and individuals in Saint Barthélemy apply the local code and the French rules that still reach them.

Budget impact assessment

Modelling local and French measures against your costs, prices and tax position.

Tax planning and restructuring

Five-year rule planning, holding structures and property ownership.

Compliance updates and payroll changes

CFAE, tourist tax, value declarations, SMIC changes and CPS filings.

Incentives and concessions

LODEOM reductions and relief for new businesses.

Cash flow and pricing reviews

Forecasts, droit de quai and tourist tax in pricing, and working capital.

Engagement with the tax authority

Correspondence with the Collectivité's tax service and the French tax administration.

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 **saintbarthelemy@dawgen.com** or **info@dawgen.global**, or call (876) 926-5210.

Talk to the Caribbean Tax Service Desk about the 2026 Budget

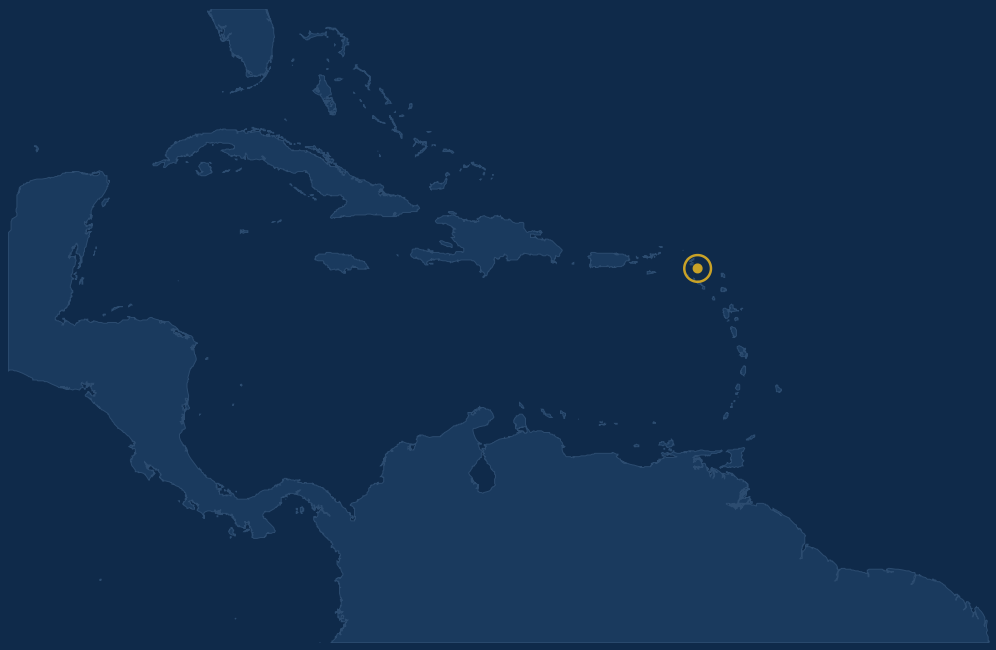
Contact

saintbarthelemy@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

- Collectivité de Saint-Barthélemy (comstbarth.fr)
- Ministry of the Economy and Finance (economie.gouv.fr)
- National Assembly (assemblee-nationale.fr)
- French tax administration, BOFiP (bofip.impots.gouv.fr)
- French Customs (douane.gouv.fr)
- Caisse de prévoyance sociale de Saint-Barthélemy (cps-stbarth.msa.fr)
- Direction générale du Trésor (tresor.economie.gouv.fr)
- IEDOM (iedom.fr)



This publication contains general information only, current to October 2026, and is not professional advice. Budget figures are estimates, the Collectivité amends its Code des contributions regularly, and the draft French Finance Law and Social Security Finance Law for 2027 were still before Parliament at the time of writing. 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.