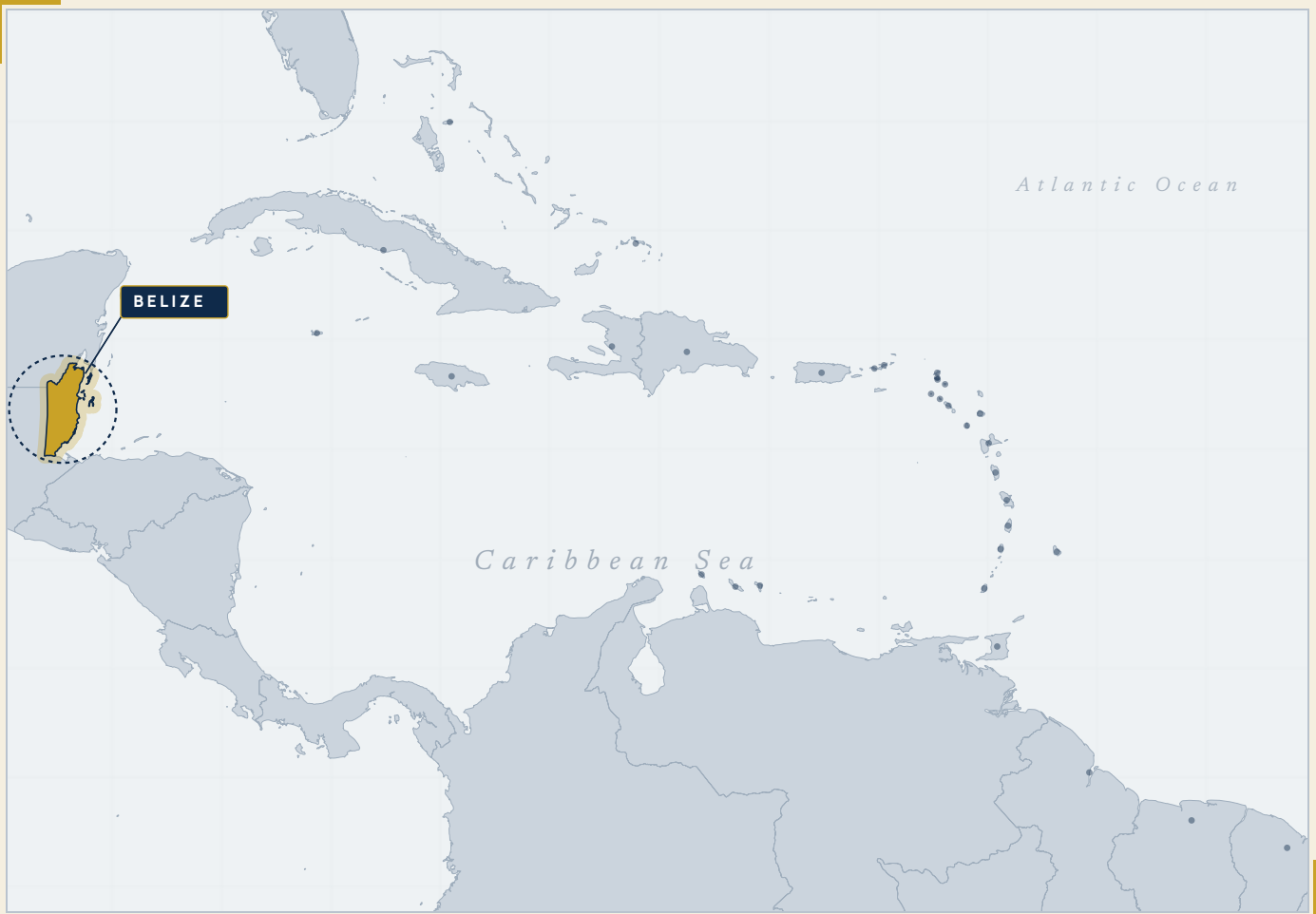




CARIBBEAN TAX SERVICE DESK · MAINLAND CARIBBEAN

Belize

Tax Guide

A guide to corporate, personal and indirect taxes in Belize

CONTENTS

01	Investment basics	3
02	Corporate taxation	4
03	Corporate taxation (continued)	5
04	Withholding taxes and tax treaties	6
05	Anti-avoidance and international rules	7
06	Compliance for corporations	8
07	Other taxes on corporations	9
08	Personal taxation	10
09	Personal taxation (continued)	11
10	Compliance for individuals	12
11	GST and customs	13
12	Tax calendar and administration	14
13	How Dawgen Global helps	15

FOREWORD

Belize taxes business in a way few investors expect: most companies pay tax on their gross receipts rather than their profits, and the Belize Tax Service is modernising how that tax is collected.

Belize combines a familiar common-law framework with a tax system of its own: a monthly business tax on gross receipts at rates that depend on the activity, a flat income tax on employment income, general sales tax, social security, stamp duty on land, customs and a set of investment incentives. Since 2020 company profits are no longer taxed as such, except in petroleum operations, and international companies have been brought into the domestic system.

This guide explains the main taxes on companies and individuals in plain language, current to October 2026 and including the 2026/27 Budget measures. It is written for investors, finance teams and individuals with interests in Belize.

Tax matters are handled by Dawgen Global's Caribbean Tax Service Desk, managed from Kingston. We would be glad to help you plan, comply and resolve issues with confidence.

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

Executive Chairman, Dawgen Global

How to use this guide

This guide summarises the main taxes that apply to companies and individuals in Belize. It is general information, current to October 2026, and is not a substitute for advice on your circumstances. Rates and rules change; speak to us before you act. Our companion Doing Business guide covers set-up, employment and regulation.

FOUNDATIONS

01 Investment basics

Belize has a currency fixed to the US dollar, exchange controls administered by the Central Bank and IFRS-based reporting. Taxes are administered by the Belize Tax Service (BTS).

BUSINESS TAX**1.75% to 19%**

Monthly, on gross receipts, at a rate set by activity

TAX ON COMPANY PROFITS**None**

Since 2020, except petroleum operations at 40%

GENERAL SALES TAX**12.5%**

Registration at BZ\$75,000 taxable sales a year

PERSONAL INCOME TAX**25%**

Residents earning BZ\$29,000 a year or less pay none

NON-RESIDENT WITHHOLDING**15% / 25%**

15% dividends and interest; 25% fees, rentals and premiums

SOCIAL SECURITY**10% combined**

Weekly bands, insurable earnings capped at BZ\$520 a week

Currency and foreign exchange

The Belize dollar (BZD) has been fixed at BZ\$2 to US\$1 since 1976. Exchange controls apply: register foreign investment with the Central Bank, and expect remittances of dividends, interest, fees and rents to need approval, usually with a tax clearance. Petroleum income tax is paid in US dollars.

Accounting and audit

Companies keep accounting records under the Companies Act, 2022 and generally report under IFRS or IFRS for SMEs. Financial statements are filed with the BTS, which may ask for audited statements.

Principal business entities

Company limited by shares

Former IBC

Foreign company (branch)

Partnership

Sole trader

Company limited by guarantee

Companies, partnerships and sole traders all pay business tax on their receipts. Employees pay income tax on their pay.

The tax system

The BTS administers business tax, income tax, GST and stamp duty through its IRIS online platform. Customs duties are collected by the Customs and Excise Department, and social security by the Social Security Board.

BUSINESS TAX

02 Corporate taxation

Belize taxes businesses on gross receipts, not profits. Business tax is charged monthly, at the rate for each type of receipt.

Residence and basis

A company registered in Belize is presumed to be tax resident there. Business tax applies to receipts from a trade, business, profession or property in Belize, and to active business income from abroad not taxed through a foreign permanent establishment. A foreign company (branch) pays business tax on its Belize receipts in the same way.

Income tax on profits

From the 2020 basis year, no income tax is payable on the chargeable income of a company, except a company in petroleum operations. Petroleum income is taxed at 40%.

Receipts and deductions

Because the tax falls on gross receipts, expenses, depreciation and losses do not reduce it. Receipts from trade below BZ\$75,000 a year may be exempt where the business is the owner's only livelihood.

Type of receipts	Rate
Trade or business (most activities, including insurers and domestic airlines)	1.75%
Rents, premiums and other receipts from real property	3%
Professions, vocations and occupations	6%
Banks and institutions licensed under the Banks and Financial Institutions Act	15%
Real estate agents' commissions	15%
Telecoms providers of real-time voice services	19%
Dividends, interest and royalties from abroad	5%

Other activities, such as media, fuel sales, electricity, gaming and tour operation, have their own rates in the Act; confirm the rate for your activity with the BTS.

Minimum tax and surtax

There is no surtax and no separate minimum tax. Business tax is itself payable on every dollar of receipts, so a business in loss still pays it.

BUSINESS TAX

03 Corporate taxation (continued)

Dividends

Dividends paid to non-residents bear 15% withholding tax. Dividends, interest and royalties a company receives from abroad bear business tax at 5%, unless it proves tax residence in another jurisdiction not on the EU list of non-cooperative jurisdictions and has no permanent establishment in Belize.

Capital gains

There is no separate capital gains tax. Stamp duty applies to transfers of land and of interests in land.

Losses

Losses do not reduce business tax. Where income tax applies, unused losses may be carried forward for five years, with limits after a change in ownership. There is no carry-back.

Foreign tax credit

Foreign tax on income taxed in Belize is credited, but only up to the Belize business tax on that income. The CARICOM agreement and the bilateral treaties also give relief.

Holding companies and groups

There is no participation exemption, holding company regime or group relief. Each company files and pays its own business tax. Holding companies may fall within the economic substance rules.

Tax incentives in brief

Incentive	Main benefit
Fiscal Incentives Act, 2023	Duty relief on capital goods and inputs through regular and MSME programmes run by BELTRAIDE
Designated Processing Areas	Up to 10 years' status, renewable; duty, tax and land tax concessions
Commercial Free Zones	Duty and tax concessions for approved free zone businesses
Qualified Retired Persons	Foreign income free of Belize tax; duty-free personal effects
MSME tax amnesty, 2025	One-year business tax exemption and relief from past penalties for approved small businesses

CROSS-BORDER PAYMENTS

04 Withholding taxes and tax treaties

Payers withhold tax from Belize-source payments to non-residents and pay it to the BTS. The tax withheld is final.

Payment	Non-resident (non-CARICOM)	CARICOM agreement	Other treaties
Dividends	15%	0%	Treaty rates may apply; residence evidence needed
Interest on loans	15%	15%	
Royalties	Withholding applies; confirm the rate with the BTS	15%	
Management fees and technical services	25%	15%	
Rental of plant and equipment; insurance premiums	25%	Generally 15%	
Branch remittances	Need Central Bank approval with tax clearance; confirm any withholding with the BTS		

Interest on time deposits and some contract payments are also taxed at source. Withheld tax is kept out of the payer's monthly business tax receipts and paid over separately.

Tax treaties in force

Austria, Switzerland, the United Arab Emirates and the United Kingdom, plus the CARICOM agreement. Agreements with other countries have been signed; check their status with the BTS. Belize also has tax information exchange agreements with many countries.

CARICOM agreement

Covers Antigua and Barbuda, Barbados, Dominica, Grenada, Guyana, Jamaica, Saint Kitts and Nevis, Saint Lucia, Saint Vincent and the Grenadines, and Trinidad and Tobago. Dividends are exempt; interest, royalties and fees are taxed at 15%.

Claiming treaty rates

Hold evidence of the recipient's tax residence before applying a reduced rate. Without it, the domestic rate applies. Because remittances abroad need Central Bank approval, settle the withholding position before payment.

INTERNATIONAL RULES

05 Anti-avoidance and international rules

Belize reformed its regime in 2019 to meet EU and OECD standards, ending the tax exemption for international companies.

International business companies

IBCs were brought under the Companies Act, 2022 and had to re-register. They are no longer a tax-exempt class: those trading in Belize pay business tax monthly, and foreign passive income is taxed unless foreign tax residence is proved.

Transfer pricing and interest

There is no detailed transfer pricing regime or documentation rule. Because tax falls on gross receipts, interest and related-party charges are not deducted, so thin capitalisation rules do not apply. The BTS can challenge understated receipts under general powers.

CFC rules

There is no controlled foreign company regime.

Economic substance

Under the Economic Substance Act, 2019, entities carrying on relevant activities (banking, insurance, fund management, financing and leasing, headquarters, distribution and service centres, shipping and holding) must carry out their core income-generating activities in Belize. Reports go to the Financial Services Commission within nine months of the year end. Penalties are severe, up to striking off.

Pillar Two

Belize signed the subject to tax rule convention in September 2024. No domestic minimum top-up tax has been legislated.

Information exchange

- ◆ **CRS:** automatic exchange since 2018; BTS guidance notes
- ◆ **FATCA:** financial institutions report on US account holders
- ◆ **Multilateral Instrument:** in force since 1 August 2022
- ◆ **Beneficial ownership:** kept and verified by registered agents

CORPORATE COMPLIANCE

06 Compliance for corporations

Businesses file and pay business tax every month, and file annual returns with financial statements, through the BTS's IRIS platform.

Tax year and returns

The basis year is the calendar year. There are no consolidated returns: each company files its own.

1

Monthly business tax

15TH MONTHLY

Return and payment on the previous month's receipts.

2

GST, PAYE and withholding

15TH MONTHLY

Monthly returns and payment for the previous month.

3

Annual return

31 MAR

Annual return and financial statements for the previous year, including for IBCs.

Penalties and interest

Late filing attracts a penalty for each month the return is late, and late payment attracts interest, under the Tax Administration and Procedure Act. Persistent non-filing can lead to fines, liens, levies and prosecution. The BTS publishes lists of businesses with unpaid balances.

Audits, records and rulings

The BTS may audit and reassess returns and request audited financial statements. Keep records for the period set by law. The BTS issues public rulings on how it applies the law.

Objections and appeals

Object in writing to the BTS within the time allowed after an assessment. Unresolved disputes go to the appeal bodies and courts set out in the Act. Time limits are strict.

Practical points

Classify each stream of receipts at the right business tax rate, since mixed businesses often owe more than one rate. Reconcile monthly business tax, GST and payroll filings to the accounts before the annual return. Keep a tax clearance current, because the Central Bank needs it for remittances abroad.

BEYOND BUSINESS TAX

07 Other taxes on corporations

Tax	Rate and base	Who pays
Social security	10% combined at the top band: BZ\$28.60 employer and BZ\$23.40 employee a week, on insurable earnings up to BZ\$520	Employer, plus employee share
Land tax	1% of unimproved value outside towns; assessed by the Lands Department, collected by the BTS	Owner of land
Property tax	Set by city and town councils on assessed or site value	Owner of property in towns
Stamp duty on land	5% for Belizean and CARICOM nationals; 8% for other buyers	Usually the buyer
Capital duty	None	—
Environmental tax	3% of the value of most imports	Importers
Hotel tax	9% of guest accommodation charges, paid to the Belize Tourism Board	Hotels, charged to guests
Excise duty	On alcohol, beer, cigarettes, soft drinks and some vehicles	Importers, manufacturers
Revenue replacement duty	Additional duty on specified imports	Importers
Financial services and insurance	No separate premium tax; banks pay business tax at 15% and insurers at 1.75%	Banks, insurers

Financial services are generally exempt from GST. Business tax is not reduced by any of these taxes, since it is charged on gross receipts.

INDIVIDUALS

08 Personal taxation

Income tax applies mainly to employment income, at a flat 25%. Self-employed people pay business tax on their receipts instead.

Basis of taxation

- ◆ **Employees:** income tax on pay and benefits, deducted through PAYE
- ◆ **Self-employed and professionals:** business tax on gross receipts, for example 6% for professions
- ◆ **Landlords:** business tax at 3% on rents
- ◆ **Non-residents:** taxed on pay for work in Belize, and by withholding on other Belize-source income

Residence

Residence depends mainly on physical presence in Belize during the year. The exemption threshold is available to residents.

Filing status

Individuals are assessed separately on their own income.

Annual income (resident employees)	Tax
BZ\$29,000 or less	None
Above BZ\$29,000 up to BZ\$32,000	25% after the basic deduction, reduced by a transitional credit
Above BZ\$32,000	25% of income above the BZ\$20,000 basic deduction

The threshold rose from BZ\$26,000 on 1 January 2025. The transitional credit phases out between BZ\$29,000 and BZ\$32,000, so that tax rises smoothly from nil.

Taxable income

Salaries, wages, bonuses, allowances and benefits in cash or kind from employment. Interest on time deposits is taxed at source.

Allowances

The basic deduction is the main allowance, with limited further deductions set out in the Act.

INDIVIDUALS

09 Personal taxation (continued)

Capital gains

There is no capital gains tax. Stamp duty applies when land changes hands.

Deductions and reliefs

- ◆ The basic deduction of BZ\$20,000 for employees above the threshold
- ◆ Limited deductions in the Act, such as qualifying gifts and contributions to children's education
- ◆ Exemption of foreign income for Qualified Retired Persons

Pensions

Social security provides retirement, invalidity and survivors' pensions based on contributions. Confirm with the BTS how a private or foreign pension is treated.

Employment benefits

Benefits in cash or kind are part of employment income and subject to PAYE.

Tax	Position for individuals
Social security (employee)	By weekly wage band; BZ\$23.40 a week (4.5%) at the top band
Business tax	On gross receipts of the self-employed, at the rate for the activity
Stamp duty	5% on land for Belizean and CARICOM nationals; 8% for others
Land and property tax	1% land tax outside towns; municipal property tax within them
Inheritance and gift tax	None
Net wealth tax	None
Capital acquisitions tax	None

Workers aged 65 or over, and those aged 60 to 64 already receiving a benefit, pay no employee contribution; the employer pays a flat BZ\$2.60 a week for employment injury cover.

INDIVIDUAL COMPLIANCE

10 Compliance for individuals

Most employees meet their obligations through PAYE. The self-employed file business tax returns every month.

Employees and PAYE

The tax year is the calendar year. Employers deduct income tax and the employee's social security share from each payment of wages. PAYE is paid to the BTS by the 15th of the next month, and social security to the Social Security Board within 14 days of the month end.

Self-employed and other income

When	What
15th of each month	Business tax return and payment on the previous month's receipts; GST if registered
31 March	Annual income tax return for the previous year, where required

Returns are filed through the BTS online platform. Late filing and payment attract penalties and interest.

Non-residents and expatriates

- ◆ Each individual needs a Tax Identification Number (TIN) and a social security number
- ◆ Pay for work done in Belize is taxable through PAYE
- ◆ Self-employed foreign owners and directors pay business tax on their receipts
- ◆ Qualified Retired Persons aged 45 or over with foreign income of at least US\$2,000 a month pay no Belize tax on that income
- ◆ Remitting earnings abroad needs Central Bank approval
- ◆ Foreign staff also need a work permit from the Labour Department and Immigration

Tax clearance

Individuals and businesses may need a tax clearance from the BTS, for example to remit funds abroad.

INDIRECT TAXES

11 GST and customs

General sales tax (GST) is Belize's value added tax, charged on most goods and services and on imports.

Rate	Applies to
12.5% standard	Most goods, services and imports
Zero-rated	Exports and staple foods such as rice, flour, bread, eggs, beans, sugar and fresh produce
Exempt	Financial services, certain medicines and medical supplies, and other specified supplies

Registration and returns

Registration is required within a month of taxable sales passing BZ\$75,000 a year, or an average of BZ\$6,250 a month for a new business. Returns cover calendar months and are filed, with payment, by the 15th of the next month. GST was removed from residential land in 2025.

Electronic invoicing and GST review

The 2026/27 Budget made e-invoicing mandatory for GST-registered businesses. The BTS issued FAQs in June 2026; technical rules and the rollout timetable are still to be published. A review of which items are standard-rated and zero-rated is also under way.

Input tax recovery

Registered businesses credit GST on business purchases and imports against output tax. Exempt suppliers cannot recover input tax.

Imported and digital services

A Belize business buying services from a non-resident may have to account for GST itself. Check with the BTS how GST applies to services and digital supplies from abroad.

Customs and excise

Import duty follows the CARICOM Common External Tariff on customs value, plus revenue replacement duty and excise on some goods, the 3% environmental tax and GST. CARICOM goods with a certificate of origin are free of import duty.

ADMINISTRATION

12 Tax calendar and administration

Main tax laws

Income and Business Tax Act; General Sales Tax Act; Tax Administration and Procedure Act; Stamp Duties Act; Land Tax Act; Social Security Act; Customs and Excise Duties Act; Economic Substance Act; Fiscal Incentives Act; Designated Processing Areas Act; Commercial Free Zone Act; Companies Act.

Authorities

The BTS administers domestic taxes, the Customs and Excise Department collects duties, and the Social Security Board collects contributions. The BTS is to become a semi-autonomous revenue authority.

Recent and upcoming changes

- ◆ **2025:** income tax threshold raised to BZ\$29,000; GST removed from residential land; MSME tax amnesty
- ◆ **2026/27 Budget (March 2026):** no rate changes; mandatory e-invoicing; GST structure review; land tax collection moving to the BTS
- ◆ **Ahead:** e-invoicing rollout and the new revenue authority, expected from 2027

When	What
14th monthly	Social security contributions for the previous month
15th monthly	Business tax, GST, PAYE and withholding tax for the previous month
31 March	Annual income tax returns, employers' annual returns and IBC annual returns
March	Budget presented; government financial year starts 1 April
Nine months after year end	Economic substance report to the Financial Services Commission
Each year	Land tax and municipal property tax; annual return to BCCAR; trade licence renewal

Dates assume a calendar year. When a due date falls on a weekend or public holiday, payment is normally due on the next working day.

YOUR PARTNER

13 How Dawgen Global helps

Our Caribbean Tax Service Desk, managed from Kingston, supports companies and individuals with every Belize tax, from registration to dispute.

Tax compliance

Monthly business tax, annual returns, financial statements and tax clearances.

Corporate tax advisory

Classifying receipts, structuring, IBC transition and petroleum income tax.

International tax and transfer pricing

Withholding tax, treaty and CARICOM claims, economic substance and related-party pricing.

Indirect taxes (GST and customs)

GST registration, returns, refunds, e-invoicing readiness and customs reviews.

Payroll and employment taxes

PAYE, social security, employer returns and benefit reviews.

Tax disputes and authority engagement

BTS audits, objections, appeals and settlement of arrears.

Incentives and investment planning

Fiscal incentives, Designated Processing Areas and Commercial Free Zones.

Private client and expatriate tax

Residence, Qualified Retired Persons, property and assignees.

Tax technology and reporting

Tax calendars, e-invoicing, data and reporting processes.

Start with a conversation

Tell us about your plans or your tax question in Belize, and we will set out the steps and timeline 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 belize@dawgen.com or info@dawgen.global, or call (876) 926-5210.

Talk to the Caribbean Tax Service Desk about Belize

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Key official sources

- Belize Tax Service (bts.gov.bz)
- Ministry of Finance (mof.gov.bz)
- Customs and Excise Department (customs.gov.bz)
- Financial Services Commission and BCCAR (belizefsc.org.bz)
- BELTRAIDE (beltraide.bz)
- Central Bank of Belize (centralbank.org.bz)
- Social Security Board (socialsecurity.org.bz)
- National Assembly of Belize (nationalassembly.gov.bz)

