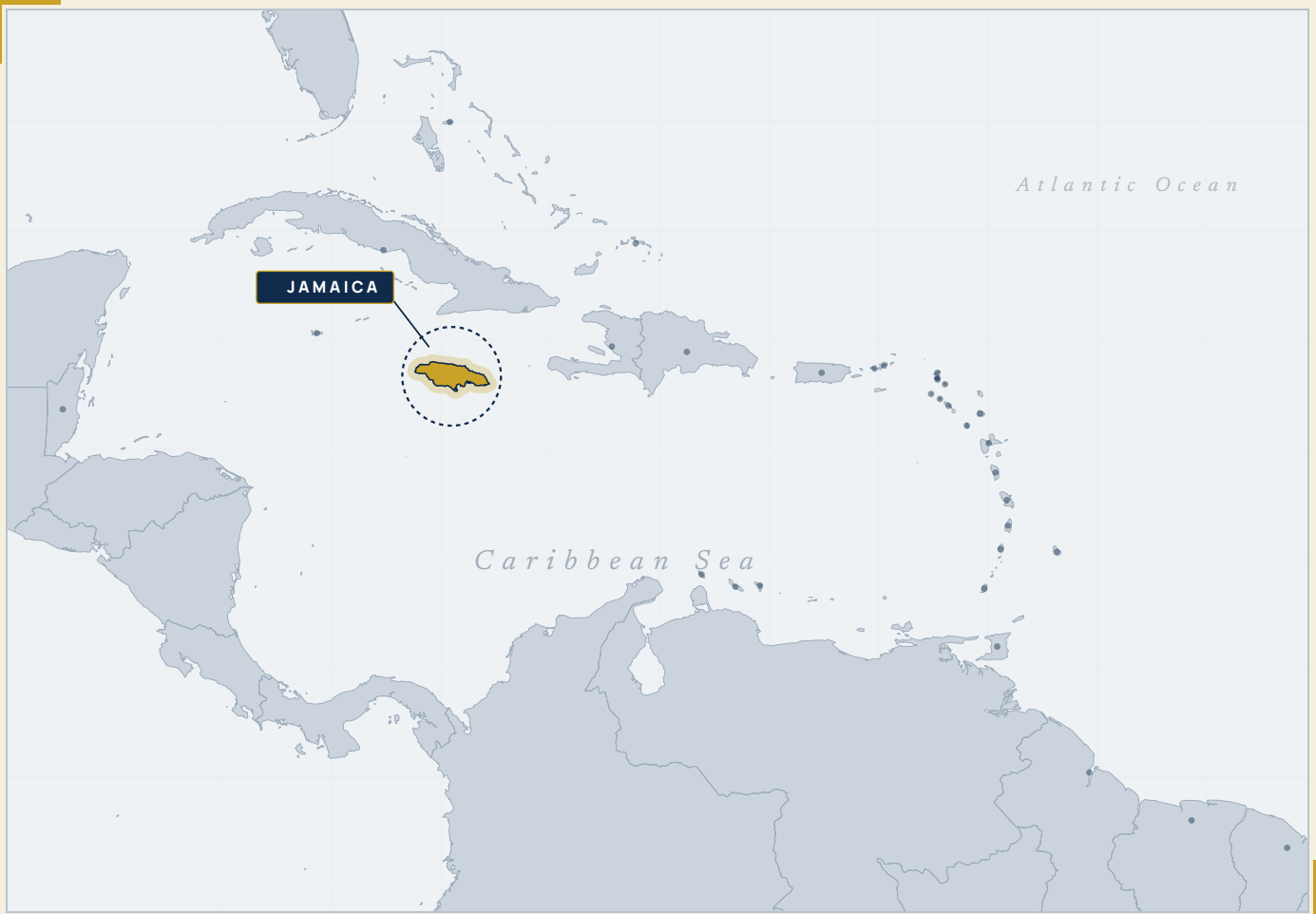




CARIBBEAN TAX SERVICE DESK · GREATER ANTILLES

Jamaica

Tax Guide

A guide to corporate, personal and indirect taxes in Jamaica

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	GCT and customs	13
12	Tax calendar and administration	14
13	How Dawgen Global helps	15

FOREWORD

Jamaica is home to Dawgen Global and to our Caribbean Tax Service Desk. Few tax systems in the region are as broad, or change as often, as Jamaica's.

Jamaica combines a familiar common-law framework with a tax system that reaches every part of a business: income tax, general consumption tax, a full set of payroll contributions, transfer tax and stamp duty, customs and a range of incentives. Each annual budget adjusts the detail, and Tax Administration Jamaica expects timely, electronic compliance.

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 Jamaica.

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 Jamaica. 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

Jamaica has a floating currency, no exchange controls and IFRS-based reporting. Tax is administered by Tax Administration Jamaica (TAJ).

CORPORATE INCOME TAX**25% / 33⅓%**

33⅓% for regulated companies; 12.5% in special economic zones

GENERAL CONSUMPTION TAX**15%**

Registration above J\$15 million taxable supplies a year

PERSONAL INCOME TAX**25% / 30%**

Above a J\$1,902,360 threshold; 30% above J\$6 million

DIVIDEND WITHHOLDING**15%**

Residents and non-residents; relief for 25% corporate holdings

PAYROLL CONTRIBUTIONS**12.5% employer**

NIS, NHT, education tax and HEART combined

CAPITAL GAINS**None**

2% transfer tax on land and shares instead

Currency and foreign exchange

The Jamaican dollar (JMD) floats. There are no exchange controls: profits, dividends and capital can be repatriated freely through authorised dealers, subject to anti-money laundering checks. Tax is assessed and paid in JMD.

Accounting and audit

Companies report under IFRS, or IFRS for SMEs where eligible. The Companies Act requires an auditor and annual financial statements; public companies file audited statements with the Companies Office. Financial statements support the annual tax return.

Principal business entities

Private company

Public company

Branch of an overseas company

Partnership

Sole trader

Company limited by guarantee

Companies are taxed as separate entities. Partners and sole traders are taxed personally on their share of profits.

The tax system

Income tax, GCT, payroll taxes, transfer tax, stamp duty and property tax are administered by TAJ. Customs duties are collected by the Jamaica Customs Agency.

BUSINESS TAX

02 Corporate taxation

Resident companies pay tax on worldwide income; non-resident companies pay tax on Jamaican-source income, including branch profits.

Residence and basis

A company incorporated in Jamaica, or whose central management and control is exercised in Jamaica, is generally resident. A branch is taxed on its profits at the same rate as a local company.

Taxable income

- ◆ Gains or profits from trade, investments, rents and royalties
- ◆ Expenses deductible if incurred wholly and exclusively to earn income
- ◆ Capital allowances replace book depreciation, with enhanced rates for spending from 1 January 2025 to 31 December 2026
- ◆ Not deductible: goodwill, start-up costs, income tax, fines and interest on tax arrears
- ◆ Approved donations deductible up to 5% of taxable income

Taxpayer	Rate
Unregulated companies	25%
Companies regulated by the BOJ, FSC, OUR or Ministry of Finance	33⅓%
Building societies	30%
Life assurers, trust and corporate service providers, wind and solar power producers	25%
Special economic zone developers and occupants	12.5%
Junior Market listed companies	Full remission for 5 years, half for the next 5, subject to conditions

Minimum tax and surtax

There is no surtax. The minimum business tax was abolished from 1 April 2019. Asset tax of 0.25% of taxable assets applies only to deposit-takers, securities dealers and insurers regulated by the BOJ or FSC.

Enhanced capital allowances (spending 1 January 2025 to 31 December 2026)

Asset	Normal rates	Enhanced rates
Industrial buildings	Initial 20%; annual 4% to 12.5%	Initial 30%; special 25% in year two; annual 5.5% to 20%
Plant and machinery	Initial up to 25%; annual 12.5% to 20%	Initial 20% to 40%; annual 25% to 33⅓%

Motor vehicles and intangibles are excluded from the enhanced rates. A balancing charge recaptures allowances on disposal.

BUSINESS TAX

03 Corporate taxation (continued)

Dividends

Dividends paid by a resident company are subject to 15% withholding tax, which is final. A resident company holding at least 25% of the voting rights of the payer receives dividends free of tax. Bonus shares from capitalised profits are not distributions.

Capital gains

There is no capital gains tax. Transfer tax of 2% applies to transfers of Jamaican land and of shares in Jamaican companies; trades in JSE-listed securities are exempt.

Losses

Losses are carried forward, but the deduction in any year is capped at 50% of chargeable income before losses, with exceptions for new and micro businesses. There is no carry-back, and rules restrict trading in tax losses.

Foreign tax credit

Relief is given under tax treaties and the CARICOM agreement, and for Commonwealth income tax in some cases. Otherwise foreign tax is usually deductible as an expense.

Holding companies and groups

There is no participation exemption or holding company regime beyond the 25% dividend relief. Group taxation and loss transfers are not permitted; related companies may be grouped for GCT.

Tax incentives in brief

Incentive	Main benefit
Special economic zones	12.5% income tax; customs, GCT and other relief
Employment tax credit	Employer payroll taxes credited against income tax, capped at 30% of the tax
MSME credit	J\$375,000 credit for companies with revenue up to J\$500 million
Junior Market	Income tax remission for up to 10 years
Large-scale and pioneer projects	Ministerial relief orders for strategic projects
Urban renewal	Credits and exemptions in designated areas

CROSS-BORDER PAYMENTS

04 Withholding taxes and tax treaties

Withholding tax is deducted at source and paid to TAJ by the 14th of the month after payment. Treaty rates require residence evidence.

Payment	Resident	Non-resident company	Non-resident individual	Treaty range
Dividends	15% (0% to a company with 25%+)	15%	15%	0% to 15%
Interest	25% from banks and other prescribed payers	33⅓%	25%	7.5% to 15%
Royalties	None	33⅓%	25%	2% to 15%
Management and service fees	3% on specified services over J\$50,000 an invoice	33⅓%	25%	0% to 15% where fees are covered
Insurance premiums	None	15%, with exceptions		Treaty relief may apply
Branch profits	None	Withholding tax applies to remittances to head office; confirm the rate with TAJ		Treaty relief may apply

A 2% contractors' levy is withheld from payments for construction, haulage and tillage work. The 15% domestic dividend rate can be lower than some treaty rates.

Tax treaties in force

Canada, China, Denmark, France, Germany, Israel, Italy, Japan, Mexico, Norway, Spain, Sweden, Switzerland, the United Kingdom and the United States. A treaty with the United Arab Emirates was signed in 2022; check its status with TAJ.

CARICOM agreement

Covers Antigua and Barbuda, Barbados, Belize, Dominica, Grenada, Guyana, 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

The payer may apply a treaty rate when it holds evidence of the recipient's residence, and some reductions need TAJ approval. Without it, the domestic rate applies and the recipient must reclaim. Withholding tax suffered by a Jamaican taxpayer is credited against its income tax when it files.

INTERNATIONAL RULES

05 Anti-avoidance and international rules

Jamaica follows OECD standards on transfer pricing and information exchange, without thin capitalisation or CFC rules.

Transfer pricing

Since 2015 the Income Tax Act has required transactions between connected persons to be priced at arm's length, in line with OECD guidelines. Every company discloses connected transactions in its annual return. Businesses with gross annual revenue of J\$500 million or more must keep full transfer pricing documentation. Advance pricing agreements can be sought, and false declarations attract fines.

Interest limits

There are no thin capitalisation rules. Interest must be on capital used to earn income and at arm's length, and interest paid to non-residents is deductible only once the withholding tax is paid.

CFC rules

There is no controlled foreign company regime, although resident companies are taxed on worldwide income.

General anti-avoidance

TAJ may disregard artificial or fictitious transactions that reduce tax, and may restrict the use of acquired losses.

Economic substance

There is no separate economic substance regime. Treaty benefits depend on genuine residence in the treaty country.

Pillar Two

Jamaica has announced its intention to introduce a qualified domestic minimum top-up tax for large multinational groups. No start date has been set.

Information exchange

- ◆ **FATCA:** Model 1 agreement with the United States
- ◆ **CRS:** automatic exchange under local law since 2021
- ◆ **Multilateral Instrument:** signed and ratified
- ◆ **Beneficial ownership:** filed with the Companies Office

CORPORATE COMPLIANCE

06 Compliance for corporations

Companies self-assess and file electronically through TAJ's online portal.

Tax year and returns

The year of assessment is the calendar year. TAJ may approve a different accounting year. There are no consolidated returns: each company files its own.

1

Estimated return

15 MAR

File the estimate of the current year's tax.

2

Quarterly instalments

MAR, JUN, SEP, DEC

A quarter of the estimate or of last year's tax each time.

3

Annual return and balance

15 APR

From year of assessment 2025, previously 15 March.

Penalties and interest

Late filing attracts fixed penalties, and late payment attracts penalties and interest at a rate set by law. TAJ can withhold the tax compliance certificate needed for government contracts and many licences.

Audits, records and rulings

TAJ may audit and assess generally within six years, with exceptions. Keep records for at least six years. Advance pricing agreements are available for transfer pricing, and TAJ can be asked for its view on specific transactions.

Objections and appeals

Object to TAJ within the time allowed after an assessment. Unresolved disputes go to the Revenue Appeals Division of the Ministry of Finance, then to the Revenue Court, the Court of Appeal and the Privy Council. Time limits are strict.

Practical points

Revisit estimates before each instalment date, since underpaid instalments attract interest. Reconcile payroll, GCT and withholding filings to the accounts before the annual return. Keep the tax compliance certificate current, and answer TAJ queries in writing within the time stated.

BEYOND INCOME TAX

07 Other taxes on corporations

Tax	Rate and base	Who pays
Payroll contributions	NIS 3% (to J\$5 million a year), NHT 3%, education tax 3.5%, HEART 3%	Employer, plus employee shares
Property tax	Flat J\$1,000 up to J\$400,000 of unimproved value, then 0.50% to 0.90% by band	Owner of land
Transfer tax	2% of the consideration or market value of land and shares; JSE-listed securities exempt	Usually the seller
Stamp duty	J\$5,000 a document (J\$100 under J\$500,000) on most instruments	Parties to the instrument
Capital duty	None	—
Asset tax	0.25% of taxable assets	Regulated deposit-takers, securities dealers, insurers
Environmental protection levy	0.85% on imports and on locally manufactured goods	Importers, manufacturers
Contractors' levy	2% withheld, credited against income tax	Construction, haulage, tillage contractors
Special consumption tax	Specific or ad valorem rates on fuel, alcohol, tobacco, vehicles and sweetened drinks	Importers, manufacturers
Guest accommodation room tax	Tiered nightly charge by property size	Accommodation providers
Telephone call tax	Levy on calls carried on local networks	Telecoms operators

Financial and insurance services are generally exempt from GCT. Property tax, payroll taxes and other business taxes incurred to earn income are usually deductible.

INDIVIDUALS

08 Personal taxation

Residents pay income tax on worldwide income above an annual threshold; non-residents pay on Jamaican income from the first dollar.

Basis of taxation

- ◆ **Resident and domiciled:** worldwide income
- ◆ **Resident, not domiciled:** Jamaican income, Jamaican employment income and foreign income remitted to Jamaica
- ◆ **Non-resident:** Jamaican-source income only

Residence tests

An individual is usually resident in a year if present for six months or more, if a home is available in Jamaica and they visit, or if visits are habitual: stays totalling three months a year for four years in a row.

Filing status

Spouses are taxed separately unless they elect in writing to be assessed jointly.

Chargeable income (residents)	Rate
Up to J\$1,902,360 a year (from 1 April 2026)	0%
Above the threshold up to J\$6 million	25%
Above J\$6 million	30%

Monthly, the threshold is J\$158,530. It is scheduled to rise to J\$2,003,496 a year from 1 April 2027. Non-residents receive no threshold.

Taxable income

Employment income including benefits in cash or kind, business and professional profits, rents, interest, royalties and pensions. Dividends and bank interest are taxed at source.

Allowances

There are no personal allowances beyond the threshold. Individuals aged 65 or over exempt a further J\$250,040 a year, and pension income is exempt up to J\$250,040.

INDIVIDUALS

09 Personal taxation (continued)

Capital gains

There is no capital gains tax. Transfer tax and stamp duty apply when land or shares change hands, including by gift at market value.

Deductions and reliefs

- ◆ Contributions to approved pension schemes and retirement plans, within statutory limits
- ◆ NIS and approved pension contributions reduce the base for education tax
- ◆ Approved donations, up to 5% of taxable income
- ◆ Expenses incurred wholly and exclusively in earning income
- ◆ Approved employee share ownership plans

Employment benefits

Benefits in cash or kind are taxable. Company cars and housing are valued on TAJ's prescribed basis, and tax equalisation payments to expatriates are exempt.

Tax	Position for individuals
NIS (employee)	3% of earnings up to J\$5 million a year
NHT (employee)	2% of gross emoluments
Education tax	2.25% of emoluments after NIS and pension contributions
Transfer tax	2% on transfers of land and shares
Transfer tax on death	1.5% of an estate above J\$10 million (domiciled individuals)
Stamp duty	J\$5,000 a document on most instruments
Property tax	Annual charge on unimproved land value
Inheritance and gift tax	None
Net wealth tax	None
Capital acquisitions tax	None

Self-employed persons pay NIS, NHT and education tax on their own earnings at the rates set for them.

INDIVIDUAL COMPLIANCE

10 Compliance for individuals

Most employees meet their obligations through PAYE. Others with business, rental or foreign income must file and pay estimated tax.

Employees and PAYE

The tax year is the calendar year. Employers deduct PAYE and statutory contributions each pay period and pay them with the monthly S01 return by the 14th of the next month, then file the annual S02 return by 31 March. Employees whose only income is employment income usually need not file.

Self-employed and other income

When	What
15 March	Estimated return and first instalment for the year; annual return and balance for the prior year
15 June, September, December	Further quarterly instalments

Returns are filed electronically. Late filing and payment attract penalties and interest.

Non-residents and expatriates

- ◆ Each individual needs a Taxpayer Registration Number (TRN)
- ◆ Pay for work done in Jamaica is taxable from the first day, whoever pays it
- ◆ Employees of overseas employers that do not operate PAYE pay estimated tax quarterly
- ◆ Non-residents pay 25% from the first dollar of Jamaican income, without the threshold
- ◆ Non-domiciled residents are taxed on foreign income only when remitted
- ◆ Treaties may exempt short assignments by residents of treaty countries
- ◆ Foreign staff also need a work permit from the Ministry of Labour and Social Security

Tax compliance certificate

Individuals and businesses may need a certificate from TAJ to obtain licences, permits and government contracts.

INDIRECT TAXES

11 GCT and customs

General consumption tax (GCT) is Jamaica's value added tax, charged on most goods and services and on imports.

Rate	Applies to
15% standard	Most goods, services and imports
25%	Telephone services, phone cards and handsets
10%	Licensed tourism activities, rising to 15% from 1 April 2027
Zero-rated	Exports and certain agricultural and fishing inputs
Exempt	Basic foods, prescription drugs, and certain financial, insurance and transport services

Registration and returns

Registration is required once taxable supplies exceed J\$15 million a year, and is voluntary below. Returns and payment are due monthly by the last working day of the next month.

Special consumption tax from 1 May 2026

J\$1,400 per litre of pure alcohol on alcoholic drinks (previously J\$1,230) and J\$20 per cigarette (previously J\$17). Sweetened non-alcoholic drinks are now taxed according to their added sugar content; check the current rate with TAJ or the Jamaica Customs Agency.

Input tax recovery

Registered businesses credit GCT on business purchases and imports against output tax. Some public bodies withhold GCT from payments to suppliers.

Imported and digital services

Registered businesses self-account for GCT on imported services. GCT on digital services and intangibles supplied from abroad to consumers is planned from early 2027, subject to legislation.

Customs and excise

Import duty follows the CARICOM Common External Tariff on customs value, plus GCT, the 0.85% environmental protection levy, a 0.3% standards compliance fee and, for some goods, additional stamp duty and special consumption tax.

ADMINISTRATION

12 Tax calendar and administration

Main tax laws

Income Tax Act; General Consumption Tax Act; Transfer Tax Act; Stamp Duty Act; Property Tax Act; Assets Tax Act; Education Tax Act; National Insurance Act; National Housing Trust Act; Tax Collection Act; Revenue Administration Act; Customs Act; Special Economic Zones Act.

Authorities

TAJ administers domestic taxes and the Jamaica Customs Agency collects duties. Appeals go to the Revenue Appeals Division, then the Revenue Court.

Recent and upcoming changes

- ◆ **2025/26:** GCT threshold raised to J\$15 million; 15% dividend withholding for non-residents; enhanced capital allowances for 2025 and 2026
- ◆ **2026/27:** income tax threshold J\$1,902,360; company returns moved to 15 April; higher excise and environmental levy
- ◆ **Ahead:** GCT on foreign digital services (early 2027); tourism GCT at 15% and threshold J\$2,003,496 (1 April 2027)

When	What
14th monthly	PAYE and payroll contributions (S01); withholding tax; contractors' levy
Last working day monthly	GCT return and payment
15 March	Estimated returns and first instalment; individuals' annual returns
31 March	Employer's annual return (S02)
1 April	Threshold changes and most budget measures take effect
15 April	Company annual returns and balance; asset tax
30 April	Property tax in full, or first quarterly instalment
15 June, 15 September, 15 December	Quarterly estimated tax instalments

Dates assume a calendar year. When a date falls on a weekend or public holiday, TAJ normally moves it to 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 Jamaican tax, from registration to dispute.

Tax compliance

Corporate and personal returns, estimated tax, asset tax and tax compliance certificates.

Corporate tax advisory

Structuring, capital allowances, losses, dividends and transactions.

International tax and transfer pricing

Treaty claims, withholding tax, documentation and advance pricing agreements.

Indirect taxes (GCT and customs)

GCT registration, returns, refunds, imported services and customs reviews.

Payroll and employment taxes

PAYE, NIS, NHT, education tax and HEART, S01 and S02 returns, benefit reviews.

Tax disputes and authority engagement

TAJ audits, objections, Revenue Appeals Division and settlement of arrears.

Incentives and investment planning

Special economic zones, Junior Market, employment tax credit and project relief.

Private client and expatriate tax

Residence and domicile, remittance basis, estates, property and assignees.

Tax technology and reporting

Tax calendars, provisions, data and reporting processes.

Start with a conversation

Tell us about your plans or your tax question in Jamaica, 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 info@dawgen.global or call (876) 926-5210.

Talk to the Caribbean Tax Service Desk about Jamaica

Contact

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Key official sources

- Tax Administration Jamaica (jamaicatax.gov.jm)
- Ministry of Finance and the Public Service (mof.gov.jm)
- Jamaica Customs Agency (jcal.gov.jm)
- Companies Office of Jamaica (orcjamaica.com)
- Special Economic Zone Authority (seza.gov.jm)
- Bank of Jamaica (boj.org.jm)
- Financial Services Commission (fscjamaica.org)
- Houses of Parliament (japarlament.gov.jm)

