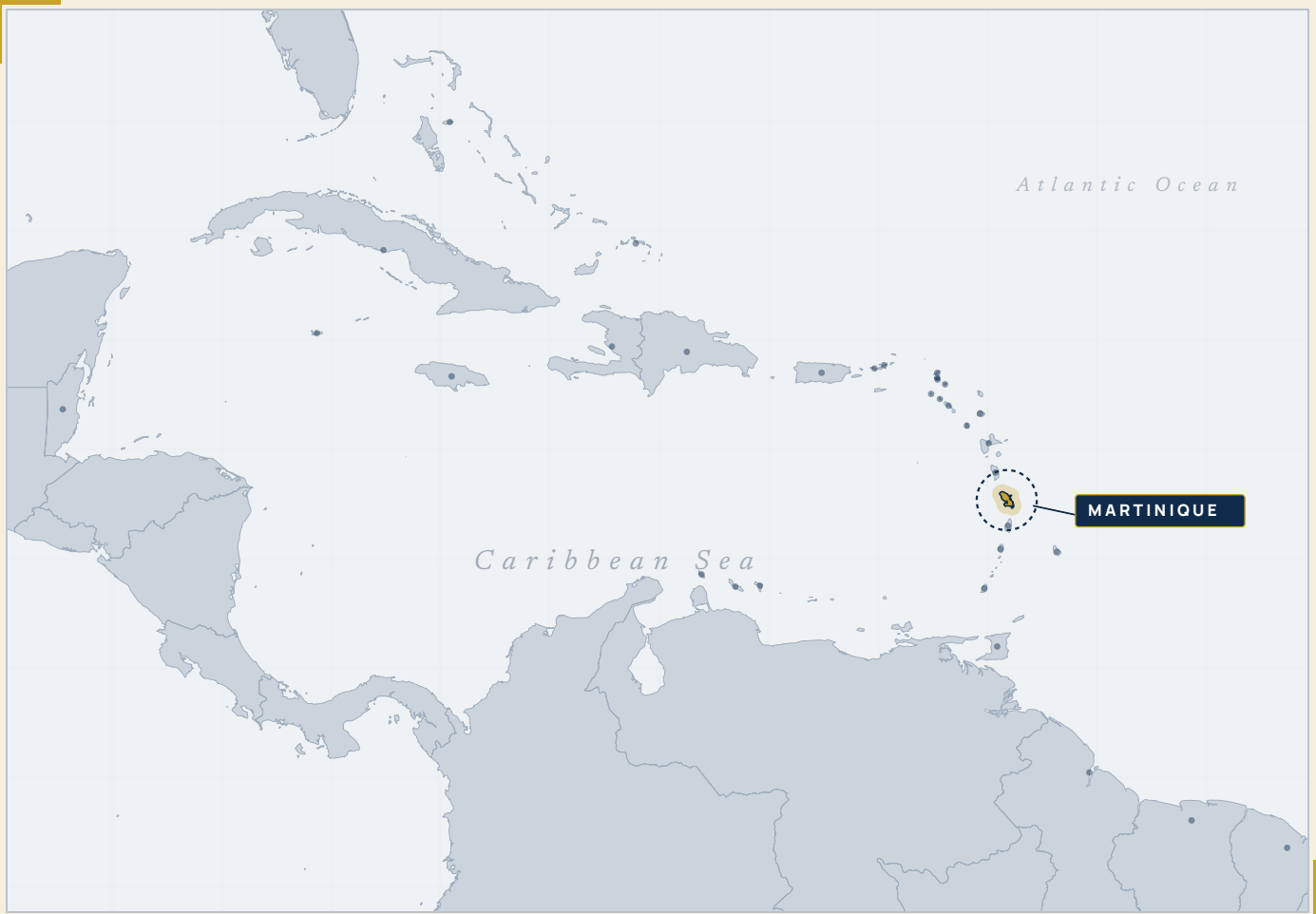




CARIBBEAN TAX SERVICE DESK · EASTERN CARIBBEAN

Martinique

Tax Guide

A guide to corporate, personal and indirect taxes in Martinique

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	TVA, octroi de mer and customs	13
12	Tax calendar and administration	14
13	How Dawgen Global helps	15

FOREWORD

Martinique applies French tax law, adapted for an overseas territory of the European Union. The rules are detailed, change with every finance law and reward careful planning.

Businesses in Martinique pay French corporate tax, local business taxes and social charges, but TVA is charged at overseas rates, octroi de mer applies to goods, and resident individuals receive a 30% income tax reduction. Overseas incentives such as ZFANG, LODEOM and Girardin can change the economics of a project, and the Direction générale des Finances publiques expects timely, electronic compliance.

This guide explains the main taxes on companies and individuals in plain language, current to October 2026 and reflecting the 2026 Finance Law. It also notes the 2027 draft Finance Law, still before Parliament. It is written for investors, finance teams and individuals with interests in Martinique.

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 Martinique. 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

Martinique uses the euro, has no exchange controls and follows French accounting rules. Taxes are administered by the Direction générale des Finances publiques (DGFîP).

CORPORATE INCOME TAX**25% / 15%**

15% on the first €42,500 of profit for qualifying SMEs

TVA (VAT)**8.5%**

Overseas standard rate; 2.1% and 1.05% reduced rates

PERSONAL INCOME TAX**0% to 45%**

Tax cut by 30% for residents, capped at €2,450

FLAT TAX ON INVESTMENT INCOME**31.4%**

12.8% income tax plus 18.6% social levies

DIVIDEND WITHHOLDING**25% / 12.8%**

Non-resident companies / individuals; treaty and EU relief

OCTROI DE MER**By product**

On imports and local production; rates set by the CTM

Currency and foreign exchange

The euro is the currency. There are no exchange controls: profits, dividends and capital move freely, subject to anti-money laundering checks and the declaration of cash of €10,000 or more when entering or leaving.

Accounting and audit

Companies keep accounts under the French general chart of accounts (PCG). Accounts are approved within six months of the year-end and filed with the court registry. A statutory auditor is required for SAs, above size thresholds and in some other cases. The accounts support the annual tax return.

Principal business entities

SAS / SASU

SARL / EURL

SA

Branch (succursale)

Partnership (SNC)

Sole trader and micro-entrepreneur

Companies pay corporate tax. Partnerships and sole traders are generally taxed through their owners, and some small companies may opt for the same treatment.

The tax system

The DGFîP administers corporate tax, income tax, TVA and local business taxes. French customs collect duties, import TVA and octroi de mer. Social contributions go to the CGSS de la Martinique.

BUSINESS TAX

02 Corporate taxation

France taxes companies on a territorial basis: profits of businesses operated in France, including Martinique, are taxed; profits of foreign establishments generally are not.

Residence and basis

A company with its registered office in France is subject to French corporate tax (IS). A foreign company is taxed on the profits of its Martinique branch or permanent establishment at the same rates.

Taxable income

- ◆ Expenses deductible if incurred in the interest of the business and properly supported
- ◆ Straight-line or declining-balance depreciation; goodwill generally not depreciable for tax
- ◆ Not deductible: corporate tax itself, most fines and penalties, and excessive related-party interest
- ◆ Sponsorship gives a tax reduction rather than a deduction

Taxpayer or profit	Rate
Standard rate	25%
SMEs with turnover under €10 million, capital paid up and at least 75% held by individuals	15% on the first €42,500 of profit
Social surcharge	3.3% of corporate tax above €763,000
Long-term gains on qualifying participations	12% of the gain taxed at 25%
Income from qualifying patents and software	10% under the IP regime

Exceptional contribution for large companies

The 2026 Finance Law extended this contribution for a second financial year closing from 31 December 2025, for turnover above €1.5 billion: 20.6% of corporate tax (turnover up to €3 billion) or 41.2% (above). The 2027 draft law proposes a third year at lower rates; the National Assembly voted on 27 October 2026 to remove it, and the outcome is open.

Minimum tax and surtax

There is no general minimum tax, apart from the CFE local business tax, which is due whatever the result. Groups with consolidated revenue of €750 million or more are subject to the 15% global minimum tax (see page 7).

BUSINESS TAX

03 Corporate taxation (continued)

Dividends

Dividends received are taxable, unless the parent-subsidary regime applies: with a holding of at least 5% kept for two years, 95% of the dividend is exempt (99% within a tax group or an equivalent EU group). Dividends paid abroad may bear withholding tax (page 6).

Capital gains

Gains are taxed as ordinary profit at 25%. Gains on participations held for at least two years are 88% exempt, so 12% of the gain is taxed. Gains on shares in real-estate companies are excluded.

Losses

Losses carry forward without time limit, but each year's offset is limited to €1 million plus 50% of profit above €1 million. A company may instead carry back a loss to the previous year, up to €1 million, for a tax credit.

Foreign tax credit

Foreign branch profits are generally outside French tax. Foreign withholding tax on dividends, interest and royalties is credited as treaties allow.

Holding companies and groups

There is no special holding company regime beyond the participation exemption. A parent holding at least 95% of French subsidiaries may form a tax group (intégration fiscale), offsetting profits and losses across the group.

Tax incentives in brief

Incentive	Main benefit
ZFANG zones	Profit abatement of 50% (cap €150,000) or 80% in priority sectors (cap €300,000), with CFE and land tax relief; under 250 staff and €50 million turnover
Overseas investment schemes	Girardin income tax reductions, and corporate deductions and tax credits for productive investment and social housing overseas
LODEOM	Employer social charge exemptions (page 7)
Research tax credit	Credit on qualifying research and innovation spending, with higher overseas rates
New businesses	Temporary relief in some cases, subject to conditions

CROSS-BORDER PAYMENTS

04 Withholding taxes and tax treaties

Withholding tax is deducted by the French payer and paid to the DGFIP, usually by the 15th of the month after payment. Treaty rates require evidence of residence.

Payment	Resident	Non-resident company	Non-resident individual	Treaty / EU relief
Dividends	Individuals: 12.8% advance tax plus social levies; companies: none	25%	12.8%	Often 0% to 15%; 0% to EU parents with 5%+
Interest	Individuals: 12.8% advance tax plus social levies	Generally none	Generally none	Not usually needed
Royalties	None	25%		Often reduced; 0% between associated EU companies
Fees for services used in France	None	Withholding applies to certain fees; confirm the rate with the DGFIP		Usually removed by treaty
Branch profits	None	Branch tax at the corporate rate on after-tax profits	—	Removed for EU companies and by many treaties

Payments to non-cooperative jurisdictions bear 75%. Since 1 January 2026 payers must withhold the domestic rate on some treaty-exempt dividends, leaving the recipient to claim a refund.

Tax treaties

France's treaty network, one of the largest in the world, generally covers the overseas departments, including Martinique. Treaty partners in the Americas include Canada, the United States, Mexico, Jamaica and Trinidad and Tobago. Check each treaty's territorial clause.

EU directives

The EU Parent-Subsidiary and Interest and Royalties Directives apply, subject to anti-abuse rules. There is no CARICOM double tax agreement; Martinique is an associate member of the OECS.

Claiming treaty rates

The payer applies a reduced rate at source when it holds the recipient's residence certificate on the official form. Without it, the domestic rate applies and the recipient must claim a refund from the DGFIP, within strict time limits.

INTERNATIONAL RULES

05 Anti-avoidance and international rules

French anti-avoidance rules, EU directives and OECD standards all apply in Martinique.

Transfer pricing

Transactions with related parties must be at arm's length, following OECD guidelines. Full master and local file documentation is required for companies with turnover or gross assets of €150 million or more, or belonging to such a group. Penalties for missing documentation start at €50,000, and advance pricing agreements are available.

Interest limits

Net borrowing costs are deductible up to the higher of €3 million and 30% of tax EBITDA, with tighter limits for thinly capitalised companies. Interest on related-party loans must also respect a market rate.

CFC rules

Profits of foreign entities more than 50% held, in jurisdictions with a privileged tax regime, may be taxed in France, subject to genuine activity exceptions.

General anti-avoidance

The DGFIP can set aside arrangements that are artificial or mainly tax-driven under the abuse of law procedure and the EU-based general anti-abuse rule. Penalties can reach 80%.

Economic substance

There is no separate substance regime, but treaty, directive and CFC relief depend on real activity.

Pillar Two

France applies the 15% global minimum tax to groups with consolidated revenue of €750 million or more, through an income inclusion rule, an undertaxed profits rule and a domestic top-up tax, which cover Martinique.

Information exchange

- ◆ **FATCA:** Model 1 agreement with the United States
- ◆ **CRS and EU directives:** automatic exchange of financial account information
- ◆ **Country-by-country reporting:** groups with revenue of €750 million or more
- ◆ **DAC6:** mandatory disclosure of cross-border arrangements

CORPORATE COMPLIANCE

06 Compliance for corporations

Companies self-assess, file returns and pay tax electronically through their professional space on impots.gouv.fr.

Tax year and returns

Corporate tax follows the company's financial year, usually twelve months. Each company files its own return, and the head of a tax group also files the group return.

1

Quarterly instalments

15 MAR, JUN, SEP, DEC

Based on the previous year's profit, for companies whose tax exceeds €3,000.

2

Annual return

MAY

Corporate tax return and supporting tax schedules, for a December year-end.

3

Balance of tax

15 MAY

By the 15th day of the fourth month after the year-end.

Penalties and interest

Late payment attracts interest at 0.20% a month and a 5% surcharge. Late filing attracts a 10% surcharge, rising to 40% after a formal notice or for deliberate failures, and 80% for fraud or abuse of law.

Audits, records and rulings

The DGFIP may generally reassess until the end of the third year after the year concerned, with longer periods in some cases. Keep tax records for six years and accounting records for ten. Taxpayers can obtain binding rulings (*rescrits*), and the tax authority answers within set times for some types.

Objections and appeals

A claim is first filed with the tax office. Unresolved disputes go to the administrative court in Fort-de-France, then the administrative court of appeal and the Conseil d'État. Some factual disputes can go to a departmental commission first.

Practical points

Review instalments as profits change; a company may reduce them at its own risk. Reconcile TVA, DSN payroll filings and withholding to the accounts before the annual return. Keep the professional space on impots.gouv.fr active and answer DGFIP queries in writing within the time stated.

BEYOND INCOME TAX

07 Other taxes on corporations

Tax	Rate and base	Who pays
Social security (employer)	Pension 10.66%, health and family 10.45% to 18.25%, unemployment and AGS 4.25%, supplementary pension 6.01%, and others	Employer, with employee shares
LODEOM relief	Exemptions on wages up to set multiples of the SMIC, for small employers and listed sectors, under standard, enhanced and innovation schemes	Eligible employers
Payroll levies	Apprenticeship and vocational training levies; payroll tax at overseas rates where little or no TVA is charged	Employers
CFE	Local business tax on the rental value of business property; rates set by the communes	Businesses
CVAE	Up to 0.28% of value added in 2026, for turnover above €500,000; to be phased out by 2030	Businesses
Property tax	Annual taxe foncière on the rental value of land and buildings	Owners
Transfer duties	Registration duties on property sales; on shares, 0.1% (SA, SAS), 3% (SARL) and 5% (real-estate companies)	Usually the buyer
Capital duty	No proportional duty; fixed registration duties on some capital transactions	Company
Insurance and financial taxes	Tax on insurance contracts; financial transactions tax on large listed French shares	Policyholders, buyers
Octroi de mer and excise	On goods, rum, fuel and tobacco; rates set by product	Importers, producers

Most of these taxes are deductible for corporate tax, except the financial transactions tax and some duties. Employers declare contributions monthly through the DSN to the CGSS de la Martinique.

INDIVIDUALS

08 Personal taxation

Residents of France pay income tax on worldwide income; non-residents pay on French-source income only. Tax is calculated for the household.

Basis of taxation

- ◆ **Resident:** worldwide income, subject to treaties
- ◆ **Non-resident:** French-source income, including Martinique, with minimum rates of 20% and 30%
- ◆ There is no remittance basis

Residence tests

An individual is resident if any one of these applies: home or main place of stay in France (generally more than 183 days), main professional activity in France, or centre of economic interests in France. Treaties settle dual residence.

Filing status

Married couples and civil partners file jointly. Income is divided by the number of family shares (quotient familial) before the scale is applied, with the benefit of children's shares capped.

Taxable income per share (2025 income)	Rate
Up to €11,600	0%
€11,600 to €29,579	11%
€29,579 to €84,577	30%
€84,577 to €181,917	41%
Above €181,917	45%

Overseas reduction

Residents of Martinique have their income tax reduced by 30%, capped at €2,450 per household.

Taxable income

Salaries, pensions, business and professional profits, rents and investment income. Investment income bears the 31.4% flat tax unless the household opts for the scale.

High incomes

A 3% or 4% contribution applies to reference income above €250,000 (single) or €500,000 (couple), with a minimum 20% average rate for the highest incomes.

INDIVIDUALS

09 Personal taxation (continued)

Capital gains

Gains on securities bear the 31.4% flat tax, or the scale on option. Gains on property bear 19% income tax plus social levies, reduced by holding period: income tax ends after 22 years and social levies after 30. The main home is exempt, and a surtax applies to large gains.

Deductions and reliefs

- ◆ Employment expenses: 10% standard deduction, or actual costs
- ◆ Retirement savings plan (PER) contributions, within annual limits
- ◆ Credits for home help and childcare
- ◆ Reductions for donations and overseas investment (Girardin), within overall caps

Employment benefits

Benefits in kind, such as cars and housing, are taxable and valued under official scales. Inbound employees may exempt some pay linked to their move for up to eight years.

Tax	Position for individuals
Employee social security	Pension 7.3%, supplementary pension 4.01%, CSG and CRDS 9.7%
Social levies on investment income	18.6% on most income and gains
Transfer duties	Registration duties on property and share purchases
Property tax	Annual taxe foncière; housing tax now only on second homes
Inheritance and gift tax	Children: 5% to 45% after €100,000 each per parent; spouse exempt; others up to 60%
Net wealth tax	Real estate wealth tax (IFI) of 0.5% to 1.5% on net property above €1.3 million
Exit tax	On unrealised gains on large shareholdings when leaving France

Self-employed persons pay their own social contributions, collected by Urssaf and the CGSS. Inheritance and gift rules depend on residence and on where the assets are.

INDIVIDUAL COMPLIANCE

10 Compliance for individuals

Income tax is collected at source during the year and settled after the annual return.

Employees and withholding at source

The tax year is the calendar year. Employers withhold income tax each month at the rate notified by the DGFIP, and pay it with social contributions through the DSN. The self-employed and landlords pay monthly or quarterly instalments taken by direct debit. Every household still files an annual return.

Annual return (2025 income)

When	What
9 April 2026	Online filing opened
19 May 2026	Paper returns
4 June 2026	Online returns for Martinique and the other overseas departments
From late July	Assessment notices, then any balance or refund

Late filing attracts a 10% surcharge and interest at 0.20% a month.

Non-residents and expatriates

- ◆ Residence in France starts from arrival when the tests are met
- ◆ Pay for work in Martinique is taxable, with withholding operated by the employer
- ◆ Non-residents file with the non-residents' tax office and pay minimum rates of 20% and 30%
- ◆ The 30% overseas reduction applies only to residents of Martinique
- ◆ Treaties may exempt short assignments and avoid double tax
- ◆ Inbound staff may claim the regime for workers moving to France
- ◆ Non-EU staff need a work authorisation and residence permit

Online account

Each individual has a tax number and an online space on impots.gouv.fr for returns, withholding rates and payments.

INDIRECT TAXES

11 TVA, octroi de mer and customs

Martinique is part of the French TVA system but outside the EU VAT area, and octroi de mer applies to goods alongside TVA.

TVA rate	Applies to
8.5% standard	Most goods, services and imports
2.1%	Many foods and other items taxed at reduced rates in mainland France
1.05%	Certain shows and press publications
0%	About 6,000 everyday products under the cost-of-living protocol, from 1 March 2025, currently to 31 December 2027
Exempt	Exports (with input tax recovery); most financial, insurance, health and education services; residential lettings

Registration and returns

Below €85,000 of sales of goods or €37,500 of services, businesses may stay outside TVA. Returns are monthly, or annual for small businesses on the simplified regime.

Input tax recovery

TVA on business purchases and imports is recovered against output tax, or refunded on request.

Imported and digital services

Business customers self-account for TVA on most services from abroad. Martinique is outside the EU VAT area, so foreign sellers to consumers should confirm their position with the DGFIP.

Octroi de mer

Octroi de mer and its regional surcharge apply to imports, including from mainland France, and to local production above a turnover threshold. The CTM sets rates by product. The EU authorisation runs to 31 December 2027; on 10 September 2026 the European Commission proposed extending it to 2030.

Customs and excise

Imports from outside the EU bear the EU common customs tariff, then TVA and octroi de mer. Excise applies to alcohol, tobacco and fuel.

ADMINISTRATION

12 Tax calendar and administration

Main tax laws

General Tax Code (CGI) and Tax Procedure Code (LPF); annual finance laws; Social Security Code and annual social security financing laws; Customs Code; the 2004 law on octroi de mer; the 2009 law on overseas economic development (LODEOM).

Authorities

The DGFIP, through its Martinique services, administers domestic taxes. French customs collect duties and octroi de mer. Disputes go to the administrative courts.

Recent and upcoming changes

- ◆ **2026 Finance Law (19 February 2026):** large-company contribution extended; CVAE phase-out deferred to 2030; income tax bands indexed by 0.9%
- ◆ **2026 social security law:** flat tax raised to 31.4%
- ◆ **1 September 2026:** all businesses must receive e-invoices; large and mid-sized ones must issue them; smaller businesses issue from 1 September 2027
- ◆ **2027 draft Finance Law:** presented 1 October 2026 and before Parliament; LODEOM and the productive investment scheme to be kept

When	What
5th or 15th monthly	DSN payroll return, social contributions and income tax withheld
Monthly	TVA return and payment, on a date set by the tax office
15 March, June, September, December	Corporate tax instalments
April to June	Individual returns: 19 May on paper, 4 June online (2026)
May	Corporate tax return; balance by 15 May; CVAE return and balance
15 June, 15 September	CVAE instalments
Within 6 months of year-end	Accounts approved, then filed with the court registry
15 October	Property tax (taxe foncière)
15 December	CFE local business tax

Dates assume a December year-end and may move each year; the DGFIP publishes the exact dates.

YOUR PARTNER

13 How Dawgen Global helps

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

Tax compliance

Corporate tax returns and instalments, CFE and CVAE, and individual returns.

Corporate tax advisory

Structuring, tax groups, losses, dividends and transactions.

International tax and transfer pricing

Treaty claims, withholding tax, documentation and Pillar Two.

Indirect taxes (TVA and customs)

TVA returns and refunds, octroi de mer, customs and e-invoicing.

Payroll and employment taxes

DSN, social contributions, withholding at source and LODEOM relief.

Tax disputes and authority engagement

DGFiP audits, claims, rulings and settlement of arrears.

Incentives and investment planning

ZFANG, Girardin and overseas investment schemes.

Private client and expatriate tax

Residence, the overseas reduction, IFI, estates 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 Martinique, 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 martinique@dawgen.com or info@dawgen.global, or call (876) 926-5210.

Talk to the Caribbean Tax Service Desk about Martinique

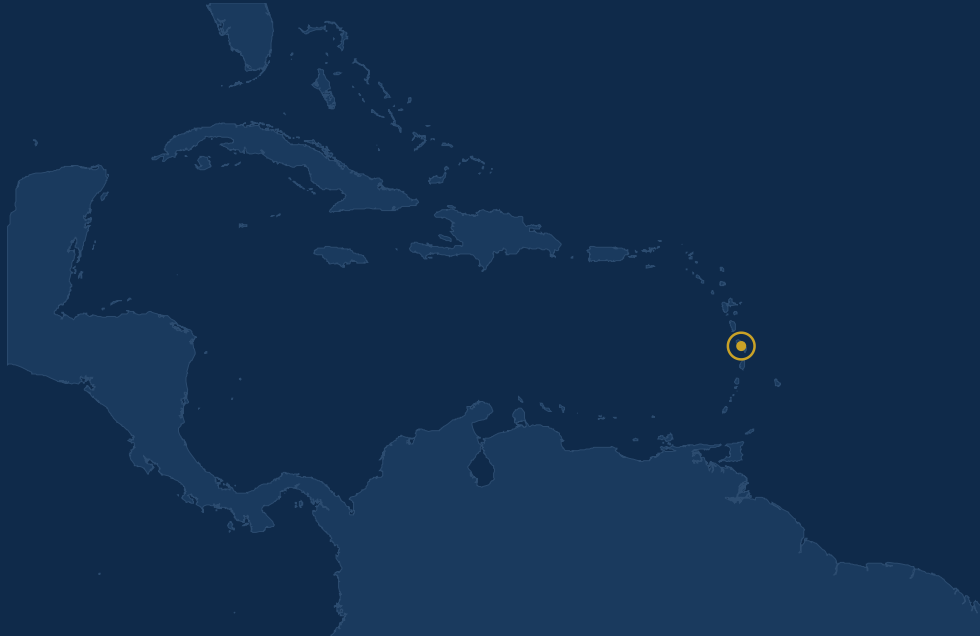
Contact

martinique@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

- Direction générale des Finances publiques (impots.gouv.fr)
- Bulletin officiel des Finances publiques (bofip.impots.gouv.fr)
- Légifrance (legifrance.gouv.fr)
- Ministère de l'Économie et des Finances (economie.gouv.fr)
- Direction générale des douanes et droits indirects (douane.gouv.fr)
- Urssaf and CGSS de la Martinique (urssaf.fr)
- Collectivité Territoriale de Martinique (collectivitedemartinique.mq)
- Assemblée nationale (assemblee-nationale.fr)



This publication contains general information only, current to October 2026, and is not professional advice. French tax and social rules change frequently, often with each finance law, and the 2027 draft Finance Law was still before Parliament at the time of writing; confirm the current position with Dawgen Global or the Direction générale des Finances publiques 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.