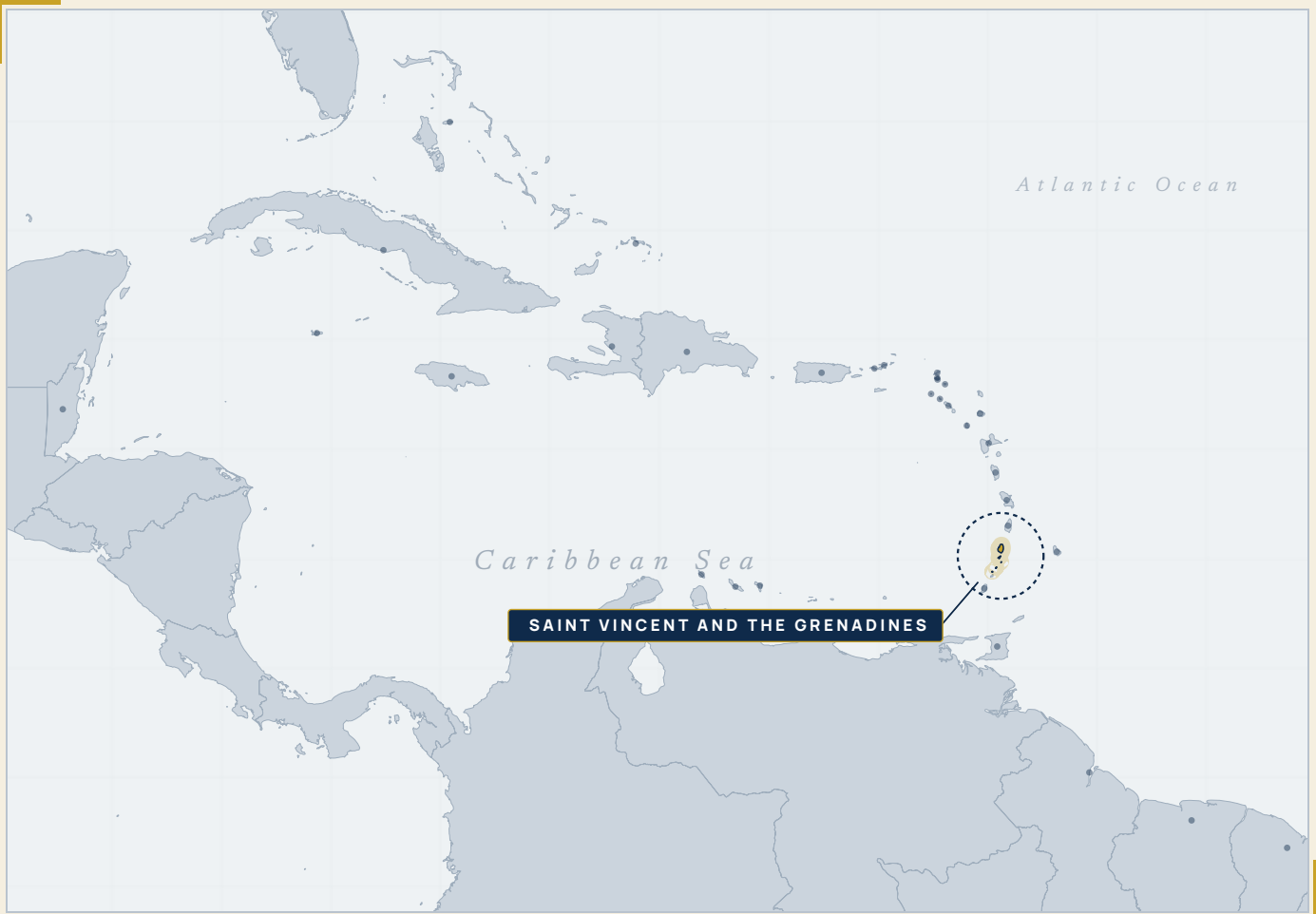




CARIBBEAN TAX SERVICE DESK · EASTERN CARIBBEAN

Saint Vincent and the Grenadines

Tax Guide

A guide to corporate, personal and indirect taxes in Saint Vincent and the Grenadines

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

FOREWORD

Saint Vincent and the Grenadines has a compact tax system built on a territorial income tax, value added tax and national insurance, administered by the Inland Revenue Department in Kingstown.

The country taxes companies on income arising in or derived from it, has no capital gains tax and no tax on dividends, and charges VAT at 16%. Land and share transfers, the alien landholding regime and a range of sector levies add detail that investors need to plan for. A new government took office in November 2025, and its first budget in February 2026 introduced no new taxes while promising stronger revenue administration.

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

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 Saint Vincent and the Grenadines. 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

The EC dollar is fixed to the US dollar, there are no exchange restrictions and reporting is IFRS-based. Tax is administered by the Inland Revenue Department (IRD).

CORPORATE INCOME TAX**Statutory rate**

Set under the Income Tax Act; confirm with the IRD

VALUE ADDED TAX**16%**

11% on hotel accommodation; registration above XCD 300,000

PERSONAL INCOME TAX**From 10%**

Above a standard deduction set by the IRD

DIVIDEND WITHHOLDING**Nil**

Dividends are not taxed

NATIONAL INSURANCE**7.5% employer**

6.5% employee in 2026; earnings to XCD 5,200 a month

CAPITAL GAINS**None**

Transfer charges apply to land and shares instead

Currency and foreign exchange

The Eastern Caribbean dollar (XCD) has been pegged at XCD 2.70 to US\$1 since 1976 and is issued by the Eastern Caribbean Central Bank. There are no exchange restrictions: profits, dividends and capital can be repatriated through the banks, subject to anti-money laundering checks.

Accounting and audit

Companies report under IFRS, or IFRS for SMEs where eligible. Financial statements accompany the corporate tax return. Public and regulated companies need audited statements; confirm whether an audit applies to a private company under the Companies Act.

Principal business entities

Private company

Public company

External company (branch)

Business company

Partnership

Sole trader

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

The tax system

Income tax, VAT, PAYE, withholding tax, property tax and sector levies are administered by the IRD. Customs duties and excise on imports are collected by the Customs and Excise Department.

BUSINESS TAX

02 Corporate taxation

The income tax is territorial: resident and non-resident companies pay tax on income arising in or derived from Saint Vincent and the Grenadines.

Residence and basis

A company incorporated in the country, or incorporated abroad but managed and controlled from it, is resident. A branch of an overseas company is taxed on its local profits in the same way as a local company.

Taxable income

- ◆ Net profit before tax, adjusted for disallowed expenses and allowable deductions
- ◆ Expenses deductible if incurred wholly and exclusively in producing income
- ◆ Capital allowances at rates set by the Income Tax Act replace book depreciation
- ◆ Not deductible: capital expenditure, income tax and private expenses

Taxpayer	Rate
Resident companies	Statutory rate set under the Income Tax Act; confirm with the IRD
Branches of overseas companies	Same rate as resident companies
Approved enterprises	Tax holiday under the Fiscal Incentives Act
Hotels	Concessions under the Hotels Aid Act

Rate changes

The top corporate and personal rates were reduced from 1 January 2023. Further reductions were announced in late 2025, but they have not been confirmed as in force and the February 2026 Budget announced no rate changes. Confirm the rate for your year with the IRD before filing or pricing a transaction.

Minimum tax and surtax

There is no surtax, alternative minimum tax or capital duty.

BUSINESS TAX

03 Corporate taxation (continued)

Dividends

Dividends are not taxed, whether received by companies or individuals, and no withholding tax applies to dividends paid to residents or non-residents.

Capital gains

There is no capital gains tax. Transfer tax and stamp duty apply when land or shares change hands.

Losses

Losses may be carried forward for five years, but relief in any year is limited to 50% of taxable income. There is no carry-back.

Foreign tax credit

A credit is given for foreign tax paid, limited to the local tax on the same income. Relief is also available under the CARICOM agreement and the bilateral treaties.

Holding companies and groups

There is no participation exemption or holding company regime, since dividends are untaxed. Consolidated returns and group loss relief are not available: each company files separately.

Tax incentives in brief

Incentive	Main benefit
Fiscal Incentives Act	Tax holidays of up to 15 years, depending on local value added, and import duty relief for approved manufacturers
Hotels Aid Act	Duty and tax concessions for new hotels and qualifying expansions
Project concessions	Relief for approved projects, negotiated through Invest SVG and Cabinet
2026 Budget proposals	Duty-free regime for yacht parts and services; duty-free creative equipment

The government plans to cut import duty concessions by 20%.

CROSS-BORDER PAYMENTS

04 Withholding taxes and tax treaties

Payers withhold tax from specified payments to non-residents and pay it to the IRD by the 15th of the following month.

Payment	Resident	Non-resident	CARICOM resident
Dividends	None	None	None
Interest	Generally none	20%	15%
Royalties	Generally none	20%	15%
Management and technical fees	Generally none	20%	15%
Rent	10% withheld under the IRD's rules; confirm when it applies		
Branch profits	Confirm the treatment of remittances to head office with the IRD		

Payments to non-residents such as annuities, certain trust distributions and insurance premiums are also within the withholding rules. Insurance premiums paid to a foreign insurer that is not registered locally, for a class of cover not available in the country, are not subject to withholding.

Tax treaties in force

The CARICOM agreement, and bilateral agreements with Switzerland and the United Arab Emirates. The country has a network of tax information exchange agreements, including with the United Kingdom. It has not signed the OECD Multilateral Instrument.

CARICOM agreement

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

Claiming treaty rates

Keep evidence of the recipient's residence before applying a reduced rate. Without it, withhold at 20% and leave the recipient to reclaim. Withholding tax is a liability of the payer, so late or missed deductions carry interest and penalties.

INTERNATIONAL RULES

05 Anti-avoidance and international rules

The domestic regime is light, but economic substance and information exchange rules meet international standards.

Transfer pricing

There are no formal transfer pricing rules or documentation requirements. Related-party pricing should still be commercial and supportable, since the IRD can challenge deductions that are not wholly and exclusively for the business.

Interest limits

There are no thin capitalisation or interest limitation rules. Interest paid to non-residents is subject to withholding.

CFC rules

There is no controlled foreign company regime, consistent with the territorial basis of tax.

General anti-avoidance

There is no general anti-avoidance rule as such. The Comptroller can, however, tax a resident agent on a non-resident's income where dealings appear designed to avoid tax.

Economic substance

The International Cooperation (Economic Substance) Act 2020 applies to resident companies, external companies and business companies. All file an annual notification within four months of the year-end, and entities carrying on a relevant activity, such as holding, financing, headquarters or intellectual property business, must show adequate substance.

Pillar Two

The country has not committed to the global minimum tax rules, and no domestic top-up tax has been announced.

Information exchange

- ◆ **FATCA:** Model 1B agreement with the United States, signed in 2015
- ◆ **CRS:** automatic exchange of financial account information
- ◆ **Competent authority:** the IRD
- ◆ **Beneficial ownership:** records expected by banks and regulators

CORPORATE COMPLIANCE

06 Compliance for corporations

Companies self-assess, pay estimated tax during the year and file within three months of the year-end.

Tax year and returns

The tax year follows the company's financial year. There are no consolidated returns: each company files its own, with its financial statements.

1

Estimated tax instalments

MONTHS 6, 9, 12

A quarter of the tax on the latest return each time.

2

Fourth instalment

MONTH 15

Paid three months after the year-end.

3

Annual return and balance

3 MONTHS AFTER
YEAR-END

With financial statements; 31 March for a December year-end.

Penalties and interest

Interest on late payment runs at 1.5% a month for most taxes. Late filing and late payment also attract penalties set by the Income Tax Act. Extensions of time are at the Comptroller's discretion.

Audits, records and rulings

The IRD may examine returns and raise assessments within the time allowed by law. Keep accounting records and supporting documents for the period the law requires; seven years is a prudent minimum. The Comptroller may be asked for a view on proposed transactions.

Objections and appeals

Object in writing to the Comptroller within the time stated on the assessment. Unresolved disputes go to the appeal body under the Income Tax Act and then to the Eastern Caribbean Supreme Court. Time limits are strict.

Practical points

Revisit estimates before each instalment date, reconcile PAYE, VAT and withholding filings to the accounts before the annual return, and keep tax clearance current, since it is needed for many licences and government contracts.

BEYOND INCOME TAX

07 Other taxes on corporations

Tax	Rate and base	Who pays
National insurance	Employer 7.5% and employee 6.5% in 2026, on earnings up to XCD 5,200 a month; rates rising in stages	Employer, plus employee share
Payroll tax	None	—
Property tax	Annual, on the assessed value of land and buildings; due by 31 July	Owner
Transfer tax and stamp duty	Generally 5% on transfers of land and shares; stamp duty on other instruments	Parties to the transfer
Alien landholding licence	Licence charge based on the value of the land	Non-national buyers
Capital duty	None	—
Insurance premium tax	5% on premiums	Insurers
Travel tax	5% of the ticket or fare	Carriers and agents collect
Accommodation tax	Per-night charge on guest rooms	Accommodation providers
Excise tax	Specific or ad valorem rates on fuel, alcohol, tobacco and other goods	Importers, manufacturers
Customs service charge	Charged on most imports with duty and VAT	Importers

Levies collected for the IRD, such as insurance premium, travel and accommodation tax, are due by the 15th of the following month. Business taxes incurred to earn income are usually deductible.

INDIVIDUALS

08 Personal taxation

Individuals pay income tax above a standard deduction, at rates rising from 10%. The basis depends on residence and ordinary residence.

Basis of taxation

- ◆ **Ordinarily resident:** worldwide income
- ◆ **Resident, not ordinarily resident:** local income and foreign income received in the country
- ◆ **Non-resident:** income from local sources only

Residence tests

An individual is resident in a year if present for 183 days or more; if they have a permanent home in the country and are present for part of the year; or if a shorter stay is continuous with a qualifying period in the year before or after.

Filing status

Joint filing is not permitted: spouses file separately.

Chargeable income	Rate
Up to the standard deduction	0%
First XCD 5,000 above it	10%
Next XCD 5,000	20%
Balance	Top rate set under the Income Tax Act

The standard deduction is set by the IRD. Confirm it and the top rate for the year with the IRD.

Taxable income

Employment income including benefits, business and professional profits, rents, interest, royalties and pensions. Dividends and capital gains are not taxed.

Allowances

The standard deduction is the main allowance. A higher threshold was announced for 2026 but has not been confirmed as in force.

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.

Deductions and reliefs

- ◆ The standard deduction set by the IRD
- ◆ Expenses incurred wholly and exclusively in earning business or rental income
- ◆ Other reliefs under the Income Tax Act, within statutory limits
- ◆ Credit for foreign tax on foreign income, limited to the local tax

Pensions

NIS provides contributory pensions. Pension income is taxable unless exempt under the Act; confirm reliefs for private pension contributions with the IRD.

Employment benefits

Benefits in cash or kind are generally taxable through PAYE.

Tax	Position for individuals
NIS (employee)	6.5% of earnings up to XCD 5,200 a month (2026)
NIS (self-employed)	13.5% (2026)
Transfer tax and stamp duty	Generally 5% on transfers of land and shares
Alien landholding licence	Required for non-nationals to hold land
Property tax	Annual charge on assessed value
Inheritance and estate tax	None
Gift tax	None
Net wealth tax	None
Capital acquisitions tax	None

Voluntary NIS contributors pay at the rate set by NIS.

INDIVIDUAL COMPLIANCE

10 Compliance for individuals

Employees meet most obligations through PAYE. Individuals with business, rental or other income file an annual return.

Employees and PAYE

The tax year is the calendar year. Employers deduct PAYE and NIS each pay period and pay them by the 15th of the following month, then file the annual PAYE return by 31 January.

Annual returns

When	What
15th monthly	PAYE and NIS deducted by employers
31 January	Employer's annual PAYE return
31 March	Individual return and balance of tax for the prior year

Late filing and payment attract penalties and interest at 1.5% a month.

Non-residents and expatriates

- ◆ Each individual needs a taxpayer identification number from the IRD
- ◆ Pay for work done in the country is taxable, whoever pays it
- ◆ Employees of overseas employers that do not run PAYE should agree how tax is paid
- ◆ Non-residents are taxed only on local income
- ◆ Residents who are not ordinarily resident pay on foreign income only when received locally
- ◆ Foreign staff need a work permit; OECS nationals may work without one

Tax clearance

Individuals and businesses may need a tax clearance certificate from the IRD for licences, permits and government contracts.

INDIRECT TAXES

11 VAT and customs

Value added tax (VAT) is charged on most goods and services supplied in the country and on imports.

Rate	Applies to
16% standard	Most goods, services and imports
11%	Hotel accommodation, and marina and shipyard berthing
Zero-rated	Exports and goods listed in the VAT Act, including certain basic foods
Exempt	Supplies listed in the VAT Act, such as certain financial, medical and educational services

Registration and returns

Registration is required once annual taxable supplies exceed XCD 300,000, and for hoteliers and promoters of public entertainment. Voluntary registration is possible below. Returns and payment are due monthly by the 15th of the following month.

Temporary relief

The government uses short-term measures, such as VAT-free shopping days and temporary duty and excise reductions, to ease living costs. Check the measures in force on the date of supply.

Input tax recovery

Registered businesses credit VAT on business purchases and imports against output tax. VAT on exempt supplies cannot be recovered.

Imported and digital services

Confirm with the IRD how VAT applies to services bought from abroad, including digital services, before contracting.

Customs and excise

The Customs and Excise Department charges import duty under the CARICOM Common External Tariff on customs value, plus a customs service charge, VAT and, for some goods, excise tax. Declarations are made through ASYCUDA.

ADMINISTRATION

12 Tax calendar and administration

Main tax laws

Income Tax Act; Value Added Tax Act; Stamp Act; Valuation and Rating Act; Aliens (Land Holding Regulation) Act; National Insurance Act; Customs (Control and Management) Act; Excise Tax Act; Fiscal Incentives Act; Hotels Aid Act; International Cooperation (Economic Substance) Act.

Authorities

The IRD administers domestic taxes; the Customs and Excise Department collects duties; NIS collects contributions. Appeals go to the appeal body under the Income Tax Act, then the courts.

Recent and upcoming changes

- ◆ **2023:** top corporate and personal rates reduced
- ◆ **2026:** NIS at 7.5% employer and 6.5% employee from 1 January
- ◆ **2026 Budget:** no new taxes; 20% cut in import concessions; national property revaluation; yacht and creative industry duty relief; citizenship by investment planned
- ◆ **Ahead:** announced rate cuts and a higher threshold await confirmation

When	What
15th monthly	PAYE and NIS; VAT; withholding tax; excise, insurance premium, travel and accommodation taxes
31 January	Employer's annual PAYE return
31 March	Corporate return and balance (December year-end); fourth instalment; individual returns
30 April	Economic substance return (December year-end)
30 June, 30 September, 31 December	Estimated tax instalments (December year-end)
31 July	Property tax
Each year	Annual return to CIPO

Company dates assume a December year-end. When a date falls on a weekend or public holiday, confirm the due date with the IRD.

YOUR PARTNER

13 How Dawgen Global helps

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

Tax compliance

Corporate and personal returns, estimated tax and tax clearance certificates.

Corporate tax advisory

Structuring, capital allowances, losses, branches and transactions.

International tax and transfer pricing

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

Indirect taxes (VAT and customs)

VAT registration, returns, refunds, hotel VAT and customs reviews.

Payroll and employment taxes

PAYE, NIS, annual returns and benefit reviews.

Tax disputes and authority engagement

IRD audits, objections, appeals and settlement of arrears.

Incentives and investment planning

Fiscal Incentives Act, Hotels Aid Act and project concessions.

Private client and expatriate tax

Residence, property, alien landholding licences 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 Saint Vincent and the Grenadines, 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 saintvincentandthegrenadines@dawgen.com or info@dawgen.global, or call (876) 926-5210.

Talk to the Caribbean Tax Service Desk about Saint Vincent and the Grenadines

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Key official sources

- Inland Revenue Department (ird.gov.vc)
- Ministry of Finance (finance.gov.vc)
- National Insurance Services (nissvg.org)
- Commerce and Intellectual Property Office (cipo.gov.vc)
- Financial Services Authority (svgfsa.com)
- Invest SVG (investsvg.com)
- Eastern Caribbean Central Bank (eccb-centralbank.org)
- House of Assembly (assembly.gov.vc)

