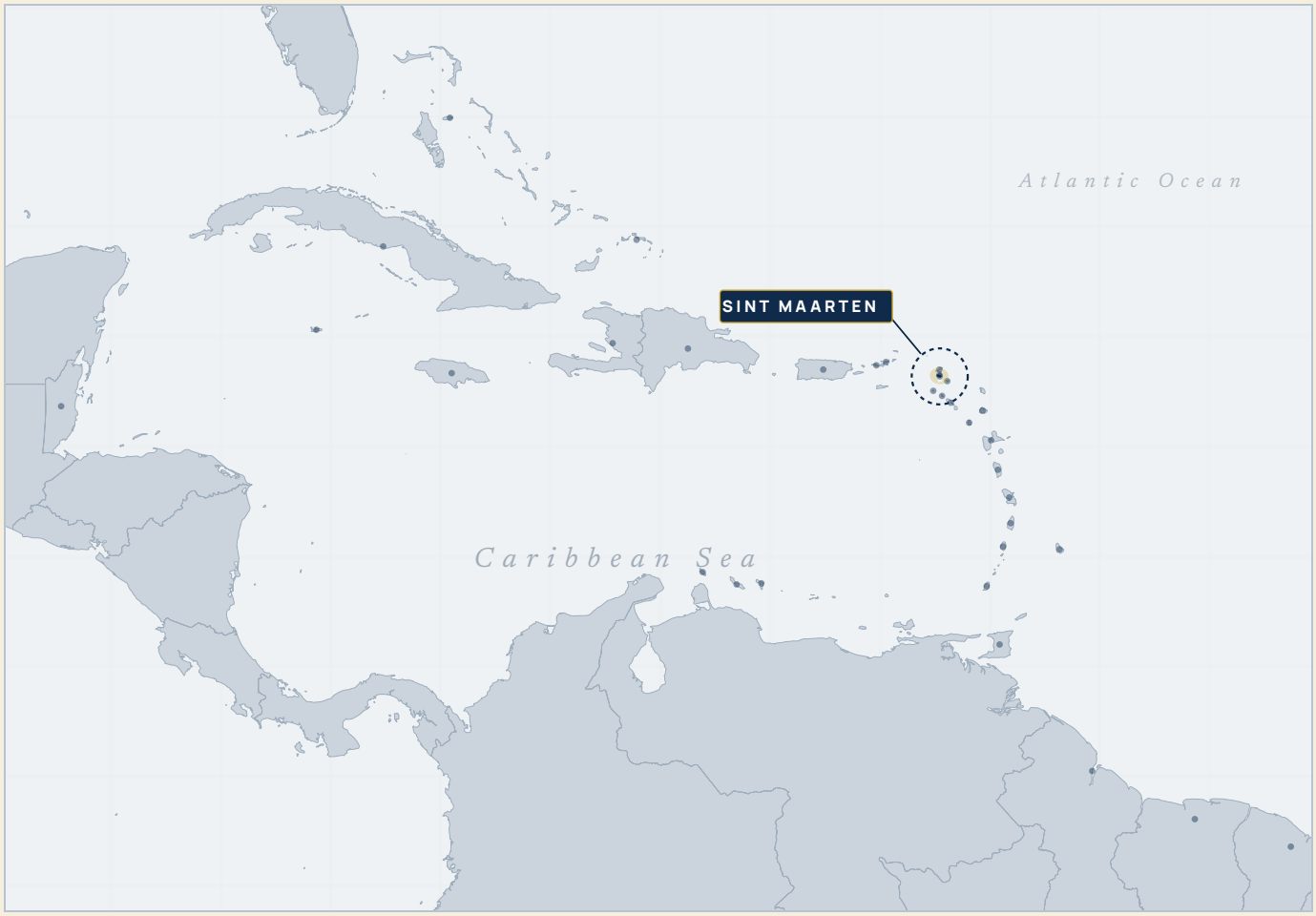

CARIBBEAN TAX SERVICE DESK · EASTERN CARIBBEAN

Sint Maarten
Tax Guide

A guide to corporate, personal and indirect taxes in Sint Maarten

TAX GUIDE · 2026 EDITION

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FOREWORD

Sint Maarten's tax system is inherited from the former Netherlands Antilles: Dutch in design, applied in a US dollar economy, and now under active reform.

Companies pay profit tax at 34.5%, with a participation exemption and fiscal unity available to groups. Individuals pay progressive income and wage tax, employers and employees fund social and health insurance through SZV, and a 5% turnover tax applies to most local supplies. There is no withholding tax on dividends, interest or royalties, and a reform programme is under way.

This guide explains the main taxes on companies and individuals in plain language, current to October 2026 and including the position after the 2026 budget. It is written for investors, finance teams and individuals with interests in Sint Maarten.

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 Sint Maarten. 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

Sint Maarten uses the Caribbean guilder, pegged to the US dollar, and IFRS-based reporting. Taxes are administered by the Tax Administration under the Ministry of Finance.

PROFIT TAX
34.5%
30% rate plus a 15% surcharge; branches taxed alike

TURNOVER TAX
5%
On local supplies of goods and services; no threshold

INCOME AND WAGE TAX
12.5% to 47.5%
Progressive, including a 25% surcharge

WITHHOLDING TAX
Nil
On dividends, interest, royalties and fees

SOCIAL PREMIUMS
AOV, AWW, ZV, OV
Shared by employer and employee, collected by SZV

TRANSFER TAX
4%
On the purchase of real estate, paid by the buyer

Currency and foreign exchange

The Caribbean guilder (XCG) replaced the Netherlands Antillean guilder one for one in 2025, and the old guilder is no longer legal tender. The XCG is pegged to the US dollar, which is widely used. Payments to non-residents go through licensed banks and carry a 1% foreign exchange licence fee.

Accounting and audit

Companies keep accounts and prepare annual financial statements, generally under IFRS. Large companies must file their accounts with the Chamber of Commerce. The financial statements are the starting point for the profit tax return.

Principal business entities

- Public limited company (NV)
- Private limited company (BV)
- Branch of a foreign company
- General partnership (VOF)
- Limited partnership (CV)
- Foundation and private foundation
- Sole proprietorship

NVs and BVs pay profit tax as separate entities. Partners and sole proprietors pay income tax on their share of profits.

The tax system

The Tax Inspectorate assesses profit, income, wage and turnover taxes and the Tax Receiver collects them. SZV collects social premiums and Customs handles imports.

BUSINESS TAX

02 Corporate taxation

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

Residence and basis

A company incorporated under Sint Maarten law, or managed and controlled in Sint Maarten, is resident. A branch of a foreign company is taxed on its profits at the same rate as a local company.

Taxable income

- Business income, passive income and realised capital gains
- Normal business expenses incurred to earn income are deductible
- Assets are depreciated over their useful life; up to one-third of cost may be written off early
- Charitable gifts deductible up to 3% of profit, within conditions
- Companies that stop earning taxable income revalue their assets to market value

Taxpayer	Rate
Resident companies (NV, BV and others)	34.5%
Branches of foreign companies	34.5%
Tax exempt companies meeting the conditions	Exempt; regime to be abolished
Private foundations	Exempt, unless conducting a business
Shipping companies	Option for tonnage-based deemed profit
Approved new investment projects	Tax holiday on request

The 34.5% rate is a 30% base rate plus a 15% surcharge on the tax.

Minimum tax and surtax

There is no alternative minimum tax. The 15% surcharge is built into the 34.5% rate. Sint Maarten has not committed to the OECD global minimum tax rules.

Investment allowance

Investment	Allowance	Conditions
Qualifying business assets	Extra deduction of 8%	Investment above XCG 5,000 in a year; claimed in that year and the next
Buildings (not land)	Extra deduction of 12%	

Part of the allowance is added back if the asset is sold within the disinvestment period: six years, or fifteen for real estate.

BUSINESS TAX

03 Corporate taxation (continued)

Dividends received

Dividends are taxable profit unless the participation exemption applies. A qualifying holding is at least 5% of the shares or voting rights, or a cost of at least XCG 890,000. The exemption is 100% where the subsidiary is subject to tax of at least 10% or runs an active business, and otherwise 70%. Dividends from real estate companies are always exempt.

Capital gains

Capital gains are taxed as ordinary profit at 34.5%. Gains on qualifying participations are fully exempt.

Losses

Losses are carried forward for ten years. There is no carry-back.

Foreign tax credit

Foreign tax on the same profits is credited, up to the Sint Maarten tax on that income, under treaties or unilateral relief.

Holding companies and groups

Holding companies rely on the participation exemption and may obtain a cost-plus ruling. A parent holding at least 99% of the shares of Sint Maarten companies may form a fiscal unity and file one consolidated return. A request made before year-end can take effect from 1 January of that year.

Tax incentives in brief

Incentive	Main benefit
Tax holidays	Profit tax relief for new projects that broaden the economy, such as tourism, land development and industry
Investment allowance	8% or 12% extra deduction
Accelerated depreciation	Up to one-third of cost written off early
Construction exemption	Turnover tax relief for main contractors on large projects
Expatriate and pensioner regimes	See personal taxation

The tax exempt company regime is being phased out. Its end date has not yet been set.

CROSS-BORDER PAYMENTS

04 Withholding taxes and tax treaties

Sint Maarten levies no withholding tax on payments to residents or non-residents. A 10% dividend withholding tax has been proposed but is not in force.

Payment	Resident	Non-resident company	Non-resident individual	Treaty position
Dividends	Nil	Nil	Nil	No domestic tax to reduce
Interest	Nil	Nil	Nil	No domestic tax to reduce
Royalties	Nil	Nil	Nil	No domestic tax to reduce
Management and technical fees	Nil	Nil	Nil	No domestic tax to reduce
Branch profits	—	No branch remittance tax		—

Payments abroad still carry the 1% foreign exchange licence fee, and services used in Sint Maarten may attract turnover tax even when the supplier is non-resident.

Tax treaties

Sint Maarten has four tax treaties: the tax arrangement with the Netherlands, which covers Bonaire, Sint Eustatius and Saba; the Tax Arrangement for the Kingdom (BRK) with Aruba and Curaçao; and the treaty with Norway made by the former Netherlands Antilles. It also has 23 tax information exchange agreements. There is no tax treaty with French Saint-Martin.

Arrangement with the Netherlands

Since 2017 this arrangement has replaced the BRK between Sint Maarten and the Netherlands. Dutch dividend withholding tax on payments to Sint Maarten is generally 15%, and nil for holdings of at least 10% that meet the anti-abuse conditions.

Proposed dividend withholding tax

Government proposed a 10% dividend withholding tax from 1 January 2026, creditable for local shareholders. It was not in force at the time of writing. Check the position before dividends are declared.

INTERNATIONAL RULES

05 Anti-avoidance and international rules

Sint Maarten has few codified anti-avoidance rules. The arm's length principle is followed in practice, and courts apply general doctrines against abuse.

Transfer pricing

There are no detailed transfer pricing rules in the law, but internationally accepted guidelines are followed and transactions within a group should be at arm's length. Keep documentation for group transactions: without it, the burden of proof moves to the taxpayer.

Interest limits

The only thin capitalisation rule applies to loans from a tax exempt company. Interest must otherwise be a genuine business expense at arm's length.

CFC and anti-hybrid rules

There is no controlled foreign company regime and there are no anti-hybrid rules.

Exit and emigration

Protective assessments may be raised for emigrating holders of 5% or more of a company and on pension rights built up in Sint Maarten.

General anti-avoidance

There is no statutory general anti-avoidance rule. The courts can disregard transactions that abuse the law, and the Inspector may estimate tax where records are inadequate.

Economic substance

There is no economic substance regime. Treaty benefits depend on genuine residence and on the anti-abuse conditions in each treaty.

Pillar Two

Sint Maarten has not committed to the OECD global minimum tax rules and has no minimum top-up tax.

Information exchange

- **TIEAs:** 23 agreements in addition to the four treaties
- **CRS and FATCA:** financial institutions identify reportable account holders and report through the Tax Administration
- **Beneficial ownership:** filed with the Chamber of Commerce
- **Independent contractors:** payments reported each year

CORPORATE COMPLIANCE

06 Compliance for corporations

Companies self-assess, filing a provisional and then a final profit tax return for each year.

Tax year and returns

The tax year is the calendar year unless a different financial year is requested. Each company files its own return, unless it is part of a fiscal unity, which files one return for the group.

1 **Provisional return and payment** — 31 MAR

Within three months of year-end; no extension. Tax should be at least that of the last final return.

2 **Final return and balance** — 30 JUN

Within six months of year-end, with the financial statements.

3 **Extended final return** — 31 DEC

Where an extension has been granted, up to twelve months after year-end.

Penalties and interest

Late filing and late payment attract administrative fines, and interest runs on unpaid tax. A voluntary disclosure limits the fine to 15%, compared with 25% to 100% after detection. Fraud or gross negligence can lead to criminal proceedings.

Rulings and records

Holding companies may obtain cost-plus rulings, and other rulings can be requested from the Inspectorate. Records must be kept for the statutory period. Where records are inadequate, the burden of proof can shift to the taxpayer.

Objections and appeals

Object to an assessment with the Inspectorate within the time allowed. Unresolved disputes go to the tax court, with further appeal within the Kingdom's court system. Time limits are strict.

Practical points

If you file a provisional return below last year's final assessment, file a timely, reasoned request. Reconcile turnover tax returns, which are on a cash basis, with revenue in the accounts. Keep fiscal unity and ruling requests ahead of year-end.

BEYOND PROFIT TAX

07 Other taxes on corporations

Tax	Rate and base	Who pays
Social premiums	AOV 7% and AWW 0.5% up to the wage ceiling; ZV 8.3% for insured employees; OV 0.5% to 5% by risk class	Employer, plus employee shares
Severance fund premium	XCG 40 per employee a year, due by 30 June	Employer
Turnover tax	5% of local supplies (see section 11)	Entrepreneurs
Transfer tax	4% of the value of real estate acquired	Buyer
Land tax	On the statute book but not levied; repeal bill before Parliament	—
Stamp duty	Fixed charges on certain documents; no general ad valorem duty	Parties to the document
Capital duty	None	—
Foreign exchange licence fee	1% of payments to non-residents	Resident payer
Room tax	Levied on guest accommodation instead of turnover tax	Accommodation providers
Car rental tax	Levied on vehicle rentals instead of turnover tax	Car rental companies
Excise	On certain goods such as fuel and tobacco	Importers

There are no separate financial services or insurance premium taxes. Taxes and premiums incurred in the business are generally deductible for profit tax. Confirm current premium rates with SZV.

INDIVIDUALS

08 Personal taxation

Residents pay income tax on worldwide income; non-residents pay on Sint Maarten-source income. Tax is withheld from wages as wage tax and settled through the income tax return.

Basis of taxation

- **Resident:** worldwide income
- **Non-resident:** Sint Maarten-source income only
- No domicile or remittance basis

Residence

Residence depends on the facts: where the individual's centre of life lies, judged by home, family, work and economic ties.

Filing status

Spouses file jointly. Separate filing is allowed only for couples married without community of property.

Taxable income

A schedular total of employment income, business profits, income from real estate, income from movable assets and periodic payments.

Taxable income, 2026 (XCG)	Rate
Up to 36,576	12.5%
36,576 to 54,864	20%
54,864 to 76,200	26.25%
76,200 to 114,297	33.75%
114,297 to 161,540	40%
Above 161,540	47.5%

Rates include the 25% surcharge. Bands are adjusted each year.

Allowances

Tax reductions are deducted from the tax: in 2026 a basic reduction of XCG 2,381 and a sole earner reduction of XCG 1,590, with further reductions for children and for the elderly. Wage tax is not withheld on pay up to XCG 2,273.44 a month in 2026.

INDIVIDUALS

09 Personal taxation (continued)

Capital gains

Private capital gains are not taxed. Gains of entrepreneurs are business income, and gains on a substantial shareholding of 5% or more are taxed at a special 19.5% rate.

Deductions and reliefs

- Mortgage interest on the home, up to XCG 27,500
- Home maintenance, up to 2% of the land tax value and XCG 3,000
- Personal loan interest, up to XCG 2,500 (XCG 5,000 for couples)
- Medical costs, insurance and annuity premiums, within limits
- Gifts to qualifying bodies, up to 3% of taxable income

Special regimes

Qualifying new residents aged 50 or over may pay a flat 10% on foreign income. Qualifying expatriate employees with scarce skills may receive certain allowances free of tax if they apply within three months of starting work. Local savings interest is taxed at 5%; government bond interest is exempt.

Tax	Position for individuals
AOV and AWW (employee)	6% and 0.5% of wages up to XCG 132,824.35 a year (2026)
ZV (employee)	4.2% for insured employees earning up to XCG 120,000 a year
Transfer tax	4% on real estate purchases
Land tax	Not levied; repeal bill before Parliament
Succession and gift tax	On the statute book but not levied since 2012; repeal bill before Parliament
Stamp duty	Fixed charges on certain documents
Net wealth tax	None
Capital acquisitions tax	None

Employees earning above the ZV limit need private health cover. Income from a private foundation, trust or qualifying pension savings may be taxed at 19.5%.

INDIVIDUAL COMPLIANCE

10 Compliance for individuals

Employers withhold wage tax and premiums each month. Individuals then file an annual income tax return when the Tax Administration issues one.

Employees and wage tax

The tax year is the calendar year. Employers withhold wage tax using the official tables, which include the basic reduction, and file and pay wage tax and SZV premiums monthly for the previous month. Wage tax is credited against the final income tax.

Income tax returns

When	What
Within two months of receipt	File the income tax return issued by the Tax Administration
If no return arrives	Request one within 15 days after the sixth month of the following year
On assessment	Pay the balance by the date shown

Late filing attracts fines. Rulings are binding on the taxpayer and the Tax Administration.

Non-residents and expatriates

- Pay for work done in Sint Maarten is subject to wage tax and premiums
- Non-residents are taxed only on Sint Maarten-source income
- The expatriate regime needs an application within three months of starting work
- Non-degree expatriates need at least five years' experience and pay of XCG 100,000 a year
- Foreign tax is credited under treaties or unilateral relief
- There is no treaty with French Saint-Martin, so cross-border workers should take advice
- Foreign staff also need labour and residence permits

Leaving Sint Maarten

Emigrating substantial shareholders and members of local pension schemes may receive protective assessments.

INDIRECT TAXES

11 Turnover tax and customs

Turnover tax (ToT) is a 5% tax on goods and services supplied in Sint Maarten. It is not a VAT: there is no input tax recovery.

Rate	Applies to
5% standard	Most goods and services supplied locally, on a cash basis
Exempt	Basic foods, water, electricity and cooking gas; turnover subject to room tax or car rental tax
Exempt (conditions)	Certain exports; long-term residential rent; large construction projects
Imports	Not subject to ToT

Registration and returns

Every entrepreneur registers, with no threshold, including non-residents with local turnover. Returns are monthly, including nil returns, and are filed and paid by the 15th of the next month, with no extension.

No input tax recovery

ToT paid on purchases cannot be offset, so it is a business cost. On request, ToT can be calculated on an invoice basis rather than cash received.

Imported and digital services

Services used in Sint Maarten, such as consulting, management and insurance of local risks, are taxable even from abroad. If a non-resident supplier does not pay, liability passes to the local business customer.

Customs and excise

Sint Maarten is a free port with no general import duties. Imports are declared to Customs, and excise applies to some goods such as fuel and tobacco.

Penalties and reform

Late filing or payment attracts a 15% default surcharge, and errors attract fines and interest. Government plans to fold room tax and car rental tax into ToT as part of tax reform.

ADMINISTRATION

12 Tax calendar and administration

Main tax laws

General National Ordinance on National Taxes; Profit Tax Ordinance; Income Tax Ordinance; Wage Tax Ordinance; Turnover Tax Ordinance; Transfer Tax Ordinance; Stamp Duty Ordinance; Collection Ordinance; Room Tax Ordinance; the AOV, AWW, ZV and OV ordinances; foreign exchange legislation.

Authorities

The Tax Inspectorate assesses taxes and the Tax Receiver collects them, under the Ministry of Finance. SZV collects premiums, and Customs handles imports. Appeals go to the tax court.

Recent and upcoming changes

- **2025:** Caribbean guilder introduced; beneficial ownership register filings
- **2026 budget:** adopted on 27 August 2026, with no new taxes and a commitment to joint tax reform
- **Pending:** 10% dividend withholding tax; repeal of land and succession tax; end of the tax exempt company regime; revised formal tax law

When	What
15th monthly	Turnover tax return and payment, including nil returns
Monthly	Wage tax and SZV premium returns and payments for the previous month
1 January	New wage tax tables and premium ceilings apply
31 January	Report payments to independent contractors
31 March	Provisional profit tax return and payment
30 June	Final profit tax return, unless extended; severance fund premium
Two months after issue	Individual income tax return
Before 31 December	Fiscal unity requests; extended final returns
Within two weeks	Changes in beneficial ownership

Dates assume a calendar year. Confirm due dates for wage tax and premiums with the Tax Administration and SZV.

YOUR PARTNER

13 How Dawgen Global helps

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

Tax compliance

Provisional and final profit tax returns, income tax returns and Tax Administration filings.

Corporate tax advisory

Structuring, participation exemption, fiscal unity, losses and transactions.

International tax and transfer pricing

Kingdom arrangements, treaty claims, foreign tax credits and documentation.

Indirect taxes (turnover tax and customs)

ToT registration, monthly returns, imported services, room tax and customs.

Payroll and employment taxes

Wage tax, SZV premiums, expatriate allowances and benefit reviews.

Tax disputes and authority engagement

Audits, objections, appeals and voluntary disclosures.

Incentives and investment planning

Tax holidays, investment allowance and rulings.

Private client and expatriate tax

Residence, pensioner and expatriate regimes, property and emigration.

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

Talk to the Caribbean Tax Service Desk about Sint Maarten

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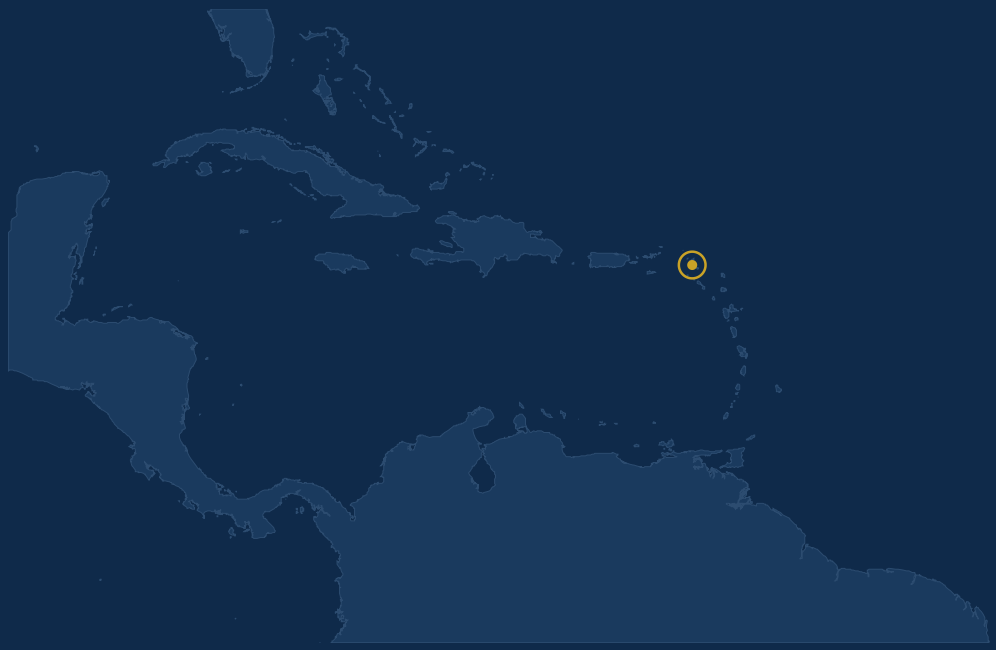
Key official sources

- Tax Administration, Government of Sint Maarten (sintmaartengov.org)
- Ministry of Finance (sintmaartengov.org)
- Customs Department (sintmaartengov.org)
- Social and Health Insurances SZV (szv.sx)
- Central Bank of Curaçao and Sint Maarten (centralbank.cw)
- Chamber of Commerce and Industry Sint Maarten (chamberofcommerce.sx)
- Parliament of Sint Maarten (sxmparliament.org)
- Board of Financial Supervision Curaçao and Sint Maarten (cft.cw)



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