

CORPORATION TAX NOTICE

- 1) The Barbados Revenue Authority advises that with effect from **income year 2018**, the tax payable by a company upon its taxable income is **30%** of every complete dollar of taxable income. The 30% rate is applicable to companies whose fiscal period end at any time during:
- January 1, 2018 to June 30, 2018** (both dates inclusive) and
 - October 1, 2018 to December 31, 2018** (both dates inclusive).

Companies with **fiscal periods** ending at any time during the period **January 1, 2018 to June 30, 2018** are required to file Corporation Tax returns by **March 15, 2019** and companies with fiscal periods ending at any time during the period **October 1, 2018 to December 31, 2018** are required to file by **June 15, 2019**.

- 2) With effect from **income year 2019**, the tax payable by a company will be on a sliding scale as follows:
- **5.5%** on all taxable income up to **\$1 000 000**;
 - **3%** on all taxable income **exceeding \$1 000 000 but not exceeding \$20 000 000**;
 - **2.5%** on all taxable income **exceeding \$20 000 000 but not exceeding \$30 000 000**;
 - **1%** on all taxable income **exceeding \$30 000 000**.

- 3) For Insurance businesses previously classified as qualifying insurance companies and carrying on General and Life insurance business **before October 17, 2017** and who were entitled to a foreign currency allowance, the following shall apply:
- a) for General insurance business the rate of tax payable upon its taxable income shall be **2%** commencing from **income years 2019**, and ending on **June 30, 2021**.
 - b) for Life insurance business the rate of tax payable upon its taxable income shall be **0.35%** for **income years 2019, 2020 and 2021** ending on **June 30, 2021**.

With effect from income year 2019 and every subsequent income year, the rate of tax payable upon the taxable income of all other general and life insurance businesses shall be as follows:

- a Class 1 licensee shall be 0%;
- a Class 2 licensee shall be 2%;
- a Class 3 licensee shall be 2%.

Persons are asked to note these changes when completing and filing Corporation tax returns.