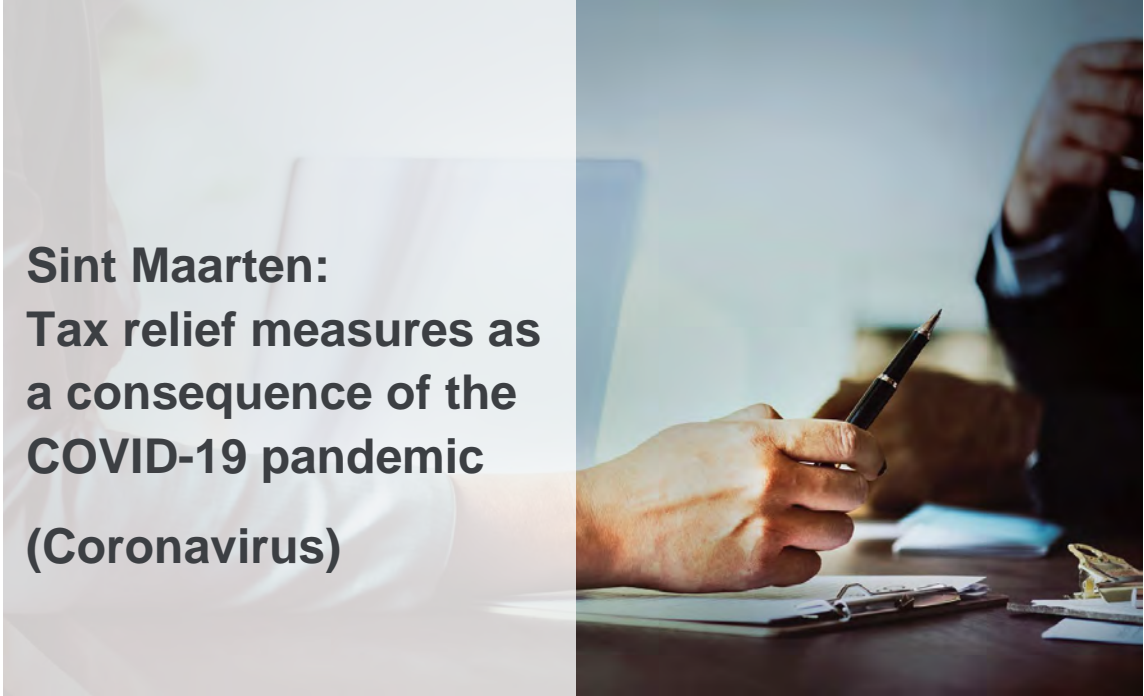


Tax Instant News



Sint Maarten: Tax relief measures as a consequence of the COVID-19 pandemic (Coronavirus)

The Government of Sint Maarten announced a stimulus plan to help individuals and businesses cope with the economic and social impact of the worldwide outbreak of the Coronavirus, especially since the island finds itself in a recovery phase after the passage of the Hurricanes Irma and Maria in September 2017. In this TIN we will elaborate on the first set of tax relief measures which are in principle effective as of March 30, 2020 and some relevant tax recommendations.

Sint Maarten, March 2020

Tax Instant News

Background and purpose

The government of Sint Maarten is contemplating on several relief measures in order to mitigate the economic and social impact of the Coronavirus for business and individuals, particularly in the tourism sector. In the following we will outline the first set of tax relief measures which were published on March 30, 2020 by the Inspectorate of Taxes and are geared towards providing relief by granting extension of the filing dates for individuals and businesses:

Income Tax Return

The filing deadline of the 2019 income tax return has been postponed through August 31, 2020. In principle the deadline was June 30, 2020 for the tax year 2019. This applies for individuals and sole proprietorships.

Profit Tax Return

The deadline for filing of the 2019 Profit tax return has also been postponed. In this respect the filing of the 2019 Provisional Profit tax return, including payment of any amount due has been postponed from March 31, 2020 to June 30, 2020 for the book year ending December 31, 2019. Further details are to be published for the postponement of the filing and payment of the 2019 Final Profit tax return.

Payroll tax recommendations

From a Payroll tax perspective we recommend monitoring the liquidity of your business at all times in order to assess if all tax obligations can be met.

Notification to the Receivers Office and SZV

Based on the applicable legislation each individual forming part of the management board of a company could be held accountable for non-compliance with its Payroll tax obligations. In order to avoid such far reaching consequences the tax collectors at the Receivers Office and SZV should be informed in a timely manner of the inability to make the necessary payments.

Profit tax recommendations

From a tax perspective it could be beneficial to maximize the company's Profit tax position by utilizing the existing tax incentives, even more so during loss making years. In this respect, please be reminded that taxable losses are available for loss compensation for up to 10 years after the occurrence.

Furthermore, from a Profit tax perspective it is important to be aware of the different criteria that apply when forming a provision for loss of revenue or other capital expenditures. In this respect proper documentation of the reasons for forming such provisions during the financial year (2020) can be crucial.



Further information

We will update this TIN once more information is available. In case you require further information or guidance, please do not hesitate to contact us.

Quincy Lont

lont.quincy@hbnlawtax.com

Laetitia Wall

wall.laetitia@hbnlawtax.com

Nicole Echobardo

echobardo.nicole@hbnlawtax.com

Amsterdam

Concertgebouwplein 7
1071 LL Amsterdam
The Netherlands
T. +31 20 303 3020
E. info@hbnlawtax.com

Aruba

L.G. Smith Boulevard 54
Oranjestad, Aruba
T. +297 583 9311
E. info@hbnlawtax.com

Aruba

Beatrixstraat 38
Oranjestad, Aruba
T. +297 588 6060
E. info@hbnlawtax.com

Bonaire

Kaya Korona 40
Kralendijk, Bonaire
Dutch Caribbean
T. +599 717 6944
E. info@hbnlawtax.com

Curaçao

L.B. Smithplein 3
Willemstad, Curaçao
T. +5999 4343300 (general)
T. +5999 7325400 (tax)
E. info@hbnlawtax.com

Rotterdam

Weena 505
3013 AL Rotterdam
The Netherlands
T. +31 10 800 5483
E. info@hbnlawtax.com

Sint Maarten

W.G. Buncamper Road 33
Philipsburg, St. Maarten
T. +1721 542 2272
E. info@hbnlawtax.com

HBN Law & Tax is the trade name of HBN Law & Tax B.V., registered in the Curaçao Trade Register under number 128691(0), which is the sole and exclusive provider of our services. All our services are provided on the basis of our general terms and conditions, a copy of which can be downloaded at www.hbnlaw.com which contain a limitation of our liability and an exclusive choice of law and forum for any dispute.