



Covid-19 measures in the Dutch Caribbean

Tax relief and support measures as a result of the Corona virus outbreak

April 2020

Introduction

The Governments of Aruba, Bonaire, Curaçao and Sint Maarten recently published several support measures to help businesses and employees to cope with the economical impact of the worldwide outbreak of the Coronavirus. The primary goal of these measures is to safeguard jobs and provide relief for the employers in the affected sectors.

In this document we will provide a high-level overview of the most important (tax) measures of each country. Please note that each measure is subject to certain specific conditions. For country specific details and labor law aspects we would like to refer to our recently published newsletters. Our newsletters are available on our website, LinkedIn or via your HBN Law & Tax contact person.

Please be informed that this document covers (proposed) legislation up to and including April 29, 2020. It is also available on our website www.hbnlawtax.com where it will be updated periodically. So please refer to our website to get the latest version.

Collection of taxes (1/2)	Aruba	Bonaire	Curaçao	Sint Maarten
Deferral of ongoing tax payments	On request for monthly taxes due (except LB, AOV, AWW and AZV) in sectors related to tourism.	On request for a period of up to 3 months (for islands taxes provisionally until June 30, 2020).	On request for the period through September 2020.	Until June 30, 2020 for provisional profit tax return.
Deferral of existing tax payment arrangements	Deferral of 3 months.	On request.	On request for the period through September 2020.	N/A
New payment arrangements	Flex payment arrangements for 24-36 months.	On request.	On request.	On request.
Interest cost, collection costs, penalties	0% interest, no collection costs, no penalties for late filings.	0% interest, no collection costs.	0% interest, no collection costs, no penalties for late filings for April – June.	N/A
Taxes covered	Applicable to all taxes and other levies collected by the Tax Collector.	Applicable to all taxes and other levies including islands taxes, except for motor vehicle tax.	Applicable to all taxes and other levies collected by the Tax Collector.	N/A

Collection of taxes (2/2)	Aruba	Bonaire	Curaçao	Sint Maarten
Extended filing deadline 2019 (provisional) profit tax return	Provisional: N/A Final: November 30, 2020 for all taxpayers (except financial institutions).	N/A	N/A	Provisional: June 30, 2020 for all taxpayers. Final: pending.
Extended filing deadline 2019 income tax return	N/A	N/A	N/A	August 31, 2020.
Miscellaneous	<ul style="list-style-type: none"> - Discount outstanding tax liabilities if paid at once. - No offense penalties voluntary disclosure. - Obligation to digitally file monthly tax returns as from tax period March. Applicable to: BBO/BAVP/BAZV, wage tax, tourist tax, special tax on short stays, special tax on rental cars and rental motorcycles and the casino tax. 	N/A	N/A	N/A

Tax specific measures	Aruba	Bonaire	Curaçao	Sint Maarten
Social premiums	Exemption employer's contribution AOV/AWW (10.5%) for tourism sector for April – June.	N/A	Regular employer's contribution AOV/AWW (9.5%). Affected sectors are compensated by means of an increase of the maximum wage subsidy (being 89.5% instead of 80% (refer to next slide)).	N/A
Indirect taxes	N/A	N/A	No sales tax due on sales in affected sectors. Obligation to file returns remain.	N/A
Import duties and taxes on import	N/A	Essential goods 0% ABB on import until June 30, 2020.	Essential goods 0% import duties and 0% sales tax on import.	N/A
Income tax	Reduced rate (10%) on foreign dividends	N/A	Basic tax credit will be increased.	N/A

Temporary subsidy measures	Aruba	Bonaire	Curaçao	Sint Maarten
Wage costs	1. Compensation for employees receiving less than AWG 950 in salary. 2. Compensation of up to 80% of the wage cost for eligible employers with an estimated loss of income of at least 25%. Subject to a maximum.	Compensation of up to 80% of the wage cost for eligible employers with an estimated loss of income of at least 20%. Subject to a maximum and provisionally applicable until June 12, 2020.	Compensation of up to 89.5% of the wage cost (including employer's contribution AOV/AWW) for eligible employers with an estimated loss of income of at least 25%. Subject to a maximum.	Compensation of up to 80% of the wage cost for eligible employers with an estimated loss of income of at least 20%. Subject to a maximum.
Independent entrepreneurs	Compensation in case of earnings less than AWG. 950 monthly.	Financial support of up to 80% of minimum wage. Provisionally applicable until June 12, 2020.	Financial support of up to Naf. 1,335 per month.	Financial support of up to Naf. 1,150 per month.
Job loss allowance	Compensation in case of earnings less than AWG 950 monthly.	Financial support of 80% of most recent wage. Subject to a maximum and provisionally applicable until June 12, 2020.	Financial support of up to Naf. 1,000 per month.	Financial support of up to Naf. 1,150 per month.
Credit facility (soft loan)	N/A	N/A	Loan (with longer term repayment conditions) for small and medium sized companies. Subject to a maximum.	Maximum 5yr loan for companies with less than 550 employees. Subject to a maximum amount.
Miscellaneous	Compensation for qualifying entrepreneurs of Naf. 4,000 each quarter.	Compensation for qualifying entrepreneurs of USD 4,400 for fixed costs other than wages.	N/A	N/A

Miscellaneous measures	Aruba	BES-islands	Curacao	Sint Maarten
Maximum prices essential goods	Maximum wholesale and retail margin for essential products	N/A	Maximum wholesale and retail margin for essential products	Maximum wholesale and retail margin for essential products
Solidarity taxation	Introduction solidarity tax for MP's (25%), Ministers (20%), civil servants (12,5%) and pensioners resorting under general pension fund APFA (4,5%) for the period of May through December 2020.	N/A	N/A	N/A
Legislation	Phase II Reforma Fiscal (tax reform) postponed.	N/A	ABB legislation postponed.	N/A

ALWAYS ONE STEP AHEAD!

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
Phillipsburg, St. Maarten

T. +1 721 542 2272

E. info@hbnlawtax.com