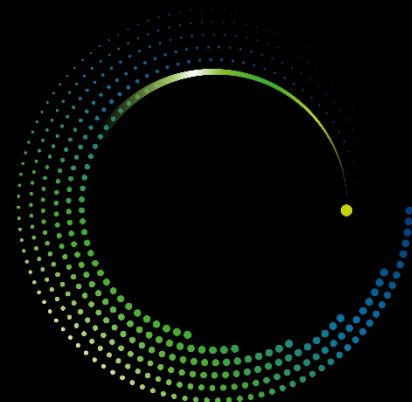


International Tax Anguilla Highlights 2023

Updated January 2023



Investment basics

Currency: East Caribbean Dollar (XCD)

Foreign exchange control: The monetary authority is the Eastern Caribbean Central Bank. There are no foreign exchange controls and although XCD is the base currency, USD is commonly used.

Accounting principles/financial statements: International Financial Reporting Standards (IFRS) are applied, although in practice the standards applicable in the jurisdiction of a parent company may be used.

Principal business entities: These are the limited liability company, partnership, international business company (IBC), and trust.

Corporate taxation

Anguilla is a zero-tax jurisdiction. There is no income tax, capital gains tax, profit tax, or other form of direct taxation on corporations, regardless of residence status, and there are no tax incentives.

Compliance for corporations

There are no compliance obligations for corporations in Anguilla.

Individual taxation

Anguilla is a zero-tax jurisdiction. There is no income tax, capital gains tax, estate tax, or other form of direct taxation on individuals, regardless of residence status.

Compliance for individuals

There are no compliance obligations for individuals in Anguilla.

Withholding tax

There are no withholding taxes in Anguilla.

Anti-avoidance rules

Anguilla is a zero-tax jurisdiction. There are no transfer pricing, interest deduction limitation, controlled foreign company, or other anti-avoidance rules in Anguilla.

Goods and services tax

Rates	
Standard rate	13%

Taxable transactions: As from 1 July 2022, a goods and services tax (GST) is levied on the sale of goods and the provision of services, replacing the accommodation tax, the communications levy, the environmental levy, the public entertainment levy, and the interim goods tax.

Rates: The standard GST rate is 13%. A zero rate applies to exports, fishing or farming imports, essential food items, and contraceptives and sanitary products. Exemptions include some financial services, the supply of medical services, and the supply of educational services.

Registration: Registration is mandatory for businesses with an annual turnover in excess of XCD 300,000. Certain businesses are required to register for GST regardless of turnover, including auctioneers, short-term accommodation providers, promoters of public entertainment, and state and statutory bodies. Voluntary registration is possible.

Filing and payment: A VAT return generally must be filed every calendar month, and any tax due must be paid to the Anguillan tax authorities by the 20th day of the month following the tax period.

Other taxes on corporations and individuals

Unless otherwise stated, the taxes in this section apply both to companies and individuals and are imposed at the national level.

Social security: Both the employer and employee contribute 5% of an employee's earnings, up to XCD 7,000 per month.

Payroll tax: Both the employer and employee pay a stabilization levy of 3% of the employee's salary (capped at XCD 12,000 for the employer only). Salary up to XCD 2,000 per employee is exempt from the stabilization levy. Self-employed individuals are required to pay 6% of their gross earnings exceeding XCD 2,000 per month.

Capital duty: There is no capital duty.

Real property tax: The annual value of property is determined by the Land and Surveys Department. The rate of tax is 0.3% of the value for residential buildings, 0.325% for short-term rental properties, and 0.35% for commercial property. Land without any structures is not subject to property tax. A minimum tax of XCD 250 (for residential properties) or XCD 500 (for all other property classes) is applied to all improvements on a parcel of land.

Transfer tax: The transfer of real property is subject to a tax of 5%, imposed on the greater of the assessed value of the property or the sale proceeds. The tax is payable by the seller. Nonresident purchasers must obtain an alien landholding license and pay stamp duty of up to 12.5% of the freehold value of the property.

Stamp duty: Stamp duty is charged on any document that evidences a legal or contractual relationship between two or more parties. The rates range from 0.01% to 5%.

Net wealth/net worth tax: There is no net wealth tax or net worth tax.

Inheritance/estate tax: There is no inheritance tax or estate tax.

Other: Licensed financial institutions must pay an annual levy of 0.3% of the value of their total assets.

Tax treaties: Anguilla has not entered into any tax treaties.

Tax authorities: Inland Revenue Department

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