



BELIZE TAX SERVICE DEPARTMENT'S NOTICE

THE FILING OF RETURNS AND PAYMENT OF TAXES BY INTERNATIONAL BUSINESS COMPANIES

1. DATES FOR THE FILING OF TAX RETURNS

A. Grandfathered-In IBCs

All resident international business companies (IBCs), including members of a Public Investment Company (PIC) group, who were exempt from the payment of income and business tax prior to 1 July 2021 shall file their first annual tax return of receipts on or before **31 March 2022**.

The 2022 return shall account for the tax periods July to December of the 2021 basis year.

B. Non-Exempt IBCs

All resident IBCs that were not exempt from the payment of income and business tax prior to 1st July 2021 shall file their annual tax return of receipts:

1. on or before **30 September 2021**, accounting for tax periods in the 2020 basis year; and,
2. on or before **31 March 2022**, accounting for tax periods in the 2021 basis year.

These include IBCs that were incorporated on or before 16 October 2017 but acquired a relevant activity or new asset after 16 October 2017 and IBCs that were incorporated on or after 17 October 2017.

C. Non-resident IBCs

IBCs that are incorporated in Belize but do not have a permanent establishment in Belize and are tax resident in a country not on the European Union's list of non-cooperative tax jurisdictions shall file an annual information return on or before the 31st day of March of the year following the basis year.

The first such return shall be filed on or before **31 March 2022**, in respect of the 2021 basis year.

2. PAYMENT OF TAX

The annual tax return must be accompanied by the payment of the estimated tax due.

A. Pure Equity Holding Companies and Holding Companies

IBCs who benefit from a 0% business tax rate, such as Pure Equity Holding Companies and Holding Companies not engaged in an active trade or business or in relevant activities for the purposes of the Economic Substance Act, are still required to file an annual tax return even if the estimated tax due is nil (-0-).

B. Place of Payment

Tax can be paid at the nearest Belize Tax Service Department's (BTSD's) office or online. Also, deposits can be made over the counter at any Atlantic Bank Limited or Belize Bank Limited branch, by international wire transfer, or online at www.atlabank.com.

C. Currency

Tax payments may be made in the currency of Belize (BZ\$) or of the United States of America (US\$).

D. Form of Payment

Payment of tax can be made by crossed cheque, money order, wire transfer or cash.

IBCs will be issued a receipt upon payment of tax.

3. *PENALTY FOR LATE OR NON-PAYMENT*

The penalty for late payment of business tax is ten percent (**10%**) of the amount due or assessed for each month or part of a month in which the return was not delivered.

Also, interest at the rate of one and a half per centum (**1.5%**) per month or part thereof shall be payable.

4. *FORMS*

Forms are available in any of the BTSD's offices countrywide or online.

A. Tax Resident IBCs

For grandfathered-in or non-exempt IBCs, the form is *Form 290 - Annual Tax Return for IBCs*.

Commencing on 1 January 2020, and for each subsequent basis year, no income tax shall be payable upon the chargeable income of a company, other than a company engaged in petroleum operations.

B. Non-Resident IBCs

For non-resident IBCs incorporated in Belize, the form is an *Information Return Form for Non-Resident Companies*.

5. *AUDITED FINANCIAL STATEMENTS*

The Director General requires IBCs with receipts of at least six (6) million dollars (USD) annually or entities who fulfil two of the criteria listed in Section 32A(1)(c) of the IBT Act to submit financial statements audited in accordance with the International Financial Reporting Standards (IFRS).

All other entities are required to submit internal generated financial statements.

**THE DIRECTOR GENERAL
BELIZE TAX SERVICE DEPARTMENT
JULY 2021**