



PUBLIC NOTICE

Income and Business Tax (Amendment) Act, 2024

Effective as of January 1st, 2025

The Belize Tax Service Department (BTSD) announces important changes to the **Income and Business Tax Act (IBTA), Cap. 55**, affecting corporate taxation, individual income tax deductions, and tax compliance.

Key Changes, Amended Sections & Impact on Taxpayers

1. Corporate Income Tax (CIT) now applies to Designated Processing Areas (DPAs) *(Amended: Section 5 & Section 6)*

Impact: DPAs are now subject to Corporate Income Tax at 3% (effective from 2020)

Taxpayer Obligation: DPAs must file and pay CIT as required

2. New Personal Income Tax Thresholds & Deductions *(Amended: Section 16)*

Impact:

- Individuals earning under \$29,000 annually remain tax-exempt.
- Individuals earning between \$29,000 – \$32,000 receive a tax credit of up to \$2,250.

Taxpayer Obligation: Review your updated tax bracket and confirm payroll deductions.

4. New Contract Withholding Tax Rules *(Amended: Section 112)*

Impact: If a contractor's usual tax rate is **below 6%**, withholding tax will now be **50% of their normal rate** instead of a fixed percentage.

Taxpayer Obligation: Review contractor withholding tax deductions in compliance with new rules

Visit our offices from: Monday to Thursday: 8:00am 5:00pm Friday 8:00am – 4:30pm
Branch: Corozal, Orange Walk, San Pedro, Belmopan, San Ignacio, Dangriga & Punta Gorda

Ph: 222-4776 or 222-4780

Email: info@bts.gov.bz

Website: <https://bts.gov.bz>

5. Tax Credit for Donations to Sports & Education (*New: Section 108B*)

Impact: Taxpayers can **claim a credit of up to \$30,000 or 1% of the total tax due** (whichever is lower) for donations to sports or education.

Taxpayer Obligation: **Keep records of charitable donations** to claim tax credits.

Taxpayers are advised to visit our website at www.bts.gov.bz to see the in-depth explanation of the amendments. For further information, contact the **Belize Tax Service Department** at 222-4776 or email us at info@bts.gov.bz.

A notice from the
DIRECTOR GENERAL
BELIZE TAX SERVICE DEPARTMENT



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