

Tax country guide 2026 | Sint Maarten

January 2026

A. General country characteristics

- The island Sint Maarten is located in the Caribbean with a population of approximately 45,000 inhabitants.
- It is an autonomous country within the Kingdom of the Netherlands, sharing the island with Saint Martin (French territory).
- While Dutch is the official language, English is the primary language used in business and daily life.
- The currency is Caribbean Guilder (“XCG”). The exchange rate is fixed to the US Dollar at a price of 1 USD = 1.80 XCG.
- The most common business form is the limited liability company. Businesses may also operate through a branch of a foreign entity.
- Generally accepted accounting standards in Sint Maarten are IFRS, Dutch GAAP and US GAAP.
- For doing business in Sint Maarten a business license is required.

B. General tax rates

Profit tax	34.5%
Withholding tax	N/A
Turnover tax	5%
Income/wage tax	12.5% – 47.5%
Social security	0.5 – 13%

C. Profit tax

General

Sint Maarten imposes a 34.5% profit tax on resident companies and permanent establishments.

Resident companies are taxed on their worldwide income, while non-residents are subject to tax primarily on Sint Maarten-source income, such as:

- Profits attributable to a permanent establishment in Sint Maarten;
- Income from real estate located in Sint Maarten, including related mortgages.

Related-party transactions must comply with the arm’s length standard, ensuring terms align with those between independent entities.

Under certain conditions, affiliated companies may form a tax group (fiscal unity) to consolidate profits and losses for profit tax purposes.

Tax losses may generally be carried forward for 10 years and offset in chronological order.

(Partial) participation exemption

A favourable participation exemption applies for qualifying shareholdings. As a result, dividends and capital gains are tax-exempt at the parent company level, provided the subsidiary meets conditions such as an ownership threshold and is not a low-taxed passive entity.

Tonnage tax regime

Sint Maarten offers a tonnage tax regime for eligible international shipping companies. Under this regime, instead of profit tax on actual income, taxable profits are calculated on a notional basis derived from a vessel’s net tonnage. Eligibility depends on the company operating ocean-going vessels.

Private foundation and trust

Both the Private foundation (in Dutch: Stichting Particulier fonds or “SPF”) and the trust, under Sint Maarten law, can be used to segregate assets. In principle the SPF and trust are exempt from profit tax in Sint Maarten.

Tax return deadlines

Annual profit tax compliance involves the following obligations:

- filing and paying the profit tax due on the provisional return within three months after the end of the financial year (i.e. generally March 31);
- filing the final profit tax return within six months after the end of the financial year (i.e. generally June 30).

Upon request, a six-month extension of the deadline is available for the final return.

D. Withholding taxes

Sint Maarten does not currently impose any withholding taxes on dividends, interest, or royalties. It is noted, however, that a 10% dividend withholding tax is proposed. This law is currently awaiting final approval.

E. Turnover tax

General

A 5% turnover tax (“TOT”) applies to the supply of goods and services in Sint Maarten.

Cumulative turnover tax system

TOT operates as a cascading tax, applied at each stage of the supply chain, regardless of whether parties are affiliated. Companies should carefully consider TOT implications. Sint Maarten TOT law does not provide for a fiscal unity regime for TOT purposes.

Reverse charge mechanism

If a foreign supplier provides goods or services to a Sint Maarten entrepreneur (B2B), the foreign supplier has the possibility to shift the

TOT obligations to the local customer. However, in principle a joint written request by both parties is required.

F. Wage- and income levies

Wage levies in Sint Maarten include wage tax, social security contributions, pension premiums, and health insurance contributions. Non-resident employers are required to withhold wage tax only when acting as withholding agents. The wage tax rate ranges from 12.5% to 47.5%, excluding social security contributions.

Wage tax is a pre-levy of the personal income tax due.

Ex-patriate scheme

Under certain conditions, an ex-patriate arrangement applies to employees recruited from abroad, who have specific expertise that is not or to a limited extent available on Sint Maarten.

The main advantages of the scheme are that employers are not required to gross up an agreed net wage and may grant several types of tax-free allowances.

Penshonado scheme

Immigrants can, under conditions, apply the so-called ‘penshonado regime’ in Sint Maarten. Under this regime, the new resident is eligible for a personal income tax rate of 10% on foreign-source taxable income. Alternatively, instead of applying this fixed low rate, the taxpayer may opt to be taxed at the regular progressive income tax rates on a fixed taxable income of XCG 500,000 per year. This alternative may be attractive for very high incomes, as no tax is levied on income exceeding XCG 500,000.

The conditions to be met relate to the immigrant’s age, the availability of a place of

residence in Sint Maarten and whether the individual has lived abroad during the five preceding years. In addition, the tax benefits do not apply if the taxpayer or their spouse derives income from business activities or employment. Employment is only permitted with a company in which the taxpayer holds at least a 40% shareholding.

G. Tax holiday scheme

Sint Maarten offers tax holidays to support large-scale investments in strategic sectors. Eligible projects include:

- Hotels and similar tourism facilities
- Land development
- Investments in targeted industries
- Expansion of existing operations within specific industries

Depending on the type of investment, the minimum investment amount ranges from XCG 250,000 to XCG 2,000,000.

If the conditions are met, the following tax benefits may be granted:

- Exemption from property tax;
- Reduced profit tax rate of 2%.

These advantages are subject to specific conditions and terms.

H. Other taxes / miscellaneous

Real estate transfer tax

In case real estate is transferred, in principle, 4% transfer tax is due. Exemptions may apply in specific situations.

Gift- and inheritance tax

Sint Maarten does effectively not levy a gift- and inheritance tax.

Import duties

No import duties are levied.

Foreign exchange license fee

The Central Bank of Curaçao and Sint Maarten levies a 1% license fee on, broadly speaking, payments made from Curaçao to abroad. For certain transactions, a foreign exchange license is required. In specific cases, an exemption from the license fee may be obtained. This levy does not qualify as a tax, but rather constitutes a monetary policy instrument.

I. International

Avoidance of double taxation

Domestic Sint Maarten tax law provides for mechanisms to avoid double taxation.

Sint Maarten has a limited number of arrangements for the avoidance of double taxation, the most significant of which are those with the other constituent countries of the Kingdom: the Netherlands (also covering the BES islands), Curaçao and Aruba. Additionally, several Tax Information Exchange Agreements (“TIEA”) have been concluded.



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