

Suriname Tax News Alert

January 2021

Introduction

Our newsletter provides you updates of developments on Tax, Legal and Financial matters that might impact your business in Suriname. In this newsletter we provide an update of the latest tax developments. Please note that this newsletter contains general information and has been written in general terms and should therefore be used for general guidance purposes only.

Fiscal measurements - status quo

With respect to the fiscal measurements which were announced in September 2020 by the Government we update as follows.

Amendments in three tax laws have passed the National Assembly last Friday, which will be effective per February 1, 2021:

- I. Individuals with an annual income above SRD 150,000 will pay a 10% solidarity levy for the year 2021 and
- II. Companies with an annual income above SRD 150,000 will pay a 10% solidarity levy for the year 2021 and
- III. Turnover Tax adjustment from 10% to 12% on the import of goods, with some exemptions e.g., for goods for the agricultural sector, and poultry.

The purpose of the solidarity tax is to cover (part of) the financial budget deficit. By introducing this tax, the idea is to increase the income of the state for a period specified by law (December 31, 2021). These measures will yield the country more than half a billion SRD.

Furthermore, we note that meanwhile, structural tax reforms will be implemented. The government is working on shifting from direct taxes to indirect taxes.

Content:

Implementation fiscal measurements



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VAT

The Value Added Tax (VAT) will be introduced on January 1, 2022. The emphasis of tax collection moves to indirect taxes/expenditure. Further details have not been provided so far.

Levy rebate

As of January 1, 2022, with the implementation of the VAT the levy rebate of SRD 750 per month on taxes will expire.

Communication/purpose

The government will endeavor to convey communication with respect to these measures to society in an easily understandable and comprehensible manner.

The amendments in the three tax laws are part of a total package of measures. The government states that the crisis will be managed within a year, with the emergency phase ending in March. According to the government the measurements are necessary to face the economic crisis.

For further information on the tax issues in this newsletter and possible impact on your organization, please contact one of our Suriname Tax Specialists:

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