



INLAND REVENUE DEPARTMENT

Saint Lucia
Ministry of Finance, International Financial Services
& Economic Affairs



Our Mission

The Inland Revenue Department stands committed in its impartial treatment of its customers.

We aim to provide an efficient, professional and courteous service, while administering the relevant tax laws on behalf of the Government & People of St. Lucia.

Guidelines for the Small Businessmen

This leaflet was written, designed and produced
by the Taxpayer Relations Unit of the
Inland Revenue Department
St. Lucia

APRIL 2002

For the purpose of this brochure, a small businessman refers to a Sole Trader, a Proprietor or any Self-Employed Person.

REGISTRATION OF THE BUSINESS

The business and the owner must be registered with the Tax Roll Unit of the Inland Revenue Department which is located on the 1st Floor, Block C, Heraldine Rock Building, Castries or at the Tax Service Center in Vieux Fort.

Where the self employed individual does not have a Tax Account Number, they will be required to complete an Individual Registration Form and an Individual Enterprise Registration Form.

TAXPAYER ASSISTANCE IS PROVIDED ALL YEAR ROUND AT THE TAXPAYER ASSISTANCE UNIT OF THE INLAND REVENUE DEPARTMENT

We are located :

1st & 3rd Floors
Heraldine Rock Building
Waterfront
Castries
St. Lucia

1st Floor
NIS Bldg.
Vieux-Fort

3rd Floor
Soufriere
New Government Buildings
Block C
Castries

For Further information

**Please call the
TAXPAYER RELATIONS UNIT
468 - 4765/4729**

THIS OBLIGATION APPLIES WHETHER A PROFIT OR LOSS RESULTS AT THE END OF THE INCOME YEAR

However, in the case of a partnership, each partner is responsible for filing an individual tax return showing their share of the profits. A copy of the statement of accounts of the partnership must be included in each return.

PREPARING YOUR INCOME TAX RETURN

When preparing the Income Tax Returns, the individual must include income received from **all** sources under the appropriate schedules and attach Income and Expenditure Statements and Balance Sheet where necessary. All bills and receipts must be retained and made available to the Inland Revenue Department should it become necessary to substantiate claims.

Where assistance is sought from the Department's Taxpayer Assistance Unit, the individual must supply prepared Income Statements.

This leaflet provides only basic information.

Pay As You Earn System - P. A.Y. E.

This system allows for the withholding of tax from emoluments as they are paid.

Upon registration you will be sent on a monthly basis a P. A.Y.E. Remittance Form which must be used when remitting to the Inland Revenue Department deductions in respect of P. A.Y.E. from the payments to employees.

Persons whom you employ must be sent to the Public Assistance Unit of the Department for a Tax Code. On the completion of a Tax Declaration Form (TD 1) a Tax Code will be issued. In some cases the employee will be required to complete an Individual Registration Form. This is a critical requirement for the Standardized Integrated tax Administration System (SIGTAS), a computerized network implemented by the Department to enhance the quality of service provided to the public.

A copy of a **P.A.Y.E. Booklet** and the **Income Tax Deduction Tables** should be requested in order to comply effectively with the P.A.Y.E. Regulations.

A **Tax Calendar** showing the respective dates for making payments is also a necessary handbook.

ESTABLISHED ACCOUNTING TERMINAL DATE (E. A. T. D.)

The accounting date to which the accounts of any trade, business, profession or vocation are made up is the E. A. T. D. The law provides that the E.A.T.D. for a business is the date on which the twelve (12) month accounting period or part thereof (with respect to a new business) ends. Permission must be sought from the Comptroller of Inland Revenue where the E.A.T.D. is to be changed.

TAXES APPLICABLE TO THE SELF EMPLOYED BUSINESSMAN

Self employed persons and/or business proprietors who are not incorporated must make advance payments by instalments. The instalment is based on net profits i.e. after all business expenses.

GENERAL

Taxes for self employed persons are due and payable on March 25, June 25, and September 25 of each year of income and the balance, if any, on filing their Tax Return.

Late payment of these taxes accrues interest at the rate of 12 1/4 % from the date that the payment is due to the actual date it is paid.

OBLIGATIONS TO FILE INCOME TAX RETURNS

Every individual in receipt of income from the operation of any trade, business, profession or vocation is required to file an income tax return for each year of income.