



TAX FACTS & CALCULATIONS

ALLOWANCES AND DEDUCTIONS FOR INDIVIDUALS



Your Guide to Individual Tax Facts, Allowances,
Deductions & Simple Calculations

IMPORTANT NOTICE

Submission of your Annual Income Tax Returns from Income Year 2025

The Inland Revenue Department (IRD) reminds all taxpayers of their legal obligation to submit their Annual Income Tax Return within three (3) months after the end of their income or financial year.

To make the process easier, the Department has simplified the Income Tax Return form and prepared a helpful brochure entitled “Tax Facts & Calculations.” This guide explains how to complete your return and calculate your tax liability. Copies are available at our offices in Castries, Soufrière, and Vieux-Fort, and may also be downloaded from our website at www.irdstlucia.gov.lc.

Please note that when filing your return, you are not required to submit medical bills. However, these documents must be kept for up to six (6) years and presented to the Department if verification is requested. Failure to provide supporting documents when required may result in the disallowance of your claim.

Taxpayers are strongly encouraged to file their returns and pay any taxes due by the stipulated deadline to avoid the imposition of penalties and interest charges.

For greater convenience, we invite you to use our E-Filing System — a safe, fast, and accurate way to file your return anytime, anywhere at <https://efiling.govt.lc>.

The Inland Revenue Department thanks you for your continued cooperation and reminds you that with your assistance, we can serve you better.

**Comptroller
Inland Revenue Department**

CHANGES TO THE PERSONAL INCOME TAX REGIME

No. 2 of 2026

I. New Cap -\$40, 000

- ⇒ Effective from the 1st day of January, 2025 the aggregate allowances and deductions allowed shall not exceed **Forty thousand dollars (\$40,000)**.
- ⇒ For Income Year **2025** the Allowance and deductions excluded from the overall **cap** of **Forty thousand dollars (\$40,000)** are;
 - Personal allowance **(\$25,000)**
 - Deduction for “medical expenses”
 - Expenses relating to the purchase and installation of a solar photovoltaic systems or related components.

2. Child & Education Allowance

Taxpayers may now claim:

- ⇒ **\$5,000** per child **who**:
 - was born during the income year; or
 - at the commencement of the income year has not attained the age sixteen year or, irrespective of age was a student or invalid child.

And

- ⇒ **\$10,000** for a child or relative pursuing full-time tertiary studies at a university or similar institution.

3. Dependent Relative Allowance

⇒ A resident individual can now claim **\$5,000** in respect of each dependent relative that he maintains.

4. Subscription for Credit Union Shares

⇒ A deduction of up to **\$10,000** is now granted for payments by way of subscriptions for shares .

5. Investment Instruments

⇒ Where in any year of income, a resident individual invests in any security instruments, including treasury bills, treasury notes, bonds, shares and mutual funds, issued by a local or regional institution, he or she is entitled to a deduction equivalent to the value of the investment purchased up to a limit of **\$10,000** in an income year.

6. Medical Expenses

⇒ The definition of “Medical Expenses” now includes fertility treatment by a registered medical practitioner.

⇒ Taxpayers can also now claim medical expenses for their dependent relatives.

And;

7. Pension Income is now exempt as per Statutory Instrument No. 225 of 2025

⇒ This means that persons earning only pension income are not required to file a return.

The following are the basic allowances and deductions that can be claimed:

Section 2 - Schedule A

Dependents and Medical Allowance

Table A Children & Education Allowance:

'Child' includes a stepchild, a child born out of wedlock or a legally adopted child.

If during the Income Year you maintained a:

- Child who was born during the income year; or
- At the commencement of the income year has not attained the age of sixteen years or, irrespective of age was a student or invalid child.

Claim \$5,000 per child.

- A child or relative pursuing full-time tertiary studies at a university or similar institution. Documentary evidence from the institution **must** be furnished.

Claim \$10,000 per child.

Enter total on Line 8

Table B Dependent Relative Allowance:

A resident individual is entitled to claim **\$5,000.00** in respect of each dependent relative that he maintains. 'Dependent Relative' is a person who (a) whether incapacitated or not is the parent or other lineal ancestor or aunt, uncle of that individual or his/her spouse and is unmarried, divorced, widowed or separated or (b) is incapacitated by old age or infirmity or unemployment by reason of old age and is the child, brother or sister of that individual or of his/her spouse.

If you are claiming the **Dependent Relative Allowance**, please complete **all sections** of the table. Forms with incomplete information **will not be accepted** and your claim **will not be granted**.

| NAME OF DEPENDENT | RELATIONSHIP TO CLAIMANT | AGE | NIC NUMBER OF DEPENDENT | NATURE OF INCAPACITY | INCOME OF DEPENDENT | CONTRIBUTION BY OTHER PERSONS | CONTRIBUTION BY YOU | AMOUNT CLAIMED |
|-------------------|--------------------------|-----|-------------------------|----------------------|---------------------|-------------------------------|---------------------|----------------|
| | | | | | | | | |

Important: You must have the NIS number of your Dependent Relative to qualify for this allowance.

Enter total on Line 9

Table C Housekeeper Allowance:

An allowance of **\$200** is granted to a resident individual who is a widower/widow or is unmarried, divorced or separated, in respect of a relative maintained by him for the purpose of caring for his child/children.

Enter total on Line 10

TOTAL CHILDREN AND DEPENDENT ALLOWANCE

Add Lines 8, 9 and 10 and enter total on Line 12a

Enter total Children and Dependent Allowance from Line 12a on Line 122 (Section 4 – Tax Calculations)

Table D Medical Expenses:

Relief is granted in respect of medical expenses incurred by an individual during the income year on behalf of himself or on behalf of a dependent. In the absence of any bills or insurance, an amount of **\$400** can be claimed.

Basic Medical Expense - Enter \$400 on Line 11a

In the case of Medical Insurance the allowance is:

- (a) Premiums paid for the year; plus
- (b) Claims not reimbursed (Amount Paid less Amount Claimed);

Enter total on Line 11b Plus

- (c) Any Receipts on-hand

Enter total on Line 11c

TOTAL MEDICAL EXPENSE ALLOWANCE

Enter either the amount from **Line 11a** OR **total** from **Lines 11b and**

Note: Bills and receipts should be kept and presented only upon the request of the Comptroller. However, the Medical Insurance statement indicating premiums paid and unpaid claims **must** be

Enter total Medical Expense Allowance from Line 12b on Line 113 (Section 4 – Tax Calculations)

Section 2 - Schedule B***Future Benefits*** **Table E*****Individual Registered Retirement Savings Plan/Approved Pension Fund***

A deduction is allowable for contributions to Retirement Plans and/or Pension Schemes approved by the Department. Maximum amount allowable cannot exceed **\$8,000** in respect of each deduction.

For Pension Funds established in St. Lucia you may claim the entire amount of your contribution;

For Funds not established in St. Lucia and participation commenced before 1988, **50%** of the contribution is allowable.

Enter total on Line 13

Life Insurance Premiums

You are entitled to claim premiums paid on the life of yourself, spouse and/or children to insurance companies;

Enter total on Line 14a

National Insurance Contributions

You are entitled to claim your contributions paid under the National Insurance Act.

Enter total on Line 14b

Add lines 14a and 14b and enter total on line 14c. After limitations indicated in the table below.

Note:

- The total of Life Insurance and National Insurance Contributions is limited to the lesser of:
 - a. Actual payments:
 - b. Ten per cent (10%) of Assessable Income; or
 - c. \$8,000 (this is the most which can be claimed).
- Foreign Life Insurance premiums claims are restricted to 50% of the amount paid.
- Please remember to attach the certificates from the Insurance Company.
- A statement from the insurance company indicating premiums paid for the year must be attached to the tax return form.

TOTAL FUTURE BENEFITS

Enter total from **Lines 13 and 14c** on **Line 15**

Enter total **FUTURE BENEFITS** from **Line 15** on **Line 123 (Section 4 – Tax Calculations)**

Section 2 - Schedule C**Other Allowable Deductions** **Table F Other Allowable Deductions****Registered Home Ownership Savings Plan (RHOSP)**

A deduction is granted to a resident individual who makes contributions to an approved RHOSP up to a maximum of **\$6,000**. Supporting documentation from the financial institution must be submitted.

Enter amount on **Line 16**

Mortgage Interest

A deduction for mortgage interest paid for the acquisition, construction or improvements (renovations) to your home an “owner occupied dwelling house” up to a maximum of **\$40,000**. Supporting documentation from the bank or lending institution **must** be submitted.

Enter amount on **Line 17a**

House Insurance Premiums

A deduction is granted to a resident individual for any amount paid during the income year by way of house insurance premiums on an “owner occupied dwelling house.” Supporting documentation from

the insurance company **must** be submitted.

Enter amount on Line 17b

House Tax

A deduction is granted to a resident individual for house tax paid during the income year in respect of an owner occupied dwelling house. Receipts **must** be submitted.

Enter amount on Line 17c

Note: Effective Income Year 2009, the deduction for Mortgage Interest is not granted to an individual whose House Tax is outstanding.

Expenses for Upkeep and Maintenance of Home

A deduction is granted for up to **\$10,000** for expenses reasonably incurred in the up-keep and maintenance of an “owner occupied dwelling house”. **A detailed description of repairs undertaken** to the property must be attached to the return. **(Bills and receipts should be kept and presented only upon request by the Comptroller.)**

Note: “Owner Occupied Dwelling House “ means a dwelling house situated in St. Lucia which is occupied by the owner, either alone or together with family, or occupied rent-free by members of the family

Where two or more persons are entitled to a deduction with respect to **Lines 17a** through to **17d**, the claims may be apportioned (among the parties involved).

Enter amount on Line 17d

Donations and gifts for approved purposes

A deduction is allowed in respect of amounts paid during the income year:

- a) Under a deed of covenant for a period of not less than three years in favour of any religious, charitable, medical or educational institution or sporting body or fund of a public character approved by Cabinet;
- b) To the St. Lucia National Trust;
- c) To the National Community Foundation

Note: The deduction is limited to **25% of your assessable income**.

Enter amount on Line 18

Subscription for Credit Union Shares

A deduction of up to **\$10,000** is granted for payments by way of subscriptions for shares in any society registered under the Co-operative Societies Act or incorporated under the Building Societies Ordinance.

Enter amount on Line 19

Student Loan Interest

A resident individual can claim a deduction of a maximum of **\$40,000** in respect of the interest on a student loan taken to finance his/her tertiary education.

Enter amount on Line 20

Alimony and Maintenance Payments:

The full amount of maintenance or separation allowance paid to a spouse under a Deed of Separation or Court Order is allowable.

The full amount of alimony paid to a former spouse from whom he/she is divorced is allowable

The deduction allowable shall apply only if the person receiving the allowance or alimony is chargeable to tax in St. Lucia.

Enter amount on Line 21

Other Deductions:

A deduction is also granted to a resident individual who:

- Makes payments for the preparation of his tax return;
- Makes payments by way of subscriptions to a professional organization;
- Is engaged in Hobby Farming and is certified by Ministry of Agriculture;
- Undertook Road Rehabilitation works in their community and is certified by the Ministry of Infrastructure
- Travel Allowance. Maximum allowed \$6,000. TD Form AU-3 must be attached.

Enter amount on Line 22

Claim for Investment Instruments



Commencing from income year 2025, where in any income year, a resident individual invests in any security instruments, including treasury bills, treasury notes, bonds, shares and mutual funds, issued by a local or regional institution, he or she is entitled to a deduction equivalent to the value of the investment purchased up to a limit of **\$10,000** in an income year. Proof of purchase must be provided to be allowed the claim.

Enter amount on Line 23

TOTAL OTHER ALLOWABLE DEDUCTIONS

Add Lines 16 through 23, ENTER total on Line 24

Enter total OTHER DEDUCTIONS from Line 24 on Line 124 (Section 4 – Tax Calculations)

Claim for Solar Photovoltaic System



A deduction is also granted to a resident individual for **income years 2023 to 2025**, of up to **\$25,000** per income year, for expenditure related to the purchase and installation of a solar photovoltaic system or related components in the income year incurred, for his or her owner occupied property.

Where two or more individuals contribute towards the purchase or installation of a solar photovoltaic, or related components the deduction allowable may be apportioned between the individuals up to a maximum claim of **\$25,000**.

Where a deduction is allowed in this section, there will be no deduction in respect of capital expenditure under **Section 40 and Schedule 2 of the Income Tax Act** for the same solar photovoltaic system or related components.

Enter amount on Line 25

Enter total claim for SOLAR PHOTOVOLTAIC SYSTEM from Line 25 on Line 114 (Section 4 – Tax Calculations)

Section 4

Personal Allowance:

A resident individual is entitled to a personal allowance as follows:

- | | | |
|-----------------|---|-------------------------------|
| \$18,000 | - | from Income Years 2013 - 2022 |
| \$25,000 | - | from Income Year 2023 |



Enter amount on Line 120 (Section 4 – Tax Calculations)

Spouse Allowance:

An allowance of **\$1,500** is granted to a resident individual in respect of his/her spouse, if during the income year the spouse was maintained by him/her.



To qualify for this deduction:

- You must be legally married;
- Your spouse's income for the year must **not exceed \$3,000**.
- Where the spouse has assessable income **between \$1,500 and \$3,000**, the allowance will be **reduced by one dollar (\$1.00) for each dollar in excess of \$1,500**.

Enter amount on Line 121 (Section 4 – Tax Calculations)

SECTION 3 – CALCULATION OF ASSESSABLE INCOME

An example

SECTION 3

CALCULATION OF NET INCOME

Wages and Salary from Public Sector

Wages, Salary and Benefits from Private Sector

Gross Employment Income (Add Lines 100 and 101)

Less: Age 60 and over Allowance (\$6,000)

Net Employment Income

Gross Interest Received

Other Taxable Income (Alimony, Bonuses, Commissions etc.)

Rental Income (Loss)

Business/Professional Income (Loss)

Total Income (Add Lines 104, 106, 107, 108 and 109)

Less: Prior Year(s) Loss(es) [Restricted to 50% of Income (Line 110) or actual lo

Assessable Income

Page 3

| | |
|-----|-------------------------------|
| 100 | <u>96,750.00</u> |
| 101 | <u> </u> |
| 102 | <u>96,750.00</u> |
| 103 | <u>()</u> |
| 104 | <u>96,750.00</u> |
| 106 | <u> </u> |
| 107 | <u> </u> |
| 108 | <u> </u> |
| 109 | <u> </u> |

al loss]

| | |
|-----|-------------------------------|
| 110 | <u>96,750.00</u> |
| 111 | <u>()</u> |
| 112 | <u>96,750.00</u> |

| |
|------------------|
| SECTION 4 |
|------------------|

TAX CALCULATION

| | |
|---|-----------|
| Personal Allowance Claim - \$25,000 | |
| Medical Allowance (Schedule A, Total 12b) | |
| Solar Photovoltaic Allowance (Schedule C, line 25) | |
| Spouse Allowable | 121 _____ |
| Dependents (Schedule A, line 12a) | 122 _____ |
| Future Benefits (Schedule B, Line 15) | 123 _____ |
| Other Allowable Deductions (Schedule C, Line 24) | 124 _____ |
| Sub-Total [Add Lines 121, 122, 123 and 124 (Maximum Amount Allowed \$40,000)] | |
| Total Allowances and Deductions [Add Lines 120, 113, 114 and 138] | |
| Chargable Income (Subtract Line 125 from Line 112) | |
| TOTAL TAX ON CHARGEABLE INCOME | |
| Add: Late Filing Penalty (5% of Line 127) | |
| Total Income Tax Payable: (Add Lines 127 and 128) | |

Payments and

| | |
|---|-------|
| Total Income Tax Payable | |
| Double Taxation and other Credits | 130 _ |
| PAYE Deductions by Employer | 132 _ |
| Prepayments or Installment Payments | 133 _ |
| Total Payments and Credits (Add lines 130, 132 and 133) | |
| Net Tax Payable (If line 129 exceeds line 134) | |
| Refundable Amount (If line 134 exceeds line 129) | |

Amount Enclosed [Payment of]

SECTION 4 – TAX CALCULATIONS

| | | | |
|---|-------------------|-----|-----------|
| | Assessable Income | 112 | 96,750.00 |
| | | 120 | 25,000.00 |
| | | 113 | 7,850.00 |
| | | 114 | 24,000.00 |
| | | | 1,500.00 |
| | | | 4,500.00 |
| | | | 26,000.00 |
| | | | |
| 0,000) | | 138 | 32,000.00 |
| | | 125 | 88,850.00 |
| | | 126 | 7,900.00 |
| | | 127 | 1185.00 |
| | | 128 | 0.00 |
| | | 129 | 1185.00 |
| and Credits: | | | |
| | | 129 | 1185.00 |
| 0 | | | |
| 2 | 1,725.00 | | |
| 3 | | | |
| | | 134 | 1,725.00 |
| | | 135 | |
| | | 136 | 540.00 |
| | | 137 | |
| Amount of Tax Payable (Line 135) | | | |

Section 4

Tax Calculation

Add Lines 121 through to 124 and enter total on Line 138.
Line 138 must not exceed **\$40,000** cap.

If Line 125 is more than Line 112 enter NIL or 0 on Lines 126 through to Line 129

If Line 125 is less than Line 112, subtract Line 125 from Line 112 and enter the difference or Chargeable Income on Line 126

Once the Chargeable Income is determined you can now use the **Tax Calculation Chart** in order to determine the total amount of income tax payable on your chargeable income earned during the year.

| Chargeable Income | Tax rate |
|---------------------------|----------|
| From \$0 to \$15,000 | 15% |
| From \$15,001 to \$30,000 | 20% |
| Over \$30,000 | 30% |

Example 1

If Chargeable Income is **\$8,563.00**, the tax is calculated as follows;

| Chargeable Income \$8,563.00 | | |
|------------------------------|-------------------|--------------------|
| From \$0 to \$15,000 | \$ 8,563.00 (15%) | \$ 1,284.45 |
| Total Tax | | \$ 1,284.45 |

Example 2

If Chargeable Income is **\$16,356**, the tax is calculated as follows;

| Chargeable Income \$16,356.00 | | |
|-------------------------------|-------------------|--------------------|
| From \$0 to \$15,000 | \$15,000.00(15%) | \$ 2,250.00 |
| From \$15,001 to \$30,000 | \$ 1,356.00 (20%) | \$ 271.20 |
| Total Tax | | \$ 2,521.20 |

Example 3

If Chargeable Income is **\$45,690**, the tax is calculated as follows;

| Chargeable Income \$45,690.00 | | |
|-------------------------------|--------------------|--------------------|
| From \$0 to \$15,000 | \$ 15,000.00 (15%) | \$ 2,250.00 |
| From \$15,001 to \$30,000 | \$ 15,000.00 (20%) | \$ 3,000.00 |
| Over \$30,000 | \$15,690.00 (30%) | \$4,707.00 |
| Total Tax | | \$ 9,957.00 |

Payments & Credits

- ◆ Enter Double Taxation credits and any other credits paid during the income year on **Line 130**.
- ◆ Enter PAYE amounts as per your TD5/P11 Slip (Annual Salary Slip) on **Line 132**.
- ◆ Enter Prepayments (installments) made during the year on **Line 133**.

Enter total of Lines 130, 132 and 133 on Line 134.

If total on **Line 129** is greater than total on **Line 134** enter the difference on **Line 135**.

⇒ **Line 135** denotes amounts outstanding in taxes (liability).

If total on **Line 134** is greater than total on **Line 129** enter the difference on **Line 136**.

⇒ **Line 136** denotes amount overpaid in taxes. (Refundable amount)

If making a payment of the amount outstanding from line 135, enter payment value on line 137.

Attach cheque payable the 'Accountant General'.

DO NOT MAIL CASH! Payments are due my March 31.

Section 5

Payments

Taxpayer should indicate which manner is preferred in receiving refund by checking either **Boxes 150, 151 or 152**.

| | | | |
|-----|--------------------------|-----------------------------------|---|
| 150 | <input type="checkbox"/> | Bank Deposit | Provide all the relevant information required for on form |
| 151 | <input type="checkbox"/> | Cheque | |
| 152 | <input type="checkbox"/> | Another Taxpayer's Account | Provide all the relevant information required for on form |

Section 6

General Declaration

Taxpayers **must** sign the return. This is **absolutely necessary** as it denotes agreement with the information provided and the declaration made.



If the form is prepared by a Tax preparer, the form must be signed by them and their TIN provided.

FRIENDLY TAX TIPS

- The Tax Return must be submitted no later than **31st March** .
- To avoid interest and penalties you are to pay any tax owed by **31st March** .
- Your **Name** and **Tax Identification Number (TIN)** and/or **NIC Number** must be clearly stated on all attachments to the return.
- It is important that you **insert the correct address on the Return** as this address shall be the address for service of all mail and notices from the Department.
- You should make a copy of your Return Form for your own records.
- Your records must be retained for up to **six (6) years** after the Income Year to which it pertains.
- Permission must be sought from the IRD should you wish to destroy such records.
- Please be advised that the address provided on the Income Tax return will be used for the service of all mail from the Department.

OUR MISSION

The Inland Revenue Department stands committed in its impartial treatment of its customers. We aim to provide an efficient, professional and courteous tax service, using modern tax administration techniques, while administering the relevant tax laws on behalf of the Government and people of Saint Lucia

FOR FURTHER INFORMATION...

Please contact us via the following:

◆ **Head Office in Castries**

Telephone Number: **1-758-468-4700**

Customer Service

Telephone Number: **1- 758-468-4730/66/5704/4714/4760**

Email: **customerservice@ird.gov.lc**

◆ **Tax Service Center in Vieux-Fort**

Telephone Number: **1-758-468-4960/66**

Email: **vftaxservice@ird.gov.lc**

◆ **Soufriere Sub-Office**

Telephone Number: **1-758-468-6655**

Or visit our...

◆ **Websites:**

www.irdstlucia.gov.lc | <https://efiling.govt.lc>