COMMONWEALTH OF DOMINICA
MINISTRY OF FINANCE
INLAND REVENUE DIVISION
LARGE/MEDIUM TAXPAYER SECTION

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NOTABLE AREAS OF TAXATION WITH RESPECT TO THE CONSTRUCTION OF THE GEOTHERMAL PLANT.

Value Added Tax Act (VAT) – Act 7 of 2005:

- Registration Threshold – Section 11 ($250,000)
- Record Keeping – Section 64 (In English, In Dominica for 7 years)
- Supplies / Output Tax – Sections 14, 15 & 16 Time, Place and Value of Supply
- Input Tax – Section 25
- Input Tax Deduction Disallowance Rule – Section 26
- Filing Deadline – Section 32
  Filing Deadline Penalty – Section 84 $100 every month or part thereof
- Payment Due Date – Section 41(1)(a)
  Payment Due Date Penalty – Section 41(4) - 10%
  Interest – Section 28 - 1% per month or part thereof

Corporate Income Tax (CIT) – Chapter 67:01 of the laws of the Commonwealth of Dominica:

- Income – Section 34
- Expenses – Sections 39 and 40
  Capital Allowance – Second Schedule
  Management Fee deduction restriction to a non-resident – Section 41 (N.B. Only the amount allowed is subject to Withholding Taxes)
- Record Keeping – Section 72 (In English, In Dominica for 7 years)
- Filing Deadline – Section 66
  Filing Deadline Penalty – Section 111 - 5%
- Payment Due Date – Section 95(1)
  Payment Due Date Penalty – Section 113(1) - 10%
  Interest – Section 96(1) - 1% every month of part thereof
- Corporate Income Tax Rate – 25%

Pay-As-You-Earn (PAYE) on employee emoluments and benefits:

- Employment Income – Section 35
- Applicable to "residents" – Persons domicile in Dominica for more than 183 days a year
- Deduction of PAYE – Section 59 and the Fourth Schedule
- Due date to file (TD3 Forms) and remit PAYE deductions – Section 97 (15 days after the end of the month)
- Tax Tables can be found on the Inland Revenue website: www.ird.gov.dm
- Individual employees will be required to file their annual Personal Income Tax Returns

Withholding Taxes applicable on payments to non-residents at a rate of 15%:

- Tax on Profits remitted to a non-resident – Section 58 & the Third Schedule
- Tax on remittances to non-residents – Section 57 & the Third Schedule
- A "Certificate of Deduction of Withholding Tax" form must be completed and submitted in accordance with the Third Schedule Paragraph 4 and remitted in accordance with Section 97

Please note that soft copies of the Value Added Tax Act and the Income Tax Act can be found on the Inland Revenue website: www.ird.gov.dm

To register and file online please visit: www.eservices.gov.dm