

CARIBBEAN TAX LAW JOURNAL

08

Chronicles of the Curaçao
Real Estate Tax

19

Interview with
Ardwell Irion

23

Global Minimum
Tax

37

Value Added Tax -
VAT in Suriname?

Edition 1

2022

INDEX

- | | | | |
|-----------|---|-----------|---|
| 04 | Letter from the editor | 23 | Global Minimum Tax |
| 05 | The pricing of gasoline in Curacao | 28 | Passaat Foundation |
| 07 | Vereniging van Antilliaanse Belastingadviseurs | 29 | Proposed Tourist Tax Bonaire 2022 |
| 08 | Chronicles of the Curaçao real estate tax | 33 | The Tax Authorities of the Dutch Caribbean on the map |
| 11 | 2021 Tax law amendments & updates | 35 | Caribbean Netherlands real estate tax The investment facility |
| 12 | Interview with Nafthely Martis | 36 | Invitation Trilogy-webinar |
| 14 | Interview with Rowan-John Martina | 37 | Value Added Tax - VAT in Suriname? |
| 15 | Aruba Association of Tax Consultants | 40 | Suriname - Tax Law Amendments & updates |
| 16 | Training commies Aruba | 42 | The “Surinaamse Federatie van Belastingadviseurs” |
| 17 | De Vakstudie - the Dutch Caribbean encyclopedia | 43 | International taxation & Blacklisting |
| 18 | The Foundation Tax Committee | 45 | Joint Endeavour or Collective Surrender: Resisting Global Tax |
| 19 | Interview with Ardwell Irion | | |

Publisher

Stichting Caribische Belasting en
Europawinkel

Editor-in-Chief

Germaine Rekwest

Editors

Nicole Lew-Jen-Tai
Hans Ruiten
Marco Aalbers
Wessel Geursen
Priscilla Lachman

Design

Isabelle Kuipers

Thanks to our partners

University of Curaçao
Stichting Passaat
Grant Thornton Aruba
Grant Thornton Curaçao
EY Dutch Caribbean
HBN Law & Tax Curaçao

**With special thanks to the Tax Law
students of University of Curaçao**

Genesis Maduro
Saviany Noten
Nicole Alexander Tejada
Jeandrelika Valks
Ilona Chakoetoe
Riordan Pandt
Aderlisa Canhigh

Contact:

germaine.rekwest@uoc.cw
www.caribbeantaxlawjournal.com

Disclaimer

Caribbean Tax Law Journal is intended to provide a general guide and cannot be a substitute for professional advice. Neither the authors nor the publisher accept responsibility for loss occasioned by to any person acting or refraining from acting as a result of material contained in this publication.



LETTER FROM THE EDITOR

In a time that polarization seems to be the going trend, the launch of this tax law magazine proves that celebrating differences across geographies can lead to exceptional results! We had a vision to create a bold magazine by bringing together a team of leading tax experts and tax law students from Curaçao, Aruba, Bonaire, Sint Maarten, Suriname and the Netherlands to give the Caribbean tax law a voice and a platform to share knowledge and best practices. I am incredibly proud of what our team has created on the pages that follow. Tax law students from the University of Curaçao have put forth their ideas and thoughts for introducing a new tax magazine. From the interview they conducted with the Minister of Finance of Sint Maarten, Ardwell Irion, to the interviews with alumna Rowan-John Martina and Nafthely Martis, launching this magazine has really been an epic project. We got excited collating all contents we had received like the Chronicles of the Curaçao real estate tax by Mitchell Karman, the proposed Tourist Tax Bonaire by Hans Ruiters, the column by Julian Lopez Ramirez regarding the Pricing of gasoline in Curaçao, the Value Added Tax in Suriname by Priscilla Lachman, International taxation and



Foto: Pascale van Reijn ©

blacklisting by Wessel Geursen and many more. We've got it all covered! I take the opportunity to thank all the contributors and the sponsors for making this magazine possible. As we hit off the first issue, please don't hesitate to reach out with ideas or comments as we will be happy to follow up in future issues. I can be reached at **germaine.rekwest@uoc.cw**.

Cheers to our first issue!

Germaine Rekwest

THE PRICING OF GASOLINE IN CURAÇAO

By Julian Lopez Ramirez, Managing and Tax Partner at Deloitte Dutch Caribbean

Prices are set monthly by the Government for a number of fuels, including Mogas (gasoline). **When determining the price, all elements of the final pump price are explicitly stated.** According to the current pricing publication it is clear that **no import duty and sales tax on imports are taken into account** whilst also the possibility to set off 50% of the sales tax paid on imports against the sales tax due is not included. In the current published pricing, 6% sales tax is charged once on the wholesale transaction and once on the retail transaction. Please note that also a special import duty on mogas is due of 41.34 cents per liter. This amount is applied correctly in the current pricing and will therefore not be discussed here. In this article we will only focus on the pricing of Mogas.

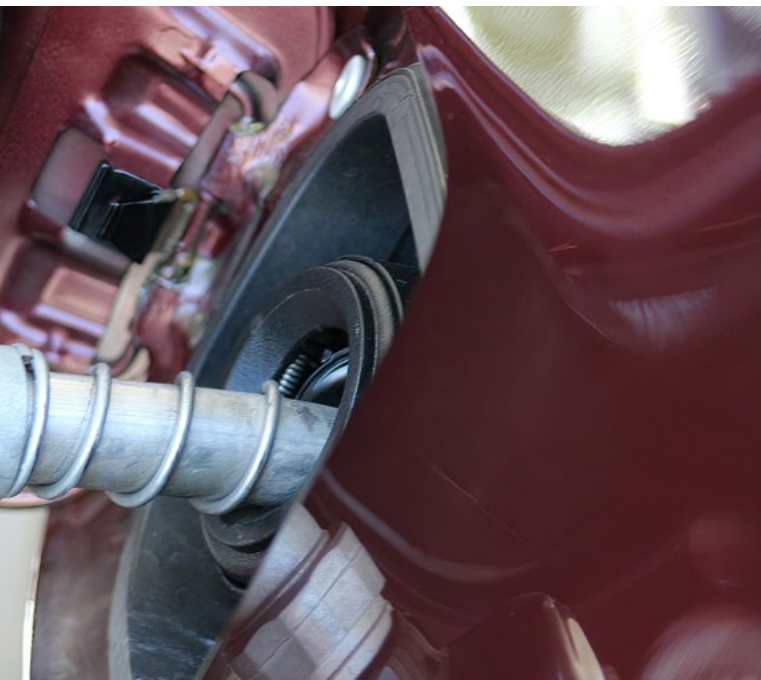
Legal framework

Under the name turnover tax, in Curaçao a tax is levied in respect of the supplies of goods and services provided in the taxable area by entrepreneurs in the context of their business. The general rate is 6% and there is an increased rate of 9% for the supply of “luxury” goods and services. In addition, 9% sales tax is levied on the import of goods. On request, 50% of the sales tax paid in respect of the import of commercial goods in the period of declaration, can be set off against the sales tax due on the resale.



The right of deduction only applies if the trade goods leave the business assets of the entrepreneur as a result of a taxable performance.

If the goods are dispatched or transported in connection with a delivery, the place where a delivery is made, is the place where the dispatch or transport commences. In other cases, the place where the goods are located at the time of delivery is the place of delivery. **Deliveries of goods within the taxable territory of Curaçao that have not yet been imported in Curaçao are exempt from sales tax.** This can be the case when goods are first stored in a customs warehouse, as is the case here. Customs warehouses are storage areas of goods in designated storage areas where the owners or consignees of incoming goods, which are not prohibited for importation, can temporarily store the goods without having to pay import duties and excise duties. The goods are not yet in free circulation.



Import duties are due on release for free circulation in Curaçao (import), both directly from abroad and after prior storage in a customs warehouse. The tax is calculated on the import value. The import value shall be determined in accordance with the provisions on customs import value. The customs value of imported goods is determined in accordance with Article 17 of the National Ordinance on the Tariff of Import Duties (Lvti). **In the case of gasoline, the customs value should be determined on the basis of the transaction value**, which is the price actually paid or payable for the goods when sold for import in Curaçao. Costs for storage and distribution should be excluded from the value. Import duties are levied every time goods are actually imported into Curaçao.

The pricing under applicable legislation

Based on the above it can be concluded that the current pricing structure is not in accordance with applicable legislation. The reason for this is not clear but it can lead to extremely complex situations if the tax authorities/customs implement the legislation in accordance with the formal provisions. **The incorrect price structure has arisen from the moment that Mogas is imported and no longer produced locally.**

First of all, imports take place, so 5.5% import duty will have to be levied on the import of Mogas, as well as 9% sales tax on imports. Mogas is, however, first stored in a customs warehouse and from there it is sold on to the retail trade by the wholesaler. After this sale, the fuels are therefore only removed and imported into Curaçao by the clay trade. This means that, on the one hand, the wholesale turnover tax does not have to be levied, since this transaction is exempt on the basis of Article 7, paragraph 2, sub c Lv OB. **Import duties must then be levied on the price actually paid or payable for the goods for export to the country** (excluding storage and distribution costs).

The sale then takes place to the end user by the retail trader (tank stations). In doing so, the retail trade can deduct half (50%) of the sales tax paid on import from the sales tax due on sales to end consumers based on Article 2a Lv OB.

VERENIGING VAN ANTILLIAANSE BELASTINGADVISEURS

Introduction to the Vereniging van Antilliaanse Belastingadviseurs

The Vereniging van Antilliaanse Belastingadviseurs (Association of Antillean Tax Advisers, hereafter “VAB”) is an association with on average 70 qualifying tax professionals working for around 14 different firms that provide tax services. To qualify for VAB membership, a tax professional must have at least a bachelor’s or master’s degree in tax law or tax economics and practice in Curaçao. The current board members of the VAB are: Francois Simon (HBN Law&Tax), Jeroen Starreveld (Spigt), Arne Kattouw (Deloitte); Tamara Stienstra (Taxcellence); Suhena Neuman (EY); Donna ONiel (MMO); Geraldine Josephina (Fernando Tax); Lennart Huijsen (Grant Thornton). As a result, the VAB represents 100% of the large to medium-large Curaçao tax firms.

The objective of the VAB is to serve the interests of the Curaçao tax professionals in private practice. In general, this is achieved by maintaining close contacts with the Minister of Finance, the Department of Fiscal Affairs of the Ministry of Finance, and the Inspectorate of Taxes on wide-ranging topics such as recent local and international tax developments, recent case law, and new tax legislation. The VAB is also regularly asked to give input on or draft new tax legislation. New tax legislation is reviewed by the VAB on several criteria; whether it is comprehensible, enforceable, not in

conflict with other (tax) legislation, fair to taxpayers, and benefits the economy of Curaçao in general.

Concerning new tax legislation, the VAB periodically organizes seminars and masterclasses for its members and invited guests. During these sessions, a VAB member or guest speaker will elaborate on specific topics within the new tax legislation that are important for the application and proper functioning of the tax laws.

The board of the VAB meets on a monthly basis. Yearly the VAB has a formal general members’ meeting. In addition, the VAB, or the junior members of the VAB, also host social and networking events, such as the annual New Year’s party, tax pub quizzes, or games night.



CHRONICLES OF THE CURAÇAO REAL ESTATE TAX

*By Mitchell Karman, Tax Manager at EY
Dutch Caribbean*

Introduction

With interest rates hitting new lows, there is a global trend of real estate increasing in value. While investors reap the benefits of their well-timed purchases, tax authorities worldwide claim their emperor's share by taxing capital gains and imposing real estate tax assessments based on the increased value of the property.

Real estate is an incredibly valuable object of taxation for jurisdictions.

Whereas people, companies and capital may migrate, immovable property stays put. It is a rather permanent object of taxation of which the value and returns are generally exclusively taxable in the jurisdiction where that real estate is located.² In addition, the taxation of real estate is also efficient from a tax collection perspective. When worst comes to worst, the authorities will always have the option of executing the property for the purpose of collecting the outstanding tax debt.

The Curaçao tax authorities recently also seem to have discovered the effectiveness of the real estate tax

and has proceeded with imposing tax assessments in a rather nonconservative manner. In many of these cases the authorities have no regard for the legal statute of limitations and impose assessments for periods up to 10 years prior. The court cases which resulted from the authorities' crusade against its own backlog are a rollercoaster. Judges seemingly protecting the country's

financial interest, **judges ruling in favor of taxpayers because of a technical omission by the legislator** and inspectors retracting assessments to prevent setting a losing precedent. These are the Chronicles of the Curaçao real estate tax.

The enlightenment of 2014

As per 1 January 2014, Curaçao performed an overhaul in the way in which it taxes real estate. The reason for this change was the dire financial situation of the country.³

The government choose to transition from a 'land tax' to a 'real estate tax'.

Shortly speaking, the old land tax used a rather complex method of taxing the estimated rental value of the property, whereas **the new real estate is more robust and intends to tax the absolute value of the property.**

It is no coincidence that the government also commenced a large-scale operation in the same year, the so-called "Revaluation of the Country of Curaçao", in which the Tax Authorities essentially reassessed the ownership and value of all real estate located in Curaçao. In the course of this exercise, the Tax Authorities were able to identify a significant amount of properties or establish ownership thereof previously not known to them.



Land tax assessments up to and including 2013

Following the reassessment of ownership and value of Curaçao real estate, the **Tax Authorities proceeded with imposing land tax assessments en masse for periods of up to 10 years ago**. This is questionable, because in principle the Authorities are only allowed to impose land tax assessments for periods up to five years ago. An extended period of 10 years may only apply if there is a so-called “new fact”. In essence, this concerns a fact not known by the Inspector and could not reasonably have been known by the inspector. Based on the case law of the Dutch Supreme Court, facts known by other inspectors (e.g. the income tax inspector) may not be attributed to the knowledge of other public servants (i.e. the land tax inspector).⁴

In the following cases in which taxpayers objected to the extended reassessment period, the Court ruled that the fact that the ownership of the respective properties only came to light pursuant to the project “Revaluation of the Country of Curaçao” did constitute a new fact.⁵ As a result, the Authorities were allowed to impose land tax assessments for the previous 10 years. It could be questioned whether the Court’s

ruling on the constitution of a “new fact” – and therewith an extended tax reassessment period of 10 years – was just. As previously mentioned, a new fact is not present if the fact “could have reasonably been known by the Inspector”. It could be argued that **the land tax inspector at the very least should be familiar with the owners of land**, as documented in the country’s land registry. Nevertheless, the Inspector tried his luck, and got the Court on his side.

As a result of this project, a vast number of property owners were confronted with accumulating land tax assessments of up to 10 years ago. One can only imagine their frustration when they learn that the Court more recently ruled that the Inspector has no legal grounds to impose land tax assessments at all because of a technicality.⁶ Because the legislator did not provide for a transitional period upon replacing the land tax with real estate tax, **the Court recently ruled any land tax assessments imposed post 1 January 2014 lack legal merit and need to be annulled.**

Real estate tax assessments starting from 2014

One might think that following the large-scale identification of landowners, the Authorities would recognize their own past shortcomings and would proceed with timely imposing an annual real estate tax assessment from thereon. But this would be an overestimation. Even post 1 January 2019, the Authorities are still imposing real estate assessments for the year 2014. Upon objecting to such assessments, **the Authorities argue with blatant fallacies such as claiming that they have effectively six years to impose an assessment.** In a recent case the Inspector retracted the real estate tax assessment for the year 2014 during the court proceedings because the assessment was imposed after expiration of the statute of limitations.⁷

This retraction has likely taken place upon suggestion of the judge, allowing the Inspector to save face and avoid setting a precedent. Although the Inspector retracted the assessment in this particular case, I consider it unlikely that the Authorities will retract all outstanding real estate tax assessments for the year 2014 ex officio.

Conclusion

In the past 8 years, the Curaçao Tax Authorities have been rather fanatical with imposing land tax assessments. In this regard they have proven to not act conservatively in their application of the extended tax reassessment period of 10 years. Almost eight years later it turned out they had no right to impose the assessments in the first place.

More recently, we see the Authorities imposing real estate assessments with disregard of the statute of limitations and it seems they have been called out on this practice in Court as well. Nevertheless, **there are numerous taxpayers who are not aware of the statute of limitations** and – under threat of collection measures by the government – pay their unjust debts. Considering the history, it would really become the Tax Authorities to own up their mistakes and proceed annulling all overdue land tax and real estate tax assessments ex officio.

² Most tax treaties allow for exclusive jurisdiction by the state where the real estate is located (see article 6 OECD Model Treaty).

³ Staten van Curaçao, 2012/13, 031, no.3, p. 1.

⁴ Dutch Supreme Court of 21 April 1971, nr. 16.535, BNB 1971/158.

⁵ Curaçao Court in First Instance of 25 November 2020, ECLI:NL:OGEAC:2020:261.

⁶ Curaçao Court in First Instance of 3 January 2021, ECLI:NL:OGEAC:2021:58.

⁷ Curaçao Court in First Instance of 5 October 2021, ECLI:NL:OGEAC:2021:194.

2021 TAX LAW AMENDMENTS & UPDATES

By Rejauna Rojer, Tax Manager at HBN Law & Tax

HBN Law & Tax is honored to provide a contribution to the first edition of the Caribbean Tax Law Journal (“**CTLJ**”). In this contribution an overview is provided of the most important tax law amendments & updates during 2021 for Curaçao.

Guidelines territorial tax system²

In March 2021 further guidelines to the territorial tax system were published by means of annex G to the National Decree for Profit tax (“**Annex G**”). Annex G provides guidelines for the profit tax calculation (domestic tax base and / or extra territorial tax base) of specific sectors such as banking and insurance, real estate, service providers, as well as entities receiving passive income such as interest, dividend, rent and royalties. Furthermore, Annex G elaborates on the cost allocation method as well as how to qualify capital gains

Tax debt recovery³

Guidelines on tax debts recovery (“**Guidelines**”) were announced in July 2021 and further amended in November 2021. Subject to certain conditions taxpayers can obtain a maximum of 40% respectively 30% discount on outstanding tax debts. Such discounts apply on tax assessments issued ultimately on December 31, 2020.



Innovation box⁴

The Minister of Finance approved the national decree containing general measures for the application of the innovation box (“**National Decree**”) in November 2021. The innovation box was codified in the tax law codes as per July 1, 2018. However, the tax law code could not be applied in practice up until now due to the pending National Decree. At the moment of writing this contribution for the CTLJ, the National Decree was not yet published.

2020 profit tax returns⁵

Further extension of filing of the 2020 profit tax returns was announced on December 8, 2021. Taxpayers have been granted an additional extension of two months by the Tax Authorities up to and including February 28, 2021.

²P.B. 2021-19

³Richtlijnen ter invordering van openstaande schulden bij de Ontvanger.

⁴Social media announcement by the Minister of Finance.

⁵Bekendmaking Inspecteur der Belastingen inzake definitieve aangifte winstbelasting 2020.

INTERVIEW WITH NAFTHELY MARTIS

Master student Tax Law at Tilburg University, The Netherlands

Would you consider eventually moving back to Curaçao?

Certainly, however, before moving back to Curaçao, my goal is to graduate at Tilburg University with a master's degree in Tax Law. I also would like to have obtained relevant working experience in the Netherlands for one or two years. The completed master's degree in Tax law together with the working experience in The Netherlands will give me a solid professional foundation to move back to Curaçao and start adding value at my future employer.



NAFTHELY MARTIS

Interviewers:

- Jeandrelika Valks
- Ilona Chakoetoe
- Riordan Pandt
Students Tax Law, University of Curaçao.

Why did you choose to study Tax Law in the Netherlands?

While researching which study would be most beneficial to my future career, tax law caught my attention. Firstly, because taxation affects many people directly as well as indirectly and people and organizations need help as tax law can be quite complex. Secondly, I thought the salary and benefits prospects of a tax consultant are very promising.

You completed the B.A.Sc. Tax Law and Economics at the University of Curaçao. What is your opinion and experience on the difference between the bachelor study in Curaçao and your master study in the Netherlands?

Compared to the Netherlands, 'study live was easy' in Curaçao. I lived with my parents and, as a result, I was able to mainly focus on my studies. During classes the teacher was able to explain questions to me in Papiamentu which helped me enormously. Dutch tax law in Tilburg is broader than Curaçao tax law and, consequently, requires more time and effort. Furthermore, a bachelor's degree in applied science is more practical than a master's degree. A master's degree requires more self-study and reading to prepare for classes. In the Netherlands professors expect you to arrive to lectures with questions we can discuss during class, which was new for me.

How did you need to adapt in the Dutch working environment compared to the one in Curaçao? Which of these adjustments added most value to your personal and professional growth so far?

I worked in Curaçao as well as in The Netherlands and in my experience, the work cultures are very different. In the Dutch working culture for instance, 'small talk' is very much appreciated. Job related communication, however, seems to be mostly digital and direct.

On the island, colleagues seem to be more willing to help you if they see you are struggling. In The Netherlands it is expected that you ask for help when you need it. Let me explain with this example: I wanted to impress my manager and as a result I chose to refuse asking for help. Working hard, in my opinion would show my gratefulness for the job opportunity and I definitely did not want to show that I was new and inexperienced. At times when I would get stuck on a project, I was scared to tell anyone. Luckily for me, my manager regularly checked on me and noticed when I had difficulty finishing a project.

What tips will you have for someone who wants to do this profession in the future?

Definitely my advice would be to practice Dutch at an academic level and take courses to improve your language skills and read a lot. Also, prior to turning in your assignments, have someone with solid Dutch language skills perform a review. Also I would definitely recommend networking with people who are working in tax consultancy and advisory, for example through LinkedIn. Challenge yourself and get out of your comfort zone because those are the moments you will learn the most.

INTERVIEW WITH ROWAN-JOHN MARTINA

Master student Tax Law at Tilburg University, The Netherlands

Rowan-John is a 28-year-old working student of tax law at the University of Tilburg. He is employed at the Dutch tax office within the gift and inheritance tax department in Eindhoven. He shares his view and experiences with regard to adapting to the Dutch culture.

In 2017 Rowan-John moved from Curaçao to the Netherlands to further his academic career after getting his bachelor's degree in tax law at the University of Curaçao. At first, he faced the shock of adjusting to the Dutch language. Having a multicultural background, he was already used to communicating in Spanish, Dutch, English, and his native language Papiamentu. However, limitations in being able to express himself in Dutch slowed down his adaptation to the Dutch culture.

“Here it’s more serious”

When asked about what differences he experiences between Curaçao, and the Netherlands Rowan-John gives interesting remarks from both a student and employee perspective. He describes a difference in work culture “Here it’s more serious, I think they take things more seriously”. This quote applying to both professional and academic settings indicates the very clear difference in work culture between the two countries. Rowan-John emphasizes the importance of good planning. He also describes his experience as a working student in Curaçao and says that it was easier to

Interviewers:

- Genesis Maduro
 - Saviany Noten
 - Nicole Alexander Tejada
- Students Tax Law, University of Curaçao.

combine school and work on the island because of a larger support system; most students who emigrate to the Netherlands share this experience.

Rowan-John talks about the shortage of tax professionals that his home country is experiencing, saying that it was one of the reasons he chose to study tax law. He believes that educating people about tax law and its versatility is a good way to generate more interest in the study. Rowan-John ends the interview with some encouraging words to tax law students “Don’t give up and don’t doubt yourself



ROWAN-JOHN MARTINA

because you are smarter than you think, you are stronger than you think you are. Don’t give up, just keep going. If this is what you wanted in the first place, if this is your dream, go for it, you can do it.”

ARUBA ASSOCIATION OF TAX CONSULTANTS

Together we stand strong

The “Arubaanse Vereniging van Belastingconsulenten” or the Aruba Association of Tax Consultants, abbreviated as ‘AVvB’ was incorporated in 2002 and currently counts 45 members. The goal of the AVvB is to represent the interests of tax professionals in Aruba. Our board members are Raoul Kurban (Deloitte), Anushka Lew-Jen-Tai (EY), Melina Rangel (GT), and Sandy van Thol (SVS).

The Aruba government regularly liaises with the AVvB. The AVvB was requested for her tax technical input on current tax issues and execution obstacles while the Government was in the process of forming its current coalition. The current Minister of Economic Affairs of Aruba recently requested the AVvB for her input on the so-called ‘red tape’, hindering the current investment climate. Quarterly meetings with the Aruba Tax Authorities take place where the intent is to level the playing field between tax advisor and tax authority.



The current Minister-President and Director of the Tax Authorities have indicated that they would like to involve the AVvB in the tax technical details of the upcoming fiscal reform, aiming to reduce the budgetary deficit and promote the economy of Aruba after taking a severe hit during the COVID-19 crisis. It is imperative that new fiscal legislation is transparent and accessible. Together we stand strong.

TRAINING COMMIES ARUBA

By Hans Ruiter, Tax Partner at Grant Thornton Aruba

On Monday August 16, 2021, the Customs Department in Aruba held a ceremony for the employees who are going to participate in the new internal training for the Customs Department.

The internal training regards the training for Head Kommies Customs and Excise Duties 2021-2022. The last time this training was held was in 2017. Employees with the function Kommies Customs and Excise Duties will get the opportunity to increase knowledge and experience and improve their position through this training. A group of 52 employees registered for this training. The training

takes one year to complete and requires discipline, dedication and sacrifice. The Customs Department supervises the goods which cross the borders in Aruba over water and through the air. The Customs Department has a social responsibility to levy import and excise duties and to stop forbidden goods. The service of the Customs Department is aimed at stimulating the Aruba economy and international trade and protect the society. Integrity and efficiency are important pillars for the functioning of the Customs Department.



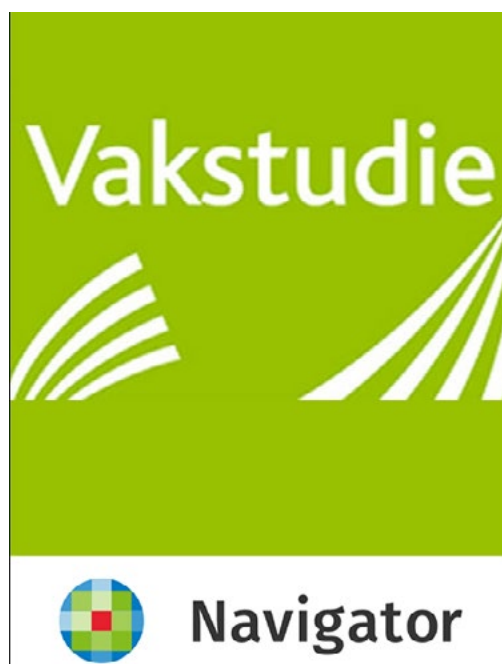
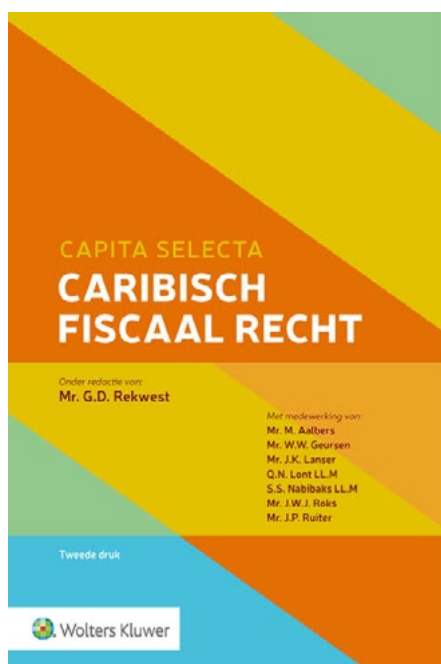
DE VAKSTUDIE - THE DUTCH CARIBBEAN ENCYCLOPEDIA

In the Netherlands, many tax professionals turn to “De Vakstudie”, when it comes to looking up case law and literature on tax matters. De Vakstudie, by Wolters Kluwer, is a very extensive encyclopedia, divided into 16 different chapters, like income tax, VAT and international tax law. Chapter 16, the last part, but certainly not the least, contains much information about Caribbean Tax Law. There is legal history, but also recent case law, commented on by a team of authors, all tax professionals who have earned their spurs in Caribbean tax law.

Starting as authors, but recently promoted to editors of the Caribbean part of De Vakstudie, Germaine Rekwest and Jennifer Lanser contributed in creating and updating the content for the Caribbean part. “We have a great team of authors:

Marco Aalbers, Rob Dijkman, Martin Eekhof, Hans Ruiter, Fred Stoelinga and Sandy van Thol. Some of them live and work in the Caribbean, others work from the Netherlands. That is sometimes difficult when it comes to setting up meetings, but we always find a time that suits everybody”, Germaine says.

“We are very proud of this chapter of De Vakstudie”, Jennifer responds”, “as Caribbean tax law deserves a place in this Dutch Encyclopedia, that is so well known and commonly used by Dutch tax professionals. We hope many Caribbean tax professionals will find their way to De Vakstudie as well as their Dutch colleagues”.



THE FOUNDATION TAX COMMITTEE

The foundation tax committee was incorporated to form a professional body of fiscal lawyers and tax advisors on the island of St. Maarten.

The foundation is still active and meets on a quarterly basis to discuss ongoing issues and new developments as it comes to taxation on St. Maarten.

The board currently has three members:

- Mr. Gert Bergman, tax advisor and partner at BZSE
- Mr. Jeroen Dorresteijn, tax advisor at Grant Thornton
- Mr. Erik van Engelen, certified auditor and owner at HaVen

Besides the companies mentioned above, FTC has members from HBN Law and Tax and SMITCO, together representing 90% of the local tax lawyers and tax advisors.

FTC engages with Government on topics of tax reform and general improvement areas, such as:

- Information sharing
- Documentation, filing and archiving
- Status of objection letters
- Status of ministerial announcements ('aanschrijvingen')
- Expat ruling

Finally, FTC is a sounding board for the working group that was established as part of the measures within the Country Packages related to tax reform.



INTERVIEW WITH ARDWELL IRION

The Minister of Finance of Sint Maarten

The interview with the Minister of Finance of Sint Maarten, mister Ardwell Irion was held on December 17th, 2021 by tax law student Aderlisa Canhigh from the University of Curaçao. The interview questions were formulated by the third-year tax law students of the University of Curaçao.

In this article, we will give you a concise overview of the interview with the Minister of Finance of Sint Maarten. After reading this article you will know more about the Minister of Finance of Sint Maarten, his point of view on several tax-related issues and developments in Sint Maarten, and his valuable advice to students and professionals in the field of fiscal law.



Interviewer:

- Aderlisa Canhigh

Interview questions:

Third-year tax law students of the University of Curaçao:

- Genesis Maduro
- Saviany Noten
- Nicole Alexander Tejeda
- Jeandrelika Valks
- Ilona Chakoetoe
- Riordan Pandt

Editor:

- Nicole Lew-Jen-Tai

Background information

Minister Ardwell Irion's initial background was in ICT and entrepreneurship. He started at the age of thirteen as an autodidact within the field of ICT, building his computers and selling them on the local market. The minister moved to The Netherlands to obtain his Bachelor's degree in International Business Management with a focus on Accounting and Finance in Rotterdam.

"My affinity with taxes itself came from being an entrepreneur"

Minister Irion started his first company at the age of twenty-one and mentioned that when having your own company, you have to deal with various tax issues and you are forced to do your taxes.

Transparency

Minister Irion is actively trying to make the community of Sint Maarten part of the fiscal reformation process. Aderlisa asked the minister what he hopes to achieve with the newly introduced transparency. Minister Irion answered, "When it comes to taxes in general; the easier it is for taxpayers to file their taxes, the more they will fulfill their obligations. When the tax system is more complicated, then taxpayers will experience taxes as intimidating. This means that the chances are lower that individuals will want to file their taxes." The starting point of the minister is how easy can you make the tax system, so it is pleasant for the taxpayers to fulfill their obligations.

"Transparency comes from communication"

The Minister of Finance of Sint Maarten believes that transparency will double or triple in future generations. There is an increase in transparency within the current tax reform. From a hard-

working parliament, public meetings, communicating with the newspapers to stakeholders' meetings. The government of Sint Maarten believes that going digital will lead to more transparency. Minister Irion believes that the field of financial services will evolve with time. He deems that there will be a merger between accounting, finance, fiscal law and technology. The Minister is now studying the language of coding and is very interested in blockchain technology. Sint Maarten is not that far yet in blockchain technology, however there is a pilot program that launched in January 2021. The Ministry of Finance of Sint Maarten has developed an app for example for vehicle tax payments. The goal is to make vehicle number plates a QR-code for the year 2023. The police will use the abovementioned app to scan the QR-code of vehicles to obtain all the relevant information about the vehicle, the owner, and the tax payments. The minister wants to use technology to improve transparency. Using technology will also increase the collection rate of taxes.



SINT MAARTEN

“Technology will put us in the future with regards to transparency. My passion for IT still lives with me as the Minister of Finance of Sint Maarten”

The shift from direct to indirect taxation

This shift is primarily driven by a desire to boost the economic growth and job creation in Sint Maarten. The opinion of Minister Irion on this shift is that it will impact the low-income households, but that does not mean negatively. The Minister continued by stating that there is a unique situation in Sint Maarten, which is sharing a border with the French side of the island. Furthermore, one of the challenges being faced by Sint Maarten is managing to tax undocumented people, who are not equally and fairly contributing to the economy. Shifting to indirect taxes will mean tackling these challenges. People will consume and will pay indirect taxes, which leads to a contribution to the economy of Sint Maarten. Minister Irion believes that the increase of indirect taxes will generate more tax income for the government to allocate in the important social areas, such as education, social housing, etc. The wage tax will be reduced in the current tax reform, which leads to more purchasing power for households in Sint Maarten. The profit tax will also decrease, so even businesses will have more spending power after the tax reform.

General Principles Tax Reform

Moving forward to the next topic of the interview, Aderlisa asked about lower tax rates to attract foreign investors. Minister Irion believes that it is possible to lower the tax rates without qualifying as a tax haven. Taking the global minimum profit tax rate of fifteen percent into account you will prevent your country from qualifying as a tax haven.

The Minister believes that it is important to make the investment climate of Sint Maarten appetitive for big investors, especially after suffering from, for example, a major hurricane or a pandemic. It is important to make ‘doing business’ easier on the island. According to the minister, there are boundaries when it comes to making the investment climate attractive.

“Sint Maarten is a small island so we have to think about sustainability and the future”

Introduction of new taxes

Taxes on alcohol, tobacco, and sugar are very difficult taxes, due to the open border with the French side of the island. One of the disadvantages of increasing the taxes on alcohol and tobacco is that people will go to the French side to buy these products. Minister Irion believes that increasing the abovementioned taxes and introducing the sugar tax have to be done together with the French side of the island. This matter was also recently discussed with The Netherlands. Moreover, because the French side of the island does not fully control the tax department, there has to be a delegation to go to Paris and have these discussions on sight.

Aderlisa asked the Minister if healthy drinks containing sugar would also be subjected to taxation within the context of sugar tax. The minister pointed out that this matter is very important, and that it is important to demote sugary drinks. We have a relatively high amount of diabetes within the Caribbean, which is near fifty percent in the whole region. This matter puts a burden on our health

system, so being healthier would ease the burden on our health system. The Minister does not believe that they will ease this burden with only a sugar tax. Furthermore, the sugar tax income would be allocated to education and free gyms, etc. Thus, the sugar tax would lead to a healthier population. But the minister does not believe in forcing the citizens of Sint Maarten to go against their will.

Advice to students and professionals

The Minister of Finance of Sint Maarten advises students and professionals to always look at their final goals, and how they are positively going to contribute to society.

“Achieve your goals for yourself. On the journey to success remember the people that were there for you and be a good example for them. Always give back to your fellow men and life will give you back in return. I encourage you to read books with regards to emotional intelligence.”



GLOBAL MINIMUM TAX

By Terrence Melendez, Managing Director, Caribbean Tax Desk at EY Dutch Caribbean

Considering the globalization and digitalization of the economy, government tax policymakers around the world have been working on proposals that could significantly change long-standing international tax rules. The OECD¹/G20² project on addressing the tax challenges of the digitalization of the economy began in 2019 and builds on the final reports issued in 2015 in the earlier project on Base Erosion and Profit Shifting (BEPS).³ The current project is referred to as BEPS 2.0 and consists of Pillar One and Pillar Two.

The work on BEPS 2.0 is being conducted through the Inclusive Framework, which consists of 141 participating jurisdictions, including Curaçao.⁴ In October of 2021, the OECD released a statement (the October Statement) reflecting the agreement reached by 136 of the Inclusive Framework members on core design features of the two-pillar solution developed in the BEPS 2.0 project.⁵ Mauritania has since become a member of the Inclusive Framework and joined the October Statement, bringing the total number of jurisdictions participating in the agreement to 137.⁶ The October Statement sent a clear signal that the international tax landscape will soon be fundamentally transformed.

The changes being developed would significantly alter the overall international tax architecture under which multinational enterprises (MNEs) operate. According to the OECD, each pillar addresses a different gap in the existing rules that currently allow MNEs to reduce their tax liabilities. First, Pillar One should apply to about



TERRENCE MELENDEZ

100 of the biggest and most profitable MNEs by re-allocating part of their profit to the countries of their consumers.⁷ Even though Pillar One's approach to assigning a greater share of taxing rights over the global business income of MNEs to market countries is interesting at the very least, the focus of this article is on Pillar Two.

Pillar Two should apply to a much larger group of MNEs and consists of a series of interlocking rules that allow countries to impose additional tax on low-taxed foreign income to which they have a connection.

This way MNEs organizing their affairs in a manner that their profits in a jurisdiction are subject to a low effective tax rate, would still end up paying a minimum of 15% in taxes on those profits. Based on OECD's calculations, the implementation of Pillar Two would generate around USD 150 billion in additional global tax revenues annually.⁸

Pillar Two includes two rules that countries can implement in their domestic tax laws, known together as the Global anti-Base Erosion rules (GloBE Rules), and a treaty-based rule. The GloBE Rules cover the domestic implementation of the 15% global minimum tax and are made up by the Income Inclusion Rule (IIR) and its backstop, the Undertaxed Payments Rule (UTPR).^{9,10} In December of 2021, the OECD released the Pillar Two model rules (Model Rules) for domestic implementation of the GloBE Rules.¹¹

Generally, a MNE and its group entities (Constituent Entities) are in scope of the GloBE Rules if the annual revenue in the consolidated financial statements of the ultimate parent entity (UPE) is EUR 750 million or more for two out of the four fiscal years immediately preceding the tested year.¹² However, according to the October Statement, jurisdictions are free to apply the IIR to MNEs headquartered in their country even when the threshold of EUR 750 million is not met.¹³

MNEs in scope of the GloBE Rules would have to calculate their effective tax rate (ETR) for each jurisdiction where they operate and pay a top-up tax insofar their ETR per jurisdiction is below the 15% minimum rate.¹⁴ For example, if an in-scope MNE has Constituent Entities with an ETR of 13% in a specific foreign jurisdiction, the applicable top-up tax would, in short, be 2%.^{15,16}

The primary GloBE Rule that creates the liability to top up tax for a member of an in-scope MNE is the IIR. The IIR requires

that a parent entity pays its allocable share of the top-up tax with respect to a low-taxed Constituent Entity and includes an ordering rule that operates through a top-down approach, starting with the UPE. If the UPE is not located in a jurisdiction that has implemented the IIR, the highest parent entity in the ownership chain located in a jurisdiction that has implemented the IIR pays its allocable share of the top-up tax instead.^{17,18}

As a backstop, the UTPR comes into play in case no parent entity in the ownership chain of the low-taxed Constituent Entity applies the IIR. In such scenario the UTPR works by allocating top-up tax to jurisdictions where the MNE is active, based on a two-factor formula.¹⁹

The third element of the Pillar Two global minimum tax framework is the Subject to Tax Rule (STTR), which is a treaty-based rule that allows source jurisdictions to impose withholding tax on certain related party payments that are subject to tax below a minimum rate of 9%.²⁰ The in-scope payments for purposes of the STTR are interest, royalties and other type of payments that are yet to be defined. In this respect, a nominal rate test should apply to the item of income, after adjusting for certain permanent changes in the tax base that are directly linked to the payment or the entity receiving it.²¹ Therefore, if the payment involved is taxed at a nominal rate lower than 9%, then the tax treaty will grant a taxing right to the country of the payor based on the STTR for the difference.²²

¹ Organization for Economic Co-operation and Development.

² The G20 includes the European Union and 19 individual countries: Argentina, Australia, Brazil, Canada, China, France, Germany, India, Indonesia, Italy, Japan, South Korea, Mexico, Russia, Saudi Arabia, South Africa, Turkey, the United Kingdom and the United States.

³ OECD (2015), Addressing the Tax Challenges of the Digital Economy, Action 1 - 2015 Final Report, OECD/G20 Base Erosion and Profit Shifting Project, OECD Publishing, Paris, <https://doi.org/10.1787/9789264241046-en>.

⁴ For a complete list of the Inclusive Framework members, please visit: <https://www.oecd.org/tax/beps/inclusive-framework-on-beps-composition.pdf>.

⁵ OECD (2021), Statement on a Two-Pillar Solution to Address the Tax Challenges Arising from the Digitalisation of the Economy – 8 October 2021, OECD, Paris, <https://www.oecd.org/tax/beps/statement-on-a-two-pillar-solution-to-address-the-tax-challenges-arising-from-the-digitalisation-of-the-economy-october-2021.pdf>.

⁶ The four jurisdictions that did not join the October Statement are Pakistan, Kenya, Nigeria and Sri Lanka.

⁷ OECD/G20 (2021), Inclusive Framework on Base Erosion and Profit Shifting (BEPS) Statement on the Two-Pillar Solution to Address the Tax Challenges Arising from the Digitalisation of the Economy, Frequently Asked Questions, <https://www.oecd.org/tax/beps/faqs-statement-on-a-two-pillar-solution-to-address-the-tax-challenges-arising-from-the-digitalisation-of-the-economy-october-2021.pdf>.

⁸ See footnote 7.

According to the implementation plan in the October Statement, the Pillar Two rules should be brought into domestic law in 2022 to be effective in 2023, except for the UTPR which is to enter into effect in 2024. The GloBE Rules are designed as a common approach, which means that Inclusive Framework members, such as Curaçao, are not required to adopt the GloBE Rules but if they choose to do so, they should implement and administer the rules in a way that is consistent with the Model Rules.²³ Inclusive Framework members are also required to accept the application of the GloBE Rules by other Inclusive Framework members.

The OECD expects to release the commentary relating to the Model Rules in early 2022. In addition, the Inclusive Framework is developing the model treaty provision for the STTR and a multilateral instrument for its implementation, which the OECD expects to also release

in the early part of this year. Finally, the OECD notes the work to be done on development of an implementation framework addressing administration, compliance and coordination matters related to Pillar Two and announces that a public consultation event on the implementation framework will be held in February 2022.

It is important for MNEs to evaluate the potential impact of the global tax changes both on their tax positions and on their data and compliance processes and systems. MNEs should also monitor activity in relevant jurisdictions related to the implementation of the global minimum tax rules through changes in domestic tax legislation. On the other hand, the Inclusive Framework members and other countries should decide on how best to deal with the implications and opportunities related to these international tax developments.



⁹ In OECD (2020), Tax Challenges Arising from Digitalisation – Report on Pillar Two Blueprint: Inclusive Framework on BEPS, OECD/G20 Base Erosion and Profit Shifting Project, OECD Publishing, Paris, <https://doi.org/10.1787/abb4c3d1-en>, chapter 6, the switch-over rule has also been presented. In short, the switch-over rule would enable a parent entity to apply the IIR to the income of a permanent establishment in a treaty situation. However, the switch-over rule has not been discussed in the most recent Pillar Two related publications by the Inclusive Framework.

¹⁰ The October Statement indicates that the minimum effective tax rate for purposes of the IIR and the UTPR will be 15%.

¹¹ OECD (2021), Tax Challenges Arising from the Digitalisation of the Economy – Global Anti-Base Erosion Model Rules (Pillar Two): Inclusive Framework on BEPS, OECD, Paris, <https://www.oecd.org/tax/beeps/tax-challenges-arising-from-the-digitalisation-of-the-economy-global-anti-base-erosion-model-rules-pillar-two.htm>.

¹² Governmental entities, international organizations, non-profit organizations and pension funds are, among others, excluded from GloBE Rules. For the complete list of exclusions from the GloBE Rules, I refer you to chapter 1 of the Tax Challenges Arising from the Digitalisation of the Economy – Global Anti-Base Erosion Model Rules (Pillar Two) ([oecd.org](https://www.oecd.org/tax/beeps/tax-challenges-arising-from-the-digitalisation-of-the-economy-global-anti-base-erosion-model-rules-pillar-two.htm)) (footnote 11).

¹³ See footnote 5.

¹⁴ The rules for calculating the income and the taxes attributable to that income, in order to determine the ETR, are explained in chapters 3 and 4 of Tax Challenges Arising from the Digitalisation of the Economy – Global Anti-Base Erosion Model Rules (Pillar Two) ([oecd.org](https://www.oecd.org/tax/beeps/tax-challenges-arising-from-the-digitalisation-of-the-economy-global-anti-base-erosion-model-rules-pillar-two.htm)) (footnote 11).

PILLAR TWO AND ITS IMPACT ON CARIBBEAN JURISDICTIONS

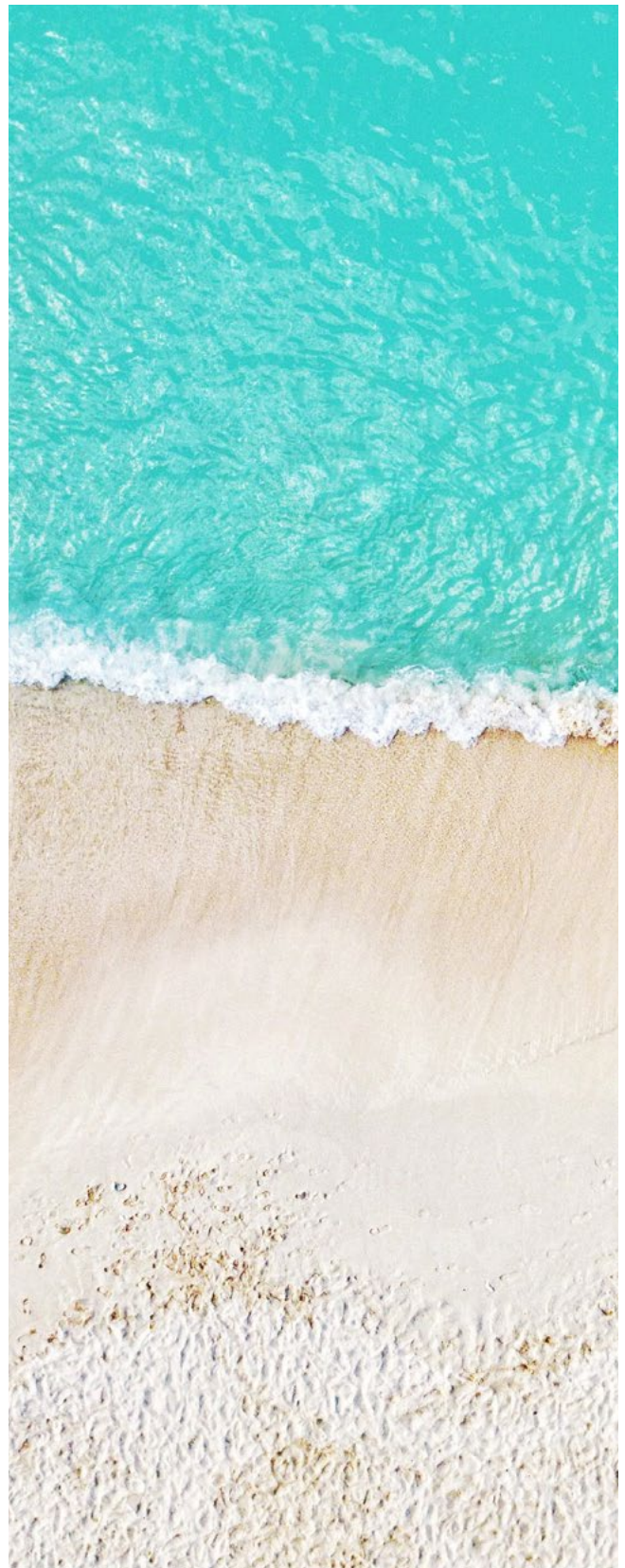
Terrence Melendez commented on two statements made by Germaine Rekwest regarding the impact of Pillar Two on Caribbean jurisdictions.

Statement by Germaine Rekwest:

Pillar Two will mainly adversely impact the small Caribbean jurisdictions with large international financial services sectors. It is therefore expected that jurisdictions like Suriname will be less affected by Pillar Two.

Comment by Terrence Melendez:

Due to Pillar Two, in-scope MNEs with group entities in Caribbean jurisdictions with low effective tax rates will end up paying a minimum of 15% in taxes on their profits booked there (subject to carve outs for real, substantial activities). However, one should also keep in mind that the MNEs will not be able to transfer these group entities and/or activities to a different jurisdiction just to lower the effective tax rate, as the minimum global tax rate of 15% would apply regardless. Therefore, it is important for these Caribbean jurisdictions to adjust to this new international tax landscape by re-inventing themselves and identifying other ways to successfully compete with jurisdictions instead of with low tax rates. By introducing different incentives, leveraging the expertise gathered over the many years of providing international financial services and adding real economic value for their customers, the Caribbean jurisdictions should still be able to market their



services in the future and support commercial transactions that are not merely tax driven. Regarding Suriname, it is important to mention that Suriname is not a member of the BEPS Inclusive Framework.²⁴ Considering the corporate tax rate in Suriname, which is higher than 15%, and the type of companies typically established there, such as mining companies, Pillar Two would indeed seem less impactful for in-scope MNEs with respect to their operations in Suriname. Nonetheless, the Pillar Two developments should still be monitored as it is possible for the jurisdictional effective tax rate of group entities in Suriname to be less than 15% due to, for example, application of a tax holiday or other tax incentives for business enterprises in Suriname.

Statement by Germaine Rekwest: Caribbean members of the BEPS Inclusive Framework are committed to implement Pillar Two in their legislation. So, these jurisdictions will be less flexible in introducing incentives to attract investment at rates lower than 15%.

Comment by Terrence Melendez: Since the GloBE Rules will have the status of a common approach, the Caribbean members of the Inclusive Framework are not required to implement these rules or to increase their corporate tax rates.

So, these jurisdictions will in principle still be able to introduce tax incentives with rates lower than 15% if they want. However, the Caribbean jurisdictions will in any case be required to accept the application of the GloBE Rules by other Inclusive Framework members, such as the jurisdiction of the (ultimate) parent entity of the low-taxed entity in the Caribbean. Therefore, introducing a tax incentive that leads to a low effective tax rate in the Caribbean jurisdiction would not help to attract in-scope MNEs, as this would still lead to a top-up tax charge abroad.

Considering the above, a jurisdiction in the Caribbean with a tax system that leads to an effective tax rate of less than 15% may consider introducing a higher tax rate for businesses with a consolidated turnover in excess of EUR 750 million, to collect a top-up tax locally instead. In addition, they should consider introducing different incentives to distinguish themselves from the competing jurisdictions (as previously mentioned).

¹⁵That top-up percentage is subsequently applied to the so-called GloBE income in the respective jurisdiction, after deducting a substance based income exclusion and in accordance with Chapter 5 of [Tax Challenges Arising from the Digitalisation of the Economy – Global Anti-Base Erosion Model Rules \(Pillar Two\)](#) (oecd.org) (footnote 11).

¹⁶Please note that if a jurisdiction has a domestic minimum (top-up) tax that is consistent with the Pillar Two Model Rules, such domestic tax can be credited against any Pillar Two minimum tax liability.

¹⁷Details regarding the IIR and the UTPR are outlined in chapter 2 of [Tax Challenges Arising from the Digitalisation of the Economy – Global Anti-Base Erosion Model Rules \(Pillar Two\)](#) (oecd.org) (footnote 12).

¹⁸A de minimis exclusion applies where there is a relatively small amount of revenue and income in a jurisdiction.

¹⁹The two-factor formula of the UTPR, in short, relies on the carrying value of the intangible assets and number of employees in the respective jurisdiction.

²⁰The October Statement indicates that the nominal tax rate used for the application of the STTR will be 9%.

²¹OECD (2020), Tax Challenges Arising from Digitalisation – Report on Pillar Two Blueprint: Inclusive Framework on BEPS, OECD/G20 Base Erosion and Profit Shifting Project, OECD Publishing, Paris, <https://doi.org/10.1787/abb4c3d1-en>, chapter 9.

²²Please note that the STTR has priority over the GloBE Rules and that any taxes incurred due to the application of the STTR should be considered when determining the ETR per jurisdiction for the Constituent Entities for GloBE Rules purposes.

²³See footnote 5.

²⁴<https://www.oecd.org/tax/beps/inclusive-framework-on-beps-composition.pdf>

PASSAAT FOUNDATION (STICHTING PASSAAT)

Where it started

Student Association Passaat (Studenten Vereniging Passaat) was founded in September 1997 by students from the Erasmus University Rotterdam, coming from the Dutch Caribbean islands. Their goal was to create a space where members and students from these islands could connect with others from their home cultures while living and studying abroad. The association organized a range of events focusing on social connection between members, as well as workshops and career fairs focused on the professional development of students and Young Professionals.

About the foundation

The Passaat Foundation (Stichting Passaat) was founded in 2014 after being named the beneficiary of Student Association Passaat. Three former board members and committee members of the former student association now serve on the foundation's board. The board of the Passaat Foundation: Aisha Doran (chair), Amedee Wever (secretary), Silvia-Monica Semeleer (treasurer) and Claire Edwards (general board member). The goal of the foundation is to provide financial and advisory support to other active organizations focused on serving the Dutch Caribbean community in the Netherlands and on the Dutch Caribbean islands, similar target group as the former student association. This goal is achieved by supporting organizations, activities and initiatives based on the following principles:

- Introducing youth, students and Young Professionals to the Dutch Caribbean culture and strengthen the bond between these groups;
- Encouraging the social, personal and professional development of Dutch Caribbean youth, students and Young Professionals in the Netherlands;
- Represent the interests of the Dutch Caribbean community in the Netherlands.

Over the past 7 years, the Passaat Foundation has supported initiatives from several organizations, including sporting events, seminars, educational trips and programs focusing on creative and social development in the Netherlands as well as the Caribbean.

Going forward the foundation looks forward to supporting initiatives that will reflect the current challenges that youth, students and young professionals are facing in an ever-changing environment. Would you like to know whether your organization is eligible for (financial) support from the Passaat Foundation? Please visit <http://stichtingpassaat.com/> Under 'Applications' you will find all information about what we can do for your organization, the conditions and the application procedure.



PROPOSED TOURIST TAX BONAIRE 2022

By Hans Ruiter, Tax Partner at Grant Thornton Aruba

Current Tourist Tax

According to the 2019-2023 governance program of Bonaire, the current tourist tax is not collected efficiently, which results in approximately USD 3 million tourist tax per year not being collected. The Executive Council of Bonaire therefore believes that the tourist tax needs to be amended and modernized. In the current island tourist tax ordinance (A.B. 2010, no. 6, amended by A.B. 2015, no. 1), the tax is based on the overnight stay of a non-resident (article 2 Tourist Tax Ordinance Bonaire) and amounts to USD 5.45 per night (article 6 Tourist Tax Ordinance Bonaire). Day visitors and cruise ship visitors do not fall within the scope of the current tourist tax. Under the proposed new legislation, the name of the current tourist tax ordinance will be amended to 'Tourist Tax Ordinance Bonaire 2022' as of January 1, 2022. Under the new proposed tourist tax ordinance, providers of accommodation (for example hotel operators or providers of other accommodation) are no longer regarded as taxpayers for the tourist tax.

Tourist Tax 2022

The tourist tax based on the proposed Tourist Tax Ordinance Bonaire 2022 is levied based on the stay in Bonaire by a visitor (article 2 proposed Tourist Tax Ordinance Bonaire 2022). **The Tourist Tax must be paid by the visitor prior to or upon arrival in Bonaire.** Staying on board of ships and boats, which are in territorial waters of Bonaire, also falls within the scope of the tourist tax.

Visitors of Bonaire who stay on cruise ships will also be subject to the proposed Tourist Tax Ordinance Bonaire 2022 as of September 1, 2022. In the case of cruise ships, it is possible for the operator of the cruise ship to pay the tax on behalf of the passengers and charge the cruise ship passengers for the tax.

Declaration and Payment

It is the intention that the tourist tax will be paid via a digital portal and that proof of payment can be shown upon arrival of the visitor. An online platform is being developed for this purpose. This should ensure that most visitors have filed the declaration and made the payment before arrival. Visitors who have not yet paid the tourist tax before arrival via the online platform, are offered the opportunity to do so upon arrival on Bonaire. In case the visitor has not completed, filed and paid the tourist tax, it is possible to impose an additional assessment on the visitor. The additional assessment must be paid in full at that moment. In addition, if the tourist tax has not been paid on time, penalties may be imposed. The penalty has a punitive character and is also meant to be dissuasive according to the Explanation to the law.

As mentioned above, as of September 1, 2022, **offering accommodation on cruise ships is also regarded as a taxable event for the new tourist tax**. In that case the operator of the cruise ship is responsible for the preparation and filing of the return and payment obligations regarding all cruise passengers. **The operator of the cruise ship can charge tourist tax to the cruise ship passengers** (article 3 proposed Tourist Tax Ordinance Bonaire 2022).

Rate

As of January 1, 2022, the following rates will apply according to the proposed Tourist Tax Ordinance Bonaire 2022:

- USD 50 for visitors of 13 years and older (crew members of aircrafts and ships are not considered as visitors and are not subject to tourist tax).
- USD 10 for visitors coming from Aruba, Curaçao, Saba, Sint Eustatius or Sint Maarten.
- USD 10 for visitors aged 12 and younger.
- A zero rate applies for returning visitors who have already paid tourist tax within a twelve-month period prior to the start of the stay (the zero rate for returning visitors within 12 months does not apply to cruise ship visitors according to the Explanatory Notes).
- As of September 1, 2022: USD 10 for cruise ship visitors.

These rates are regardless of the number of days spent in Bonaire. Residents of Bonaire are not considered visitors and are therefore not subject to the new tourist tax. Residency can be proven for visitors aged twelve years and older by means of a valid ID (sedula). Furthermore, on October 6, 2021, an amendment was proposed based on which also students can apply the zero rate. A zero rate for students is considered important to mitigate the so-called “brain drain” of Bonaire. Students who study abroad should encounter as little obstacles as possible to return to Bonaire for visits.



Withdrawal of rental tax motor vehicles and head tax

With the introduction of the proposed Tourist Tax Ordinance Bonaire 2022, the Island Ordinance Rental Tax for Motor Vehicles Bonaire (A.B. 2010, no. 5) will be withdrawn as per 1 January 2022 and the 'head tax' (retribution for the use of a pier or wharf by tourist ships, A.B. 2010, no. 7, amended by A.B. 2019, no. 7) will be withdrawn as per September 1, 2022.

Exemption ABB

Because of the withdrawal of the current tourist tax ordinance, the General Expenditure Tax ('ABB') exemption (article 6.11, paragraph 1, letter k) will no longer apply and the services which were subject to tourist levy would become taxable with 6% ABB. Since this is not the intention of the local legislator, the current tourist tax will remain applicable for the time being with a symbolic rate of USD 0.01 to avoid the accumulation of the ABB and tourist tax. **As soon as the article of the ABB legislation containing the exemption is amended, the current tourist tax ordinance will be withdrawn.**

Other Caribbean islands and countries

Other Dutch Caribbean islands also levy taxes on the stay of a tourist. However, the tax is normally levied on the room price that is charged by the hotel or accommodation rather than the arrival of the tourist as is proposed on Bonaire. Surinam does have a tourist tax that is similar to the proposed tourist tax in Bonaire and which has to be paid upon arrival.

THE TAX AUTHORITIES OF THE DUTCH CARIBBEAN ON THE MAP

By Tessa Schoenmakers and Sharon Eliazer, working at the Tax Office of the Dutch Caribbean through the eyes of two tax specialists

The Tax Authorities of the Dutch Caribbean, “Belastingdienst Caribisch Nederland (CN)”, is part of the Dutch Tax Authorities and, with more than 110 employees, is responsible for levying, supervising and collecting taxes and the execution of the Tax, Customs and Excise legislation within the islands of Bonaire, Sint Eustatius and Saba (BES).

As a tax specialist at Belastingdienst CN I have a unique position. I work on complex cases for which often new solutions have to be found. I am in close contact with the legislative specialists in order to use the knowledge I gain in the execution to contribute to the question whether the legislation still does justice to the rapidly changing society. The work is very diverse and covers all issues in the field of all taxes. Taking into account that society is constantly changing, I am every day challenged with the diversity of work and to develop myself in order to carry out different assignments. I have a lot of independence in my work. But I can also consult my colleagues within Belastingdienst CN and the Tax Authorities in the Netherlands. The colleagues in the Netherlands assist us with the interpretation of the tax legislation in certain complex cases. It is therefore often unnecessary to reinvent the wheel. Of course there are also topics that are inherent to the local legislation of the islands BES. For these specific

topics creativity and good analytical skills are a must. Working as a tax specialist within Belastingdienst CN gives me great satisfaction. I would not want to miss the experience of working in this office.



Tessa Schoenmakers

On 1 October 2021, I joined the team at Belastingdienst CN. I have been appointed as a tax specialist, working on all tax matters on the BES islands. You must be wondering what a tax specialist does on a daily basis. The tax system for the

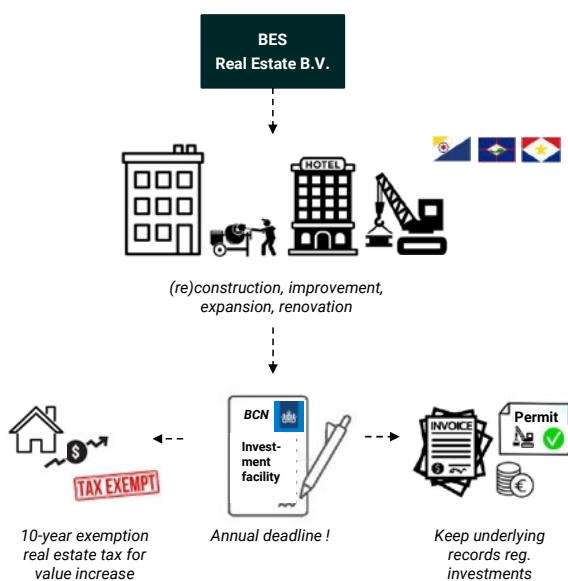
islands may be a simplified system with a flat tax rate for the income tax, a general expenditure tax for the supply of goods, services and import, a revenue tax instead of a profit tax, and a property tax with a notional return for the second home, but that does not mean that these taxes do not have their own challenges. The tax legislation can lead to interesting discussions between the Belastingdienst CN and the taxpayer. It is the task of the tax specialist within the Belastingdienst CN to ensure proper compliance with the tax legislation, but not to lose sight of reasonableness and fairness. Applying the tax legislation is not always black and white, but the outcome often depends on the specific circumstances of the case. In addition to working on tax matters, as a tax specialist you are also requested to provide input at a policy level for the improvement of the organization. In recent years Belastingdienst CN has made major progress on an organizational level and is continuously striving for improvement. We hope that we have given you an impression of our work at Belastingdienst CN and that our article inspires you to become part of our team.



Sharon Eliazer

CARIBBEAN NETHERLANDS REAL ESTATE TAX | THE INVESTMENT FACILITY

By Jaap Roks



- **Real estate tax** (in Dutch: "Vastgoedbelasting") is a national tax that is levied on (deemed) income of real estate located in the Caribbean Netherlands (i.e. Bonaire, Sint Eustatius and Saba).
- Real estate tax is levied annually **on the value of the real estate**, in principle at **0.91% in Bonaire** (including island surcharge) and at **0.7% in Sint Eustatius and Saba**.
- **No real estate tax** is levied on real estate which can be classified as an **owner-occupied residence**, or if the real estate belongs to a **sole proprietorship or partnership**.²
- The Tax Authorities determine the value for real estate tax purposes once every five years. Within this period the tax authorities may revise the value, for example in case the real estate is reconstructed. If tax would be levied immediately on the value increase, investing would become less attractive. Therefore, an **investment facility** has been introduced. Changes in value of the real estate caused by (re)construction, improvement, expansion or renovation are temporarily exempt. The duration of the exemption is **ten years**.
- A **special request procedure** needs to be followed within one year after the calendar year in which the investment was made. **It is critical that a correct request is submitted timely.**

INVITATION TRILOGY-WEBINAR

Invitation Trilogy-webinar

The expertise center ITEM, in collaboration with the University of Curaçao, is organizing the second edition of the Trilogy-webinar on February 1, February 8 and February 15, 2022:

'Future perspectives on Kingdom relations'

In this second edition of the Trilogy-webinar, we will first delve into the topic from a geopolitical and constitutional point of view (1 February). We will also discuss the Caribbean Body for Reform and Development (COHO). In part 2 (8 February) of the Trilogy-webinar we will enter into a debate with national and international tax experts on the shift from direct taxes into indirect taxes in the Caribbean part of the Kingdom. Part 3 will be held on February, 15 and will focus on

reflections on a 'Robust tax system' in the Caribbean parts of the Kingdom. The sessions will be moderated by Sander Kramer, researcher at ITEM; short introductions to the topics will be provided by Germaine Rekwet, researcher at the University of Curaçao and Leiden University. The line-up of international guest speakers will be announced before each session. The webinars will take place on three consecutive Tuesdays (via Zoom). The start is always at 3 p.m. (for the Caribbean parts) and at 8 p.m. (for the Dutch part of the Kingdom). The meetings last approximately 75 minutes. The official language is Dutch. After registering via email, you will immediately receive the Zoom link. Sign up via: sander.kramer@maastrichtuniversity.nl



UNIVERSITY
OF CURAÇAO
DR. MOISES DA COSTA GOMEZ

VALUE ADDED TAX - VAT IN SURINAME?

By Priscilla Lachman

VAT can be a simple, fair and efficient tax system, if implemented and monitored correctly. It is not surprising, therefore, that since the mid-1980s, many advanced countries of Europe and Asia have tried to rebalance their tax systems away from a heavy reliance on direct taxes and towards the taxation of consumption.

Today, more than 160 nations, including the European Union, Asian and Caribbean countries such as Bahamas, Guyana, etc. practice this form of taxation. **Roughly 90 percent of the world's population live in countries with VAT.** Like any tax, it's a source of revenue for public spending. It simply generates a lot of money for the government. As a result, Suriname is also planning to implement a VAT. According to my information, it's the third attempt to implement VAT in Suriname.

Suriname has made attempts to prepare and implement a VAT system since 2012. This time, the aim is to have the VAT implemented by July 2022 as mentioned and announced by the government. On 26 June 2021, the Suriname parliament approved a recovery plan 2020-2022 to combat the economic crisis in Suriname. In this plan it is stated that the VAT will be introduced in Suriname as per July 2022. The introduction of the VAT is part of the Government's tax reform programme to enhance the efficiency and effectiveness of the existing taxation system. It seems that they are result oriented this time. And I understand why.

VAT is proven to be a better tax system as it is more effective, efficient, transparent and business friendly and could spur

economic growth as well as increase competitiveness in the global market. VAT is capable of generating a more stable source of revenue to the nation because it is less susceptible to economic fluctuations. VAT taxes all sales, whether wholesale or retail, but allows registered traders to deduct the tax charged on their inputs. It is therefore a tax on the value added at each stage of the production process. Since the value of the final product is the total of the value added at each stage of production, the tax base—total value added—equals the value of final sales paid for by the end consumer. Consequently, the tax is in effect imposed on the value of the final product but is collected in small chunks from each link in the supply chain. VAT charged on sales to registered traders who sell on an item or use it in production can be reclaimed by the purchaser; only VAT on retail sales cannot be reclaimed. VAT therefore taxes only final consumption and leaves production decisions undistorted.



PRISCILLA LACHMAN

Various benefits that VAT has are:

- The revenue from VAT could be used for development purposes for social infrastructure like health facilities and institutions, educational infrastructures and public facilities.
- VAT is a better and more efficient method of revenue collection for the government. More funds can be channelled into nation-building projects for progress towards achieving a high-income nation.
- With VAT, taxes are levied fairly among all the businesses involved, whether they are in the manufacturing, wholesaling, retailing or service sectors.
- VAT will be administrated in a fully computerized environment, therefore speeding up the delivery, especially for refund claims. This makes it faster, more efficient and reliable.
- The current tax system has many inherent weaknesses making administration difficult. The VAT system has in-built mechanism to make the tax administration self-policing and therefore will enhance compliance.
- Unlike the present sales tax, consumers would benefit under VAT as they will know exactly whether the goods, they consume are subject to tax and it is clear how much VAT is charged on the amount they pay for the product.

Important to keep in mind is that VAT is complex to administer and depends for its operation on careful auditing and enforcement. The preparation of implementing a VAT is therefore the most important aspect for a successful result. It is necessary to replace/adjust the existing tax system in order to eliminate

its inherent weaknesses such as cascading and compounding effects, transfer pricing and value shifting, no complete relief on goods exported, discourage vertical integration, administrative bureaucracy, classification issues etc. This, the preparation phase, may be the most challenging phase for the government in Suriname.



It will be interesting to follow the implementation steps, the evaluation and the outcome of the VAT implementation in Suriname. **Important and crucial is that there will be an adequate lead time to allow companies to prepare their systems**, train staff and staff up for the introduction of the VAT regime. The Finance Ministry will similarly need to staff up and implement sophisticated IT systems to deal with VAT collection and taxpayer monitoring and audits. **VAT education for the taxpayers and tax officials will need to be up to date.** All stakeholders will need to be informed and educated timely and properly in order for the VAT to be accepted by the taxpayers.

If implemented successfully, the following should at least be accomplished by the government in Suriname:

- Broaden the tax base, thereby spreading the burden of taxation more equitably.
- Establish a fair system because it affects the broadest range of taxpayers so as to ensure more of the people who benefit from public services also contribute to paying for them.
- Create a more stable revenue source than in the past and existing taxes because it depends only on how much people consume. It is less affected by economic cycles and the shock effect of world events, such as oil prices, foreign wars, acts of terrorism etc. It therefore avoids the economic uncertainties and fluctuations of direct taxation, such as income tax and corporation tax.

- Due to the fact that VAT is a tax on consumption, at the point of sale, there is an immediate cash flow benefit to the Government.

- The VAT covers a broad range of goods and services and is also effective in controlling the growth of overall consumption.

The VAT implementation will be a big change for the taxpayer and the government, but Suriname can learn from the former VAT systems implemented by other countries and hopefully - with the help of VAT experts and organisations such as CARTAC – the VAT implementation will be a success.

I wish the government all the best and trust that the VAT will be implemented properly. Hoping for the best and eagerly waiting to see what happens in 2022!

SURINAME - TAX LAW AMENDMENTS & UPDATES

*Kimberly Schreuders, Senior Tax Manager
at EY Suriname*

Recently two Tax Law Proposals were issued by the Suriname Ministry of Finance. The Law Proposal on withholding taxes contains a withholding tax of 20% on the outgoing payments for certain goods and services ('WHT on outgoing payments'); and a withholding tax of 25% on branch profit remittances. The date of introduction included in both Law Proposals is 1 January 2022. However, the Suriname Government Authorities announced that this date can't be met and that a date of introduction on 1 July 2022 seems more feasible.

One of the main aims of these Law Proposals is to create the same level playing field between Suriname domestic and foreign taxpayers. Through amendment of the tax legislation, the risk of the avoidance of taxes should be minimized which should contribute to a fair distribution of the tax burden.

The WHT on outgoing payments applies if a compensation is paid to a non-resident Suriname individual or entity. The non-resident Suriname individual or entity is also the taxpayer whereas the party arranging for payment only acts as a withholding agent. It is triggered in such a wide variety of transactions with a non-resident individual or entity that this will in most cases apply if the payment is deducted of the amount of profit which is subject to corporate tax in Suriname. The WHT on outgoing payments qualifies as a pre-levy on the Suriname corporate tax for the provider of the goods or services if subject to Suriname corporate tax. Therefore, the WHT can be compensated with any corporate tax due by the non-resident Suriname individual or entity. However, the WHT may exceed the annual corporate tax due as the WHT is calculated over the gross amount of the remunerations paid whereas the corporate



tax is calculated over the net amount of taxable profit. In case the WHT exceeds the amount of corporate tax due, the WHT can only be carried forward for a period of 2 years. If any amount of WHT will remain after those 2 years, such remaining amount will expire.

The contemplated WHT on branch profit remittances is a tax which is levied on the remittance of profit by a Suriname branch to its foreign head office. Actual remittance is not required. The profit is considered remitted by the end of the financial year in which the profit arose.

The tax becomes due ultimately by the filing deadline of the final corporate tax return for the financial year in which the profit arose. This WHT is not considered a pre-levy and as such can't be compensated with Suriname corporate tax.

Both Law Proposals have been shared by the Ministry of Finance with numerous stakeholders for their comments and insights. After the consultation is finished, the Law Proposals still need to go through the entire legislative process in order to enter into effect. Considering the extent of the discussions around the Law Proposals, it should be taken into account that the Law Proposals may still undergo changes.

THE “SURINAAMSE FEDERATIE VAN BELASTINGADVISEURS”

The “Surinaamse Federatie van Belastingadviseurs” (SFB) is an interest group of tax service providers active in Suriname, which has developed over the years into an important stakeholder in the field of taxation in Suriname. From that position we strive to contribute where necessary to a balanced development of the general fiscal policy in Suriname, but especially the development of the levy and collection of taxes, which play an instrumental role in this.

It is the ambition of the SFB to strengthen its reputation with stakeholders and thus to be structurally involved as a discussion partner in tax-relevant matters. The SFB strives to make an active contribution to the tax debate with the knowledge available within the organization. SFB does this by acting as a discussion partner for policymakers in preparing measures to improve our tax system and to improve the functioning of the Tax and Customs Administration.

The accredited SFB tax advisors advise their clients in their daily work as “trusted advisor” about the tax opportunities for their business, within the limits of law and the professional rules of the organization.

The professional rules of SFB tax advisors stand for quality, integrity and transparency and are laid down in the SFB Regulations for Professional Practice, SFB Code of Conduct, which prescribes the rules that SFB members

must adhere to in the exercise of their profession as tax advisors. The SFB Code of Conduct has been compiled on the basis of current international standards for professional organizations comparable to the SFB and regulates subjects such as integrity, professional ethics, compliance, independence, competence, agreements on fees and protection of client information.

By committing to the SFB Code of Conduct, the SFB tax advisor builds in a certain quality guarantee for its services and is allowed to present itself in practice as a Chartered Tax Advisor (CTA). In the same context, certain requirements are set for admission as a member. A continuing education program is also in preparation, aimed at training members and mentoring new members.

The board of the SFB consists of mr. Roy Shyamnarain (chairman), Farousha Rellum MSc. (secretary), mr. Liesbeth Kuenen (treasurer), Nazna Ishaak MSc. (Commissioner) and Mr. Siegfried Kenswil (Commissioner). If you would like to know more about the SFB, please visit the website www.sfb.sr.



INTERNATIONAL TAXATION & BLACKLISTING

*By Wessel Geursen, Senior Legal Adviser
at De Brauw Blackstone Westbroek*

The EU and OECD try to prevent tax evasion and tax fraud by promoting good tax governance worldwide; or perhaps by imposing what they consider to be good tax governance by blacklisting and repressive measures. Tax jurisdictions which do not cooperate with them, have been blacklisted, amongst which several Caribbean jurisdictions. The Caribbean Community (CARICOM) considers this discriminatory and is of the opinion that substantial progress at compliance with global standards has been made by its member states.¹ It calls upon the EU to desist blacklisting small states and to pursue a truly mutually collaborative engagement. On the current EU blacklist appear three Caribbean jurisdictions: Panama, Trinidad & Tobago and the US Virgin Islands; another five have been greylisted: Anguilla, Barbados, Costa Rica, Dominica and Jamaica.²

On 15 April 2021, negotiators from the Organisation of African, Caribbean and Pacific States (OACPS), representing 79 states, and the EU agreed on the text of a new post-Cotonou treaty,³ which is now awaiting ratification. Three regional

protocols are attached to this new agreement, also one for the Caribbean region. Both the agreement as the Caribbean protocol contain obligations for the Caribbean countries in the field of taxation. Article 12(6) of this new agreement obliges parties to introduce a minimum standard against base erosion and profit shifting (BEPS) and Article 83(3) of the agreement obliges parties to “undertake measures to tackle tax avoidance, tax evasion and other harmful tax practices” by for example the exchange of information. Additionally, Art. 35(3) of the Caribbean regional protocol imposes the principle of good tax governance.

Only independent states are party to this agreement; the Overseas Countries and Territories (OCT) which a part of EU Member States are not. For the OCT, the new association decision of 5 October 2021 applies retroactively as of 1 January 2021.⁴ That decision also contains obligations in relation to taxation. Article 72 OCT-decision sets international standards in financial services, amongst which making best endeavours to ensure the OECD’s Agreement on exchange of information

on tax matters and the G20 'Statement on Transparency and exchange of information for tax purposes' are implemented. Article 73 OCT-decision obliges the OCT "to effectively implement the principles of good governance in the tax area, including the global standards on transparency and exchange of information, fair taxation and the minimum standards against [BEPS]."

¹Statement by the Caribbean Community (CARICOM) of 9 October 2020 on Blacklisting by the European Community, <https://caricom.org/statement-by-the-caribbean-community-caricom-on-blacklisting-by-the-european-community/>

²Council conclusions of 5 October 2021 on the revised EU list of non-cooperative jurisdictions for tax purposes (12519/21).

³Press release of the European Commission of 15 April 2021, "Post-Cotonou negotiations on new EU/Africa-Caribbean-Pacific Partnership Agreement concluded", https://ec.europa.eu/commission/press-corner/detail/en/IP_21_1552

⁴Council Decision (EU) 2021/1764 of 5 October 2021 on the association of the Overseas Countries and Territories with the European Union including relations between the European Union on the one hand, and Greenland and the Kingdom of Denmark on the other (OJ 2021, L355/6).



JOINT ENDEAVOUR OR COLLECTIVE SURRENDER: RESISTING GLOBAL TAX

By Sir Ronald Sanders, Ambassador Extraordinary and Plenipotentiary to the United States and the Organisation of American States

The proposal by the US government to establish a global minimum corporate tax is not a remote matter from the lives of people in the Caribbean. It is a real issue with deep implications for Caribbean economies, and, indeed, for the capacity of Caribbean countries to continue to participate meaningfully in the global trading and financial system.

Neither Caribbean governments nor Caribbean people should ignore it. Their livelihoods depend on it. Further, the countries of the region should already have launched an initiative to respond to the US government's proposal collectively.

When the idea was mooted by Treasury Secretary, Janet Yellen, on April 5, every experience I had as a representative of Antigua and Barbuda, dating back to 1998 when the Organization for Economic Cooperation and Development (OECD) launched its assault on low-tax jurisdictions, told me that developing countries would be steamrolled into acquiescing to it. Consequently, I organized a meeting between officials of the US Treasury Department and a few Caribbean Ambassadorial colleagues on May 7, to better understand the scope of the initiative and the pace at which it would move. It was clear from that meeting, at which the Caribbean ambassadors present made their concerns



SIR RONALD SANDERS

and fears clear, that a minimum global corporation tax would be a juggernaut that would not easily be stopped.

It would have been foolhardy to believe that, even in its transition period, the Biden finance team had not canvassed the minimum tax with officials of the OECD and the International Monetary Fund (IMF). It was no coincidence that, shortly after Secretary Yellen made the announcement of a minimum global corporation tax of 21 percent, IMF officials were endorsing the idea. It took no more than two months for the G7 countries – the US, the UK, France, Germany, Canada, Italy and Japan, plus the European Union (EU) – to adopt a minimum tax for corporations of 15 percent. They did so on June 7, proclaiming it “a landmark deal”.

The G7 agreed figure is 6 percent less than the US had proposed, but no one should believe that the matter has ended. It is only the beginning of a new phase in the onslaught that the OECD officially started in 1998 to end what its members called 'harmful tax competition'. There is no guarantee that the minimum global corporation tax will remain at 15 percent, or, that intrusion into setting tax rates will not extend into other areas.

The OECD members then – and now – regard low tax jurisdictions as competitors in attracting corporations and, therefore, their ability to tax them. Having heavily taxed their populations from the cradle to the grave and beyond (no hyperbole) and faced with little possibility of taxing them further without voters heaving governments out of office, these governments focused on low-tax jurisdictions, demonized them in the media and elsewhere. The OECD governments claimed they were operating on a playing field which was not level for them. Blacklists and threats of sanctions quickly followed, causing a procession of governments of developing countries to concede their sovereignty over tax matters.

This 'level playing field' effort is now an attempt to force corporations to stay in rich nations by securing a minimum global rate of tax that would give them no great advantage in shifting to lower tax jurisdictions. The next step is to get the agreement of the G20 countries when they meet in October. These countries are the G7 and the European Union with 12 others, including China, India, Mexico, Argentina, Brazil, South Africa, Turkey and Saudi Arabia.

If Caribbean countries, and other small developing states, are to try to put a brake on the steamroller, getting their case before the large, developed countries in the G20 is crucial. For, if the G20 endorses the plan, smaller countries will again be cast aside – the hapless victims of the world's powerful states, as they are with Climate Change and getting vaccines to fight COVID-19.

That is why vital alliances need to be struck now, starting within the Caribbean, extending to embrace countries in Asia and the Pacific, and then with other nations that are far from happy about being coerced into losing revenues and business to satisfy the tax hunger of a few.

For instance, Switzerland is reported to be planning to give subsidies to companies, headquartered there, to offset the 15 per cent tax. Ireland – an EU nation – has an advantageous corporate rate of 12.5 per cent that has helped to grow its economy and improve its people's lives. It wants no increase. These two countries and others could be important allies.



The fact that Caribbean countries – and other developing countries – oppose the imposition of a global corporate tax rate, should not be mistaken as hostility toward the US or any other country that favours higher taxes. But setting tax rates is a right of nations not an international prerogative of the powerful.

All nations understand that in the US president Biden has an ambitious plan to build out needed infrastructure to keep the US globally competitive, to create jobs and to rebuild after the COVID-19 pandemic. Other countries, especially, small developing ones have the same problems, but without the resources or the clout to establish a global rule that would suit them. They have to continue to compete on unlevel playing fields in almost every area of economic and commercial activity.

Low taxes help Caribbean countries and others to attract investment they desperately need, because their exploitation and under-development, for centuries, have made it difficult for domestic investment alone to drive their needed economic growth and social improvement.

No time should be wasted by Caribbean governments to assemble a strong team to advance their joint cause. There is not much time until the G20 meets in October, and much work needs to be done to give its developing member countries a convincing case to champion.

Giving-in again should not be an option, but no one country can stand up alone. This is a joint endeavour, or it is surrender – one by one.

Source: www.sirronaldsanders.com
(republished with permission – Sir Ronald Sanders)

YOUNG TAX TALENT

Young Tax Talent assists firms in organizing recruitment events and offers tax advice to recently immigrated Dutch Caribbean students in the Netherlands. We will organize several seminars focused on tax-related topics in 2022 in order to bring young tax professionals together and to create a powerful tax network. We also want to raise awareness of the need for professionals within the Caribbean region and motivate young tax talents to study and do research about the Caribbean tax law.

Please contact us by sending an email to:
Youngtaxtalent@gmail.com



**Bringing young
professionals together**

TILBURGSE TAX ASSOCIATION “DE SMEETSKRING”

We are T.F.V. “De Smeetskring” we are the second largest study association for students Tax Law, Tax Economics and International Business Taxation of the Netherlands. With over 650 students we are the bridge between the labour market, tax education and tax students. We organize formal and informal activities for all our members. We organize a business day, in which students can get to know their future employer, but we also organize some very interesting congresses and masterclasses. During these formal activities we work closely with the Fiscal Institute Tilburg. At T.F.V. “De Smeetskring” we think it is really important to get to know your fellow tax students, that’s why we organize monthly drinks, and other informal activities. We can’t do our job without our amazing partners: are you interested to participate

in T.F.V. “De Smeetskring” or do you have any other questions about our association? Please feel free to contact me on: voorzitter@smeetskring.com or call me on **06-51602279**.



DUTCH CARIBBEAN ASSOCIATION

This past year the city of Rotterdam has seen the formation of the Dutch Caribbean Association of Rotterdam (DCA). With Rotterdam having the highest ratio of Dutch Caribbean people living in the Netherlands, there was a dire need for a Dutch Caribbean student association for students to find their community in. Despite DCA being based in Rotterdam, we are open to students from all cities. DCA was set up by a group of eight Erasmus students and has now become an association with over 150 prospective members from a diverse range of studies.

DCA is an association by students for students. Our main goal is to promote the Dutch Caribbean culture, as well as supporting our members with starting their professional careers and overall creating a safe space for our members where “we bring the warmth of the Caribbean to you!”. We offer different types of events, ranging from fun events to cultural events, as well as events directed towards gaining academic and professional skills. For any questions or more information you can contact us via our website www.dcarotterdam.nl or any of our other socials.



SFEER

SFEER Amsterdam is the largest study association in Amsterdam for students studying Tax Law and Tax Economics at the University of Amsterdam. Founded on April 23rd, 2015 with the goal to bring students in contact with their future employer by organizing career related events, but also to bring students in contact with each other by organizing social activities. We want to make our events and activities approachable for every student from first year bachelor students to last year master students. It's important for us that the ambiance is always right. That way students will feel welcome with other students and

beautiful friendships will be made, this will have a positive effect on the bonding with the university and the study. We want to give students the chance to feel comfortable when they meet businesses. If you have any questions or just want to have a chat with us feel free to contact us on our social media!

S F E E R

Studievereniging Fiscale Economie En Recht

FIRST MAASTRICHT

FIRST Maastricht is the study association for students who follow the study programme Fiscal Economics or Tax Law in Maastricht. Maastricht University, with its unique way of teaching, guarantees high quality and versatile, competent students. As a result, the tax students from Maastricht are among the top in the Netherlands. With over 475 Dutch and 75 international members, FIRST Maastricht represents the majority of tax students in the south of the country.

The main goal of FIRST Maastricht is to get our members in contact with potential employers. We try to achieve this interaction by organizing various activities, in collaboration with the companies and institutions. Examples of activities organized by FIRST Maastricht are the FIRST International Job Fair, Office Visits and various Exam Trainings. The fact that our members are very interested in all the activities that FIRST Maastricht organizes with companies and institutions is reflected

in the large number of members who participate in the organized activities.

In short...

FIRST Maastricht stands for talented students and guarantees an excellent collaboration with companies. We therefore offer companies and institutions the perfect opportunity to meet future tax talents and potential future employees via FIRST Maastricht.



FIRST Maastricht

Fiscale Studievereniging

R.F.V. CHRISTIAANSE-TAXATEUR

Rotterdamse Fiscalisten Vereniging Christiaanse-Taxateur is the biggest fiscal study association of the Netherlands, located in Rotterdam. Our association is connected to the Erasmus University Rotterdam. Our goal is to build a bridge between the theory and practice of Tax Economics and Tax Law. R.F.V.

R.F.V. Christiaanse-Taxateur is organizing formal as well as informal activities: visits to Tax Offices and the annual Study Trip (Kuala Lumpur, Ho Chi Minh City and Curaçao). Our biggest formal event is the corporate tax day, where you can meet your future employer. Twenty-five offices will be present at this event. There are plenty

of possibilities to get to know your fellow students and the working side of taxes. Besides these educational activities, we have other programs like career sessions, the Tax Jurisprudence Program and exam trainings.



18 July – 22 July 2022

SUMMER SCHOOL JEAN MONNET | EUROPEAN INTEGRATION IN THE CARIBBEAN REGION

**Week-long Summer School (hybrid event)
at the University of Curaçao**

Packed with interactive seminars, lectures, a preparatory E-learning module, a dialogue session with a Member of European Parlement, this summer programme (in Dutch) is ideal for students and young professionals who wish to broaden their knowledge of the European (tax) law and the impact on the Caribbean Region: EUinCARIB.

During the one-week Summer School participants learn about EUinCARIB, while enjoying the beautiful island of Curaçao. Five full scholarships will be made available based on merit and need, with support by the Jean Monnet program of the European Union.

The general application deadline is 15 May 2022.

If you have any questions, please contact Germaine Rekwest, academic leader of the Jean Monnet EUinCARIB (germaine.rekwest@uoc.cw).



ISABELLE KUIPERS DESIGN

You can contact Isabelle Kuipers for design services. Contact:

Email: info@isabellekuipers.nl
Instagram: [Isabellekuipers.design](https://www.instagram.com/Isabellekuipers.design)
LinkedIn: [Isabelle Kuipers](https://www.linkedin.com/company/Isabelle%20Kuipers)

isabellekuipers.nl



Wij kijken vooruit,
zodat u nooit
achter de feiten
aanloopt

Voor meer informatie over Grant Thornton Curaçao,
scan de QR code:



Advisory | Audit | Tax | Business Process Solutions



CARIBBEAN TAX LAW JOURNAL

You're invited!

Magazine launch party

Date: February 2022,
to be announced

Location: University of
Curaçao (aula)



UNIVERSITY
OF CURAÇAO
DR. MOISES DA COSTA GOMEZ