

FRIENDLY TAX TIPS

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

OUR MISSION

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

FOR FURTHER INFORMATION...

Please contact us via the following:

- ◆ **Head Office in Castries**
Telephone Number: **1-758-468-4700**
Fax Number: **1-758-453-6072**
 - **Customer Service**
Telephone Number: **1-758-468-4730/66/5704**
Email: **customerservice@ird.gov.lc**
 - ◆ **Tax Service Center in Vieux-Fort**
Telephone Number: **1-758-468-4960/66**
Fax Number: **1-758-454-9218**
Email: **vftaxservice@ird.gov.lc**
 - ◆ **Soufriere Sub-Office**
Telephone Number: **1-758-468-6655**
 - ◆ **Websites:**
www.irdstlucia.gov.lc | https://efiling.govt.lc
- Or visit...



INLAND REVENUE DEPARTMENT OF SAINT LUCIA
MINISTRY OF FINANCE

TAX FACTS & CALCULATIONS



ALLOWANCES & DEDUCTIONS FOR INDIVIDUALS

In our continued efforts to ensure that our Tax Returns are user friendly, the Inland Revenue Department has produced this brochure to assist individuals in the preparation of their Income Tax Returns.

However, we wish to encourage you to sign up to file using our E-filing platform as a secure, efficient and accurate alternative to filing your tax return: <https://efiling.govt.lc>

Changes to the Personal Income Tax Regime

Income Tax Amendments

No.19 of 2023

- Effective from the 1st day of January, 2023 the aggregate allowances and deductions allowed shall not exceed **thirty thousand dollars (\$30,000)**.
- For Income Years 2023 to 2025 the Allowance and deductions excluded from the overall cap of **thirty thousand dollars (\$30,000)** are;
 - Personal allowance (**\$25,000**)
 - Deduction for medical expenses
 - Expenses relating to the purchase and installation of solar photovoltaic systems or related components.
- New Tax Bands and rates

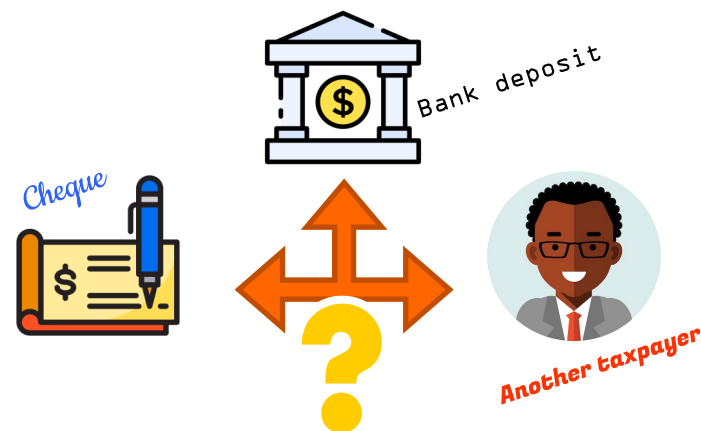
Chargeable Income	Tax Rate
From \$0 to \$15,000	15%
From \$15,001 to \$30,000	20%
Over \$30,000	30%

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

Section 5

Payments

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



Section 6

General Declaration

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



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

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

⇒ **Line 135** denotes amounts outstanding in taxes.

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

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

- ◆ Enter PAYE amounts as per your TD5 Slip (Annual Salary Slip) on **Line 132**.

- ◆ Enter Prepayments (installments) made during the year on **Line 133**.

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

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

⇒ **Line 135** denotes amounts outstanding in taxes to the Department.

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

⇒ **Line 136** denotes amount overpaid in taxes to the Department.

Section 2 - Schedule A

Dependents and Medical Allowance

☐ **Table A Children & Education Allowance:**

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

If during the Income Year you maintained a:

- Child who is less than 10 years old:
Claim \$1,000 per child
- Child who has attained the age of 10 years old and was a student either in St. Lucia or elsewhere:
Claim \$2,000 per child
- Child with permanent disabilities irrespective of age:
Claim \$1,000 per child
- For a child/relative maintained during the income year who attended University or an equivalent educational institution on a full-time basis, the allowance is **\$5,000**. Documentary evidence from the institution **must** be furnished.

Enter total on Line 8

☐ **Table B Dependent Relative Allowance:**

A resident individual is entitled to claim **\$350** in respect of each dependent relative that he maintains. ‘Dependent Relative’ is a person who (a) whether incapacitated or not is the parent or other lineal ancestor or aunt, uncle of that individual or his/her spouse and is unmarried, divorced, widowed or separated or (b) is incapacitated by old age or infirmity or unemployment by reason of old age and is the child, brother or sister of that individual or of his/her spouse.

Enter total on Line 9

Housekeeper Allowance:

An allowance of **\$200** is granted to a resident individual who is a widower/widow or is unmarried, divorced or separated, in

respect of a relative maintained by him for the purpose of caring for his child/children.

Enter total on Line 10

TOTAL CHILDREN AND DEPENDENT ALLOWANCE

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

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

Table C Medical Expenses:

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

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

In the case of Medical Insurance the allowance is:

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

Enter total on Line 11b Plus

- c) Any Receipts on-hand

Enter total on Line 11c

TOTAL MEDICAL EXPENSE ALLOWANCE

Enter either the amount from **Line 11a** OR **total** from **Lines 11b and 11c** on **Line 12b**.

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

Example 2

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

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

Example 3

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

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

Payments & Credits

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

Section 4

Tax Calculation

Add Lines 120 through to 124 and enter total on Line 125.

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

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

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

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

Example 1

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

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

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

Section 2 - Schedule B

Future Benefits

Table D Individual Registered Retirement Savings Plan/ Approved Pension Fund

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

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

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

National Insurance Contributions

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

Enter total on Line 14a

Life Insurance Payments

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

Complete the relevant Table and enter total on Lines 14a and 14b on Line 14c (after limitations indicated on the next page...)

SECTION 4 – TAX CALCULATIONS

An example:

Note:

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

TOTAL FUTURE BENEFITS

Enter total from **Lines I3 and I4c** on **Line I5**

Enter total **FUTURE BENEFITS** from **Line I5** on **Line I23**
(Section 4 – Tax Calculations)

Section 2 - Schedule C

Other Allowable Deductions

Table E Owner Occupied Residential Property

Registered Home Ownership Savings Plan (RHOSP)

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

Enter amount on **Line I6**

	ASSESSABLE INCOME	112	56,750.00
120	25,000.00		
113	7,850.00		
114	24,000.00		
138	30,000.00		
		125	86,850.00
		126	0.00
		127	0.00
		128	
		129	0.00
E D I T S			
		129	
130			
132			
133			
		134	
		135	
		136	
		137	

SECTION 4

TAX CALCULATION

PERSONAL ALLOWANCE CLAIM (\$25,000.00)

MEDICAL ALLOWANCE (Schedule A, Total 12b)

SOLAR PHOTOVOLTAIC ALLOWANCE (Schedule C, Line 25)

SPOUSE ALLOWANCE

121 1,500.00

DEPENDENTS (Schedule A, Line 12a)

122 4,500.00

FUTURE BENEFITS (Schedule B, Line 15)

123 35,000.00

OTHER ALLOWABLE DEDUCTIONS (Schedule C, Line 23)

124

SUB-TOTAL [ADD Lines 121, 122, 123 and 124 (MAXIMUM AMOUNT ALLOWED \$30,000)]

TOTAL ALLOWANCES AND DEDUCTIONS (ADD Lines 113, 114, 120 and 138)

CHARGEABLE INCOME (SUBTRACT Line 125 from Line 112)

TOTAL INCOME TAX ON CHARGEABLE INCOME

ADD: LATE FILING PENALTY (5% of Line 127)

TOTAL INCOME TAX PAYABLE (ADD Lines 127 and 128)

P A Y M E N T S & C R

TOTAL INCOME TAX PAYABLE

DOUBLE TAXATION AND OTHER CREDITS

P.A.Y.E. DEDUCTIONS BY EMPLOYER

PREPAYMENTS OR INSTALLMENT PAYMENTS

TOTAL PAYMENTS AND CREDITS (ADD Lines 130, 132 and 133)

NET TAX PAYABLE (If Line 129 exceeds Line 134)

REFUNDABLE AMOUNT (If Line 134 exceeds Line 129)

AMOUNT ENCLOSED [PAYMENT OF TAX PAYABLE (Line 135)]

Mortgage Interest

A deduction for mortgage interest paid for the acquisition, construction or improvements (renovations) to your home an “owner occupied dwelling house” up to a maximum of **\$30,000**. Supporting documentation from the bank or lending institution **must** be submitted.

Enter amount on Line 17a**House Insurance Premiums**

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

Enter amount on Line 17b**House Tax.**

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

Enter amount on Line 17c

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

Expenses for Upkeep and Maintenance of Home

A deduction is granted for up to **\$10,000** for expenses reasonably incurred in the up-keep and maintenance of an “owner occupied dwelling house”. A detailed description of

repairs undertaken to the property must be attached to the return. **(Bills and receipts should be kept and presented only upon request by the Comptroller.)**

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

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

Enter amount on Line 17d

Table F Other Deductions/Allowances

Donations

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

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

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

Enter amount on Line 18

Subscription for Credit Union Shares

A deduction of up to **\$5,000** is granted for payments by way of

		FOR OFFICIAL USE ONLY
100	<u>56,750.00</u>	
101		
102	<u>56,750.00</u>	
103	()	
104	<u>56,750.00</u>	
105		
106		
107		
108		
109		
110		
111	()	
112	<u>56,750.00</u>	

SECTION 3 – CALCULATION OF ASSESSABLE INCOME

An example

SECTION 3

CALCULATION OF ASSESSABLE INCOME

WAGES AND SALARY FROM PUBLIC SECTOR

WAGES, SALARY & BENEFITS FROM PRIVATE SECTOR

GROSS EMPLOYMENT INCOME (ADD Lines 100 and 101)

LESS: AGE 60 & OVER ALLOWANCE (\$6,000)

NET EMPLOYMENT INCOME

PENSION INCOME \$ _____ LESS EXEMPTION (\$6,000.00)

GROSS INTEREST RECEIVED

OTHER TAXABLE INCOME (ALIMONY, BONUSES, COMMISSIONS, etc.)

RENTAL INCOME (LOSS)

BUSINESS / PROFESSIONAL INCOME (LOSS)

TOTAL INCOME (ADD Lines 104, 105, 106, 107, 108 and 109)

LESS: PRIOR YEAR(S) LOSS(ES) [RESTRICTED TO 50% OF INCOME OR ACTUAL LOSS]

ASSESSABLE INCOME

Note: Either the \$6,000 for 60 years and over **OR** the pension exemption of \$6,000 can be claimed.

subscriptions for shares in any society registered under the Co-operative Societies Act or incorporated under the Building Societies Ordinance.

Enter amount on Line 19

Student Loan Interest

A resident individual can claim a deduction of a maximum of **\$30,000** in respect of the interest on a student loan taken to finance his/her tertiary education.

Enter amount on Line 20

Alimony and Maintenance Payments:

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

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

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

Enter amount on Line 21

Other Deductions:

A deduction is also granted to a resident individual who:

- Makes payments for the preparation of his tax return;
- Makes payments by way of subscriptions to a professional association;
- Is engaged in Hobby Farming and is certified by Ministry of Agriculture;
- Undertook Road Rehabilitation works in their community and is certified by the Ministry of Infrastructure

Enter amount on Line 22

TOTAL OTHER DEDUCTIONS

Add **Lines 16 through to 22** and enter Total on **Line 23**.

Enter total **OTHER DEDUCTIONS** from **Line 23** on **Line 124 (Section 4 – Tax Calculations)**

Claim for Solar Photovoltaic System

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

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

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

Enter amount on **Line 24** and **Line 25**

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

Section 4**Personal Allowance:**

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

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



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

Spouse Allowance:

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

To qualify for this deduction:

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

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