



INLAND REVENUE DEPARTMENT
Saint Lucia

Tax Tips for the Individuals



Our Mission

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

We aim to provide an efficient, professional and
courteous service, while administering the relevant tax laws
on behalf of the Government and people of Saint Lucia

RESPONSIBILITIES

1. Always file a Tax Declaration Form (TD Form-AU 1) or Tax Code Form with the Inland Revenue Department:
 - (a) On taking up employment;
 - (b) On changing employment;
 - (c) Within seven days of a change in personal allowances/ deductions.

2. The Tax Declaration Form should be completed and forwarded to the Inland Revenue Department where the taxpayer:-
 - (a) Is in receipt of income from two or more sources at the same time;
 - (b) Is claiming for deductions in respect of:-
 - Interest on a Mortgage in respect of owner occupied dwelling house situated in St.Lucia
 - Contributions/Premiums - Re: Life insurance; Shares in a Co-operative or Building Society; Alimony/Maintenance Payments
 - Housekeeper
 - Spouse
 - Children
 - Medical

Guidelines must be read carefully before completing the Tax Declaration Form (TD Form AU-1)

3. Every employee must have a Tax Code Number and must submit it to the employer.

It is the responsibility of the **EMPLOYEE** to acquire a Tax Code.

It is the responsibility of the **EMPLOYER** to ensure that all employees bring in their Tax Codes within the 1st week of employment.

FILING THE INCOME TAX RETURN

1. A Return is not required by law where income derived from employment does not exceed \$17,400.00 except in cases where income tax has been deducted.
2. New taxpayers must attach a completed Individual Registration Form to their Income Tax Return.
3. TD5 Certificates relating to a particular income year must be attached to an Income Tax Return.
4. When filing an Income Tax Return, the following documents must be attached whenever a relevant claim is made:-
 - (a) Original TD5 Certificate;
 - (b) Copy of Deed of Separation, Court Order or Decree and proof of payment of Alimony or Maintenance;
 - (c) Original statement of Mortgage Interest, Interest on money borrowed for the acquisition/construction or improvements to owner occupied dwelling house situated in St. Lucia;
 - Receipts for Land & House Tax,, House Insurance Premiums paid in the respective year for which the claim is made.
 - (d) Statement of premiums paid towards a Life/Medical Insurance;
 - (e) Copy of a Deed of Covenant and receipts for payments made;
 - (f) Credit Union Share Statement;
 - (g) Proof of attendance of university student from school of higher learning inclusive of expenses ex. Tuition, housing etc
 - (h) Original Statement of interest on a student loan.
5. Be thorough when completing the Income Tax Return. Ensure that all necessary information is supplied.
6. Do not submit a duplicate return unless requested to do so by the Inland Revenue Department.

**Remember to sign the General Declaration
on the back of the Income Tax Return.**

TAXPAYERS TAKE HEED

To avoid delays in the processing of your Income Tax Return, follow these five (5) steps before filing returns with the Inland Revenue Department:-

1. Collect an Income Tax Return Form from any of the Inland Revenue offices in Castries, Vieux-Fort or Soufriere;
2. Check and re-check all lines of the Income Tax Return and ensure that your mailing address is current;
3. Ensure that all pertinent information is inserted on the Form;
4. Ensure that all necessary documentary evidence has been included and securely attached to the inside of the Return; and
5. **REMEMBER TO SIGN** the Income Tax Return.



DEDUCTIONS THAT MAY BE CLAIMED BY INDIVIDUALS

1. Alimony/Maintenance
2. Payments made to an Approved Pension Fund
3. Registered Retirement Savings Plan
4. Life Insurance Premiums
5. National Insurance (NIS) Deductions
6. Contributions made:-
 - a) under a Deed of Covenant for religious, charitable, medical or educational institution, sporting body or fund of a public character;
 - b) to the St. Lucia National Trust;
 - c) National Community Foundation
 - d) to the Loan Fund established under the Further Education Act, (1969) Limited to twenty-five percent (25%) of assessable income;
7. Medical expenses - original receipts only.
8. Registered Home Ownership Savings Plan
9. Interest on:
 - a) Mortgage - this is in respect of money borrowed for the acquisition, construction or improvements to an owner occupied dwelling house which is situated in St.Lucia. Limited to \$18,000. First time home owners—\$20,000
 - b) Student Loan - maximum of \$3,000
9. Co-operative or Building Society Shares — maximum \$5,000.
10. House Tax
11. House Insurance

ALLOWANCES THAT MAY BE CLAIMED BY INDIVIDUALS

1. **Personal Allowance** - \$17,000
2. **Spouse Allowance** - \$1,500
*This is in respect of a **legally** married spouse living with you or wholly maintained by you; and who has no income or whose income does not exceed \$1,500.*
3. **Child Allowance** - \$1,000
Allowance can be claimed for:
 - children born during the income year;
 - children under sixteen (16) years of age;
 - children irrespective of age - a student or an invalid child;
4. **Child Allowance** - \$2,000
This deduction can be claimed for a child who:
 - was maintained by you during the year;
 - is ten years of age; and
 - was a student child whether in St. Lucia or elsewhere.
5. **Higher Education Allowance** - \$5,000
*This allowance can be claimed for university students whether in St. Lucia or elsewhere by a relative. Relative” means a parent, grandparent, brother, sister, uncle or aunt. **A letter from the University indicating that the student attended school for the income year being claimed and proof of payment of tuition or expenses related to Education should be provided.***
6. **Housekeeper** - \$200
Allowance can be claimed by an individual who is a widower, widow, single, divorced or separated whose relative resides with him or her for the purpose of taking care of the family and household.
7. **Dependent Relative** - \$350
*A **‘Dependent Relative’** is 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*

RATES OF TAX - INDIVIDUAL

If your Chargeable Income on Line 126 of the return form is	On the first (\$)	Tax is (\$)	On the remaining amount (tax at a rate of)
From \$0 to \$10,000	—	—	10%
From \$10,001 to \$20,000	10,000	1,000	15%
From \$20,001 to \$30,000	20,000	2,500	20%
More than \$30,000	30,000	4,500	30%

Example

If Chargeable Income is **\$23,334**, calculate the tax as follows:

Chargeable income	\$23,334.00	
On the first	\$20,000.00	\$2,500.00
On the remaining balance (tax at rate of 20%)	\$6,728.00	\$666.80
Tax on Chargeable Income		<u>\$3,166.80</u>

PENALTIES & INTEREST

1. Any person who fails, neglects or refuses to file an Income Tax Return is guilty of an offence and in addition to any penalty provided, is liable on summary conviction to a **fine of one thousand dollars (\$1,000) or imprisonment for one year.**
2. Any balance of tax not paid by 31st March will accrue interest at a rate of **1.04% per month.**
3. Any person knowingly or recklessly making false or deceptive statements in a return, is guilty of an offence, and in addition to any penalty imposed is liable on summary conviction to a **fine of two thousand dollars (\$2,000) or imprisonment for two years.**

OTHER INFORMATION

1. Exclusion of non-exempt income from any source is an offence
2. **ALWAYS** be guided by tax advice from the Inland Revenue Department!



For further information, please contact us at our:-

Head Office in Castries

Telephone Number: **1 758 468 4700**

Fax Number: **1 758 453 6072**

Tax Service Center in Vieux-Fort

Telephone Number: **1 758 468 4700 / 4960**

Fax Number: **1 758 454 9218**

Soufriere Sub-Office

Telephone Number: **1 758 459 7036**

Fax Number: **1 758 457 1596**

Website

www.irdstlucia.gov.lc

Inland Revenue Department