



Can I Request an extension to file and or pay ?

A taxpayer may apply to the Comptroller in writing for an extension of time for payment. This payment is valid only if the taxpayer applies for an extension before the due date.

Can I file for an Objection to the Annual Stamp Tax?

Any person who is aggrieved by a determination of the stamp tax by the Comptroller may do so by notice in writing to the Comptroller within thirty (30) days after the date of service of the notice of determination, or within such time as the Comptroller may for good cause allow object to the determination and shall specify particulars of the grounds on which it is made.

Interest Rate

Interest of 1.5% per month or part thereof will be charged on any unpaid balances. The interest is compounded monthly.

Are there any Exemptions for Annual Stamp Tax ?

Yes !

- The tax does not apply to the Grenada Telecommunications Limited established under the Grenada Public Telecommunications Act, 1989.
- A person or business with gross receipts of \$36,000. per annum or less shall not be liable to pay Annual Stamp Tax under the Act.
- A Bank registered under the Licences Act, Cap.164 or the Banking Act, 1988 shall not be liable to pay Annual Stamp Tax under this Act.
- The provisions of this Act shall not apply to dividends or other income accruing on securities listed on an exchange licensed by the Eastern Caribbean Securities Regulatory Commission under the Securities Act, Chapter 299A.

Where can I file and pay ?

Filing and payments can be done by using our online tax system E-services by logging in to www.eservices.gov.gd

The tax can also be paid at the Inland Revenue Division's cash office located at the Ministry of Finance on the Carenage or any

District Revenue Office located in: St. Andrew, St. David, St. John, St. Mark, St. Patrick and Carriacou.

Annual Stamp Tax (AST) – Act. 36 of 1992.
(Amendment) Act No: 12 of 1999, Act No: 15 of 2000,
Act No: 26 of 2002 and Act No:14 of 2005.
Tax Administration Act No. 14 of 2016

NB: This leaflet has been prepared by the Inland Revenue Division to provide guidelines on the Annual Stamp Tax for persons engaged in business activities.



For further information contact IRD at :
Phone: (473)-440-3556/435-6945/6852
E-Tax Help Desk: (473) 435-0223/435-1905
Toll Free: 1-855-835-1498
Fax : 1-473-440-6621
Email: gndird@ird.gd
Website: www.ird.gd



**INLAND REVENUE
DIVISION**

**ANNUAL STAMP TAX
(AST)**



**Inland Revenue Division
Ministry of Finance
Financial Complex Bldg
The Carenage
St. George's
Grenada**

An Introduction to Annual Stamp Tax

What is Annual Stamp Tax ?

Annual Stamp Tax is a percentage charged on the **gross receipts** of a business. The tax for any given year is calculated on the gross receipts of the previous year. For instance, 2017 tax liability is calculated using 2016 gross receipts.

Who is required to register for the tax ?

Every person or business liable or about to become liable for the payment of tax under the Act, shall register with the Comptroller within thirty days after commencing business.

What is the rate for Annual Stamp Tax ?

Please note that the Act **was amended in 2015**. The new calculations as shown in the examples 1 to 3 takes effect from the **tax period 2016**. Prior to tax period 2016, the rates were **0.25%** up to \$100,000.00 and **0.5%** on \$100,000.00 and above without any calculated exemptions.

Annual Stamp Tax (Amendment) **effective 2016**.

- **0.75%** in respect of businesses with gross receipts in the amount of three hundred thousand dollars (\$300,000.) and above per annum.
- **0.5%** in respect of businesses with gross receipts under three hundred thousand dollars (\$300,000.) per annum.

NB: In applying the percentage rate of stamp tax, the first thirty six thousand dollars (\$36,000.00) of the gross receipts shall be **exempt**.

***In respect of businesses with gross receipts in the amount of three hundred, thousand dollars (\$300,000.) and above per annum the rate for deduction will be 0.7 effective tax period 2018 based on gross receipts of 2017.**

Gross receipts include the following:

- Sale or the disposal of goods and services
- Investment Income
- Rental Income
- Royalties
- Dividends
- Interest income
- Commissions and fees including income fees from copyright,

patents and intellectual property; any income not of a capital nature

How to calculate Annual Stamp Tax ?

E.g.1

Businesses with Gross Receipts of \$300,000. and above:

Total Gross Receipt = \$300,000.00

Exempt amount = \$36,000.00

Chargeable receipts : Gross receipt - Exempt amount

\$300,000.00 - \$36,000.00

Chargeable receipts = **\$ 264,000.00**

Amt Payable: chargeable receipts x rate

\$264,000.00 x 0.75%

Total amount payable = **\$1,980.00**

E.g. 2

Businesses with Gross Receipts under \$300,000.00.

Gross Receipts = \$100,000.00

Exempt amount = \$ 36,000.00

Chargeable receipts : Gross receipt - exempt amount

\$100,000.00 - \$36,000.00

Chargeable receipts = **\$64,000.00**

Amt Payable: chargeable receipts x rate

\$64,000.00 x 0.5%

Total amount payable= **\$320.00**

E.g. 3

Gross Receipts = \$40,000.00

Exempt amount = \$36,000.00

Chargeable receipts : Gross receipt - exempt amount

\$40,000.00 - \$36,000.00

Chargeable receipts = **\$4,000.00**

Amt Payable: chargeable receipt x rate

\$4,000.00 x 0.5%

= **\$20.00**

Total amount payable = **\$100.00**

(Although the calculation is \$20.00, the minimum tax payable is \$100.00)

Businesses with Gross Receipts of \$300,000. and above deduction for tax period 2018

Total Gross Receipt = \$300,000.00

Exempt amount = \$36,000.00

Chargeable receipts : Gross receipt - Exempt amount

\$300,000.00 - \$36,000.00

Chargeable receipts = **\$ 264,000.00**

Amt Payable: chargeable receipts x rate

\$264,000.00 x 0.7%

Total amount payable = **\$1,848.00**

When should you file the return for Annual Stamp Tax ?

Annual Stamp Tax Returns should be submitted by **31st March** of each year following the year which the return relates.

When is the Annual Stamp Tax payment due ?

The Stamp Tax charged under this Act shall be due and payable in nine **(9) equal monthly installments** from the month of April to December of the year in which the tax is payable.

Are there any penalties?

If the Tax is not paid within the specified time, the taxpayer will be liable to a late payment fee equal to 20% of the amount of the tax due but not paid.

What if I file late?

Any person who fails to submit or furnish a return in the prescribed time or any extended time allowed would be liable to a penalty equal to the greater of :

- 5% of the amount of tax owing plus a further 1% for the amount of tax owing for each month or part of a month during which failure to file continues, and
- \$500, plus a further \$100 for each month or part of a month the failure to file continues.

***The late filing fee is limited to \$10,000.**