



BELIZE TAX SERVICE DEPARTMENT'S UPDATED NOTICE

THE FILING OF RETURNS AND PAYMENT OF TAXES BY INTERNATIONAL BUSINESS COMPANIES

A. *DATES FOR THE FILING OF TAX RETURNS*

1. Grandfathered-In IBCs

Tax resident international business companies (IBCs) and members of a Public Investment Company (PIC) group who were exempt from the payment of income and business tax prior to 1st July 2021 shall file their first annual tax return with the Belize Tax Service Department on or before the **31st of March 2022**.

The first return shall account for tax due in the **2021** basis year, which commences July instead of January because of the “grandfathering” provisions of the International Business Companies (“IBC”) Act Ch. 270.

2. Non-Exempt IBCs

The deadline for tax resident IBCs that were not exempt from the payment of income and business tax prior to 1st July 2021 has been extended. Those IBCs shall file their annual tax return on or before the **31st of March 2022**, accounting for the **2020** and **2021** basis years.

Those include IBCs that were incorporated on or before the 16th day of October 2017 but acquired a relevant activity or new asset after 16th day of October 2017 and IBCs that were incorporated on or after 17th day of October 2017.

3. Exempt IBCs

Exempt IBCs shall file their first information return (“IR”) on or before the **31st of March 2022**.

An IR shall provide the Department with information regarding the tax residence of the IBC, list all beneficial owners and direct and indirect legal owners and residence as 31st December 2021. After this initial filing, non-resident IBCs need not file an IR unless there is a change in status during a subsequent basis year.

Exempt IBCs are those that, although incorporated in Belize, do not engage in a relevant or regulated activity as defined by the Economic Substance (“ES”) Act, do not have a permanent establishment in Belize and are tax resident in a country not on the European Union’s list of non-cooperative tax jurisdictions.

B. PAYMENT OF TAX

The annual tax return must be accompanied by the payment of the estimated tax due for a basis year.

IBCs who benefit from a 0% business tax rate, such as Pure Equity Holding Companies and Holding Companies not engaged in an active trade or business or in relevant activities for the purposes of the Economic Substance Act, are still required to file an annual tax return even if the estimated tax due is nil (-0-).

C. ONLINE FILING OF RETURN AND PAYMENT OF TAX

1. Online Filing of Tax Returns

Commencing January 2022, tax resident IBCs should file the annual tax return online using the Department’s Integrated Revenue Information System portal **IRIS Belize**.

IBCs will have to go to <https://www.irisbelize.bts.gov.bz>, register as a web user/sign up for an online user account, and start filing returns and paying taxes online.

2. Online Payment of Taxes

Taxes can also be paid online using our secure payment platform. Use a Belize Bank, Atlantic Bank Limited or Heritage Bank Limited online banking service to make payment transfers to the Belize Tax Service Department.

D. FORMS

The **IBC Annual Tax Return Form BTS 290** will be available in an electronic format online and will be made available through the **IRIS Belize** portal.

IBCs or PIC companies should not file jointly until notified otherwise. This is because the corporate income tax for companies other than those engaged in petroleum operations was repealed by the Income and Business Tax (Amendment) Act, 2019.

The **IR Form** will be made available online.

E. AUDITED FINANCIAL STATEMENTS

The Director General requires that IBCs with annual receipts of at least USD \$ 6 million dollars or which meet the criteria listed in Section 32A(1)(c) of the Income and Business Tax Act Ch. 55 to submit financial statements audited in accordance with the International Financial Reporting Standards (**IFRS**). Other IBCs shall submit financial statements audited in-house.

Financials shall be submitted at the time of filing the annual tax return.

F. PENALTY FOR LATE FILING AND PAYMENT

The penalty for late filing and payment of business tax is ten percent (**10%**) of the amount due or assessed for each month or part of a month in which the return was not delivered continuing for a period twenty-four months.

Also, interest at the rate of one and a half per centum (**1.5%**) per month or part thereof shall be payable.

**A MESSAGE FROM THE DIRECTOR GENERAL
BELIZE TAX SERVICE DEPARTMENT
September 2021**