Taxation

Property Transfer Tax (PTT)

The Property Transfer Tax [Amendment] Act No. 37 of 1998 regulates the payment of taxes on the transfer of real estate valued in excess of US$7,361.33.

Rate of Tax payable on transfer of Property:	
Citizen	Percentage of market value
Vendor	5%
Non citizens	Percentage of consideration or market value
Vendor	15%
Purchaser	10%

Where a property is transferred by way of a **deed of gift,** tax shall **be payable on the value of such property exceeding US$55,209.98.**

Where a transfer does **not occur through a deed of gift,** the tax shall only be **payable on the value exceeding US$7,361.33.**

Rate of Tax payable on transfer of Property **other than land:**	
Non citizens	Percentage of market value
Vendor	10%
Purchaser	10%

Property Tax (PT)

The Property Tax Act No. 2 of 1997 regulates the payment of an ad valorem tax on properties in Grenada i.e. based on the assessed market value. This tax is applied based on the land use classification listed below and is computed on the value of the land and building separately.

Category	Land (%)	Building %
Agricultural	0.0	0.0
Amenity	0.1	0.1
Commercial	0.5	0.3
Hotel	0.3	0.02
Industrial	0.3	0.2
Institutional	0.1	0.1
Residential	0.1	0.15
Reserve	0.1	0.0
Waste land	0.1	0.0

Corporate Tax (CT)

The Income Tax Act No. 36 of 1994 regulates the payment of corporate taxes by companies earning an annual net profit in excess of US$22,222.00 per annum. The applied rate of this tax is thirty percent (30%).

Personal Income Tax (PIT)

The Income Tax Act No. 36 of 1994 regulates the payment of Personal taxes by sole proprietors, professionals and employees earning in excess of US $22,222.00 per annum. The applied rate of this tax is thirty percent (30%) of net profits in excess of US $22,222.00 and is due and payable within 90 days at the end of each financial year. However, in the case of an employee it is deducted monthly by the employer. All returns are due within ninety days after the end of the accounting period (fiscal year basis) and an interest of 1.5% per month or part thereof is charged on the unpaid balance.

Withholding Tax (WT)

The Income Tax Act of 1994 regulates the payment of a withholding tax at the rate of 15% on revenue earned by non-residents who are not residing in the country. Upon repatriation of the revenue the tax is applied either on the gross monthly or annual earnings.

Stamp Tax (ST)

The Stamp Tax Act No. 36 of 1992 regulates the collection of a tax on the annual gross sales receipts of a business. The tax charged for the current year is based on the gross receipts of the previous year i.e. the tax charged in 2009 is based on the gross receipts for 2008. The gross receipts include the following: Sale or the disposal of goods and services, investment income, rental income; interest income, dividends, cost of material from stock, royalties, commissions and fees including income and fees from copyright; patents and intellectual property and any other income not of a capital nature. The percentage rates used in the calculation of stamp tax are as follows:

- 0.25% of gross receipts over US $11,111 per annum but not exceeding USD$37,037 per annum
- 0.5% of gross receipts exceeding US $37,037 per annum
- Sales under US $11,111 per annum is exempted.

Limits
The minimum Stamp Tax payable is US $36.81.

Common External Tariff (CET)

The Statutory Rules and Orders (SRO) No. 42/09 regulates this tax and ranges from 5% - 40% on the Cost Insurance and Freight value of all goods imported outside of CARICOM. This tax may be waived for certified enterprises.

Taxation

Customs Service Charge (CSC)

A customs service charge of 5% is imposed on all goods imported into the country. This charge is computed on the CIF value. Direct inputs in the manufacturing of commodities exclusively for exports are exempted from the CSC.

Environmental Levy (EVL)

A levy is imposed on the importation of white goods, vehicles and beverage containers into the country. The levy is computed on the CIF value and is as follows:

Catagory of goods	Levy
White goods	1%
Beverage containers(glass and plastic)	0.25¢
New Vehicles	2%
Used vehicles(over 5 years old)	30%
Used Trucks	1 - 10 tons: 5%
	10 - 20 tons: 10%
	Over 20 tons-20%

Value Added Tax (VAT)

This tax is imposed on the value of imports and on goods and services supplied by one business to another or to final consumers within Grenada. The value added tax (VAT) replaces the General Consumption Tax, Airline Ticket Tax and Motor Vehicle Purchase Tax.

Taxable supplies are taxed at either the Standard rate of 15% and 10% or at Zero-rate (0%). Those supplies that are Zero-rated are listed in the First, Second and Third Schedules of the VAT Act. Input tax paid can be claimed on all taxable supplies.

In contrast to the standard rate of 15% on domestic sales, a number of sectors have been identified for special tax treatment under VAT. Tourism attracts a special rate of 10%. Dive activities also attract the special rate of 10% while marina berth and dockage will be exempt from VAT.

Manufacturing enterprises will qualify for a rebate of 10% (on the VAT exclusive sales only) which will be allowed against tax liability exclusive of VAT.

A person who carries on a taxable activity is required to apply for registration to the Comptroller of Inland Revenue if:

- At the end of any period of 12 or fewer months the person made taxable supplies of at least US$44,167.98 (threshold)
- At the beginning of any period of 365 calendar days, there are reasonable grounds to expect that the total taxable supplies to be made in that period will exceed US$44,167.98.