



Key insights from the 2026 ICAB Tax update including Pillar 2 Filing updates



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The Institute of Chartered Accountants of Barbados (ICAB) hosted its annual Tax update on February 10, 2026. Our team attended this session to ensure we are at the forefront of the evolving regulatory landscape in Barbados.

Important Caveat: Please note that the information shared during these sessions is for informational purposes and is not legally binding. This newsflash is intended to pass on the key sentiments and guidance shared by the authorities and speakers to help us proactively manage expectations.

Corporate Income Tax (CIT) filing updates

The session provided clarity for entities with a **March 15th filing deadline**, as well as guidance on prepayments:

- **2025 CIT return launch:** The Barbados Revenue Authority (BRA) confirmed that the 2025 CIT return is currently being updated and will be launched soon.
- **What's changing:** The new form is expected to be substantially similar to the 2024 version. However, the primary additions are two new questions related to Economic Substance (ES). For clients engaged in "relevant activities"—specifically Intellectual Property Business, Shipping, and Insurance—the ES questions will be accompanied by a mandatory template.

Pillar 2: Global Minimum Tax (GloBE) Background

For our clients who may be unfamiliar, here is a brief summary of the **Pillar 2 (GloBE) requirements** in Barbados:

- The Pillar 2 rules apply to Multinational Enterprise (MNE) groups with annual consolidated revenues of **€750 million or more**. The goal is to ensure these groups pay a **minimum effective tax rate of 15%** in every jurisdiction where they operate.
- For Barbados entities in scope with a **December 31, 2024 year-end**, 2025 was the first "transition year" where reporting and registration obligations began to take effect. Failure to comply can result in significant top-up tax liabilities and penalties.

Pillar 2 registration & deadlines

There has been a significant update regarding the registration process:

- **Registration extension:** While the first Pillar 2 registration was technically due by December 31, 2025, for those with a December 31, 2024, year-end, the BRA acknowledged delays in the system rollout.
- **New deadline:** The BRA, following the session, has issued a [Policy Note](#), rolling out the registration return. Consequently, they have provided an **extension for these registrations to March 6, 2026**. Click [Here](#) to read more.
- **Scope:** This extension applies to all year-ends from December 31, 2024, through to the extension date.

Qualified Domestic Minimum Top-up Tax (QDMTT) return & filing timelines

QDMTT ensures Barbados collects any "top-up" tax rather than yielding it to another jurisdiction.

- **Form rollout:** The QDMTT return and its associated template will be released before the deadline (which is yet to be announced).
- **Filing deadlines:** The Revenue Commissioner noted that the deadline for the **first year** in-scope will align with OECD guidance—**18 months after the fiscal year-end**. For example, for in-scope Barbados entities with a December 31, 2024 year-end, the filing and payment deadline is June 30, 2026.
- For subsequent years, this deadline will be fixed to **15 months** after the year-end.

Planning and compliance

The introduction of Pillar 2 and the Qualified Domestic Minimum Top-up Tax represent a significant shift in the Global and Barbados tax landscape.

Due to the technical complexity of Pillar 2 calculations and the associated filing requirements, KPMG stands ready to assist with these engagements.

If you require any additional information or clarification feel free to reach out to your KPMG contact or us at CaricomMarketsTeam@kpmg.com.



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