Guyana tax fact sheet

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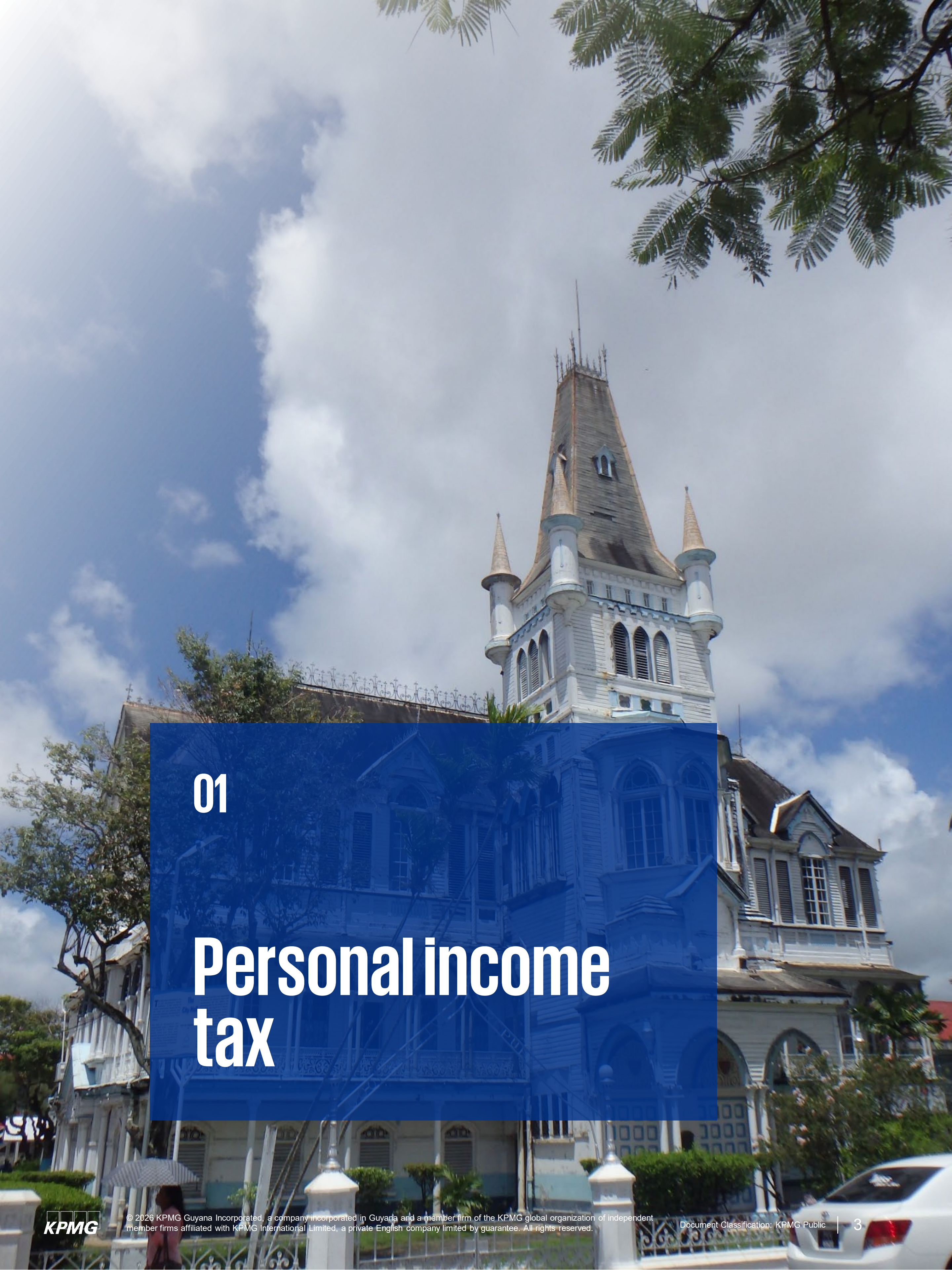


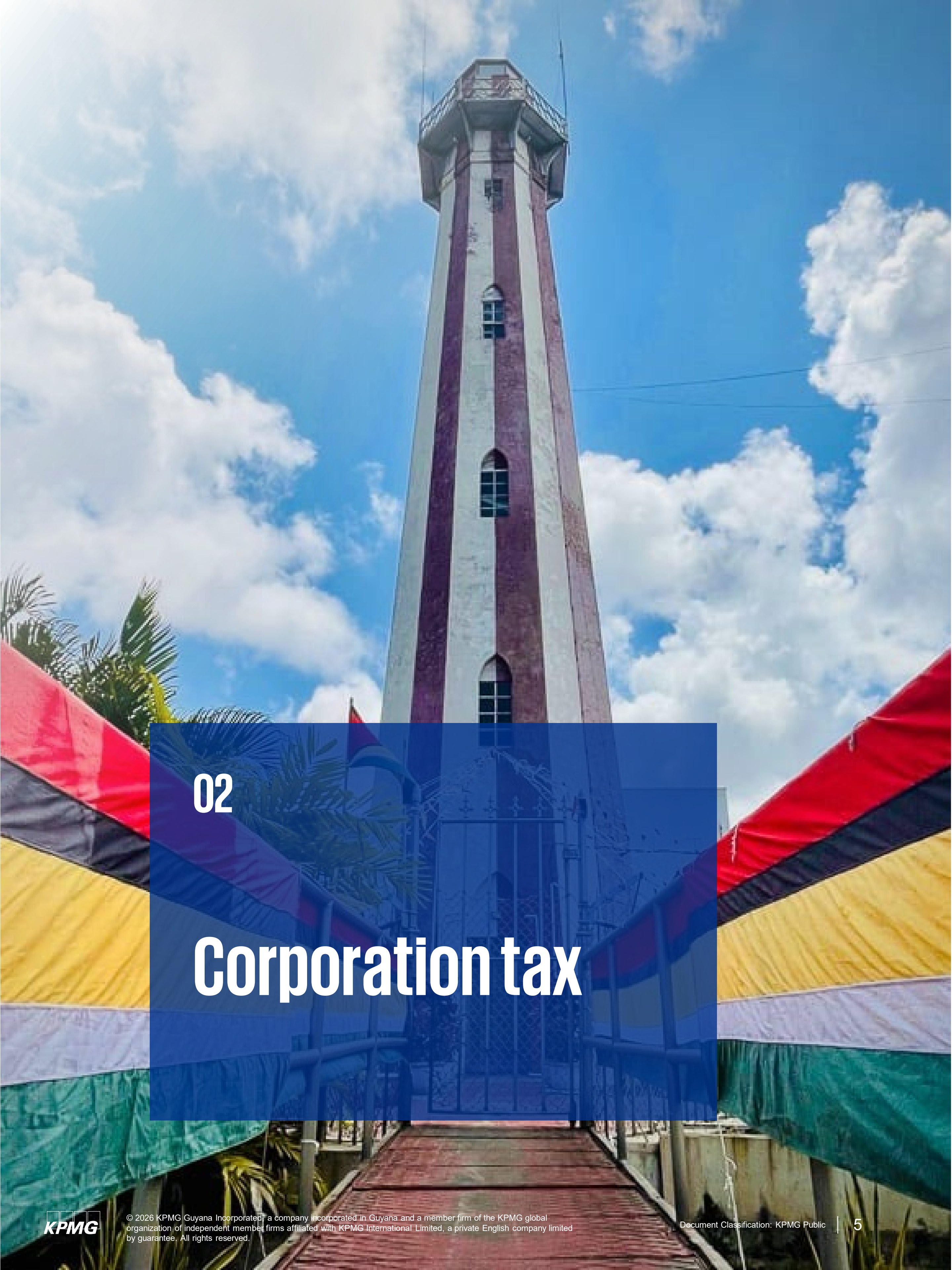
01

Personal income tax

Personal income tax

Average exchange rate of GY$209 = US$1

Income tax threshold	Annual personal allowance is GY$1.68 million. Tax will be charged on income greater than this amount Income tax return must be filed by 30 April following the year of income
Tax rates	25% on chargeable income up to GY$140,000 per month and 35% on the balance 20% flat rate for non-residents (expat staying short term)
Social security contributions	Calculated on the employee's gross salary and paid to the Guyana Revenue Authority by 15th day of the month following the deduction Employee: 5.6% Employer: 8.4%



02

Corporation tax

Corporation tax

The average exchange rate is GY$209 = US$1

Classification	Rates
Telephone companies	45%
Commercial companies [1]	40%
Other companies	25% (all other non-commercial companies)
Companies with mixed activities	40% commercial activity 25% on non-commercial activity
Minimum corporation tax [2]	2%
Small businesses [3]	25%

KPMG comment

1. Entities earning ≥75% of income from trading in goods not manufactured by them or engaged in telecommunications, banking or insurance.
2. When corporation tax payable by a commercial company is <2% of the company's turnover in that year.
3. Registered with the small business bureau.

Corporation tax is due quarterly by March 15, June 15, September 15 and December15. The deadline for filing the return and paying any balance of outstanding taxes is April 30 of the year following the year of income.

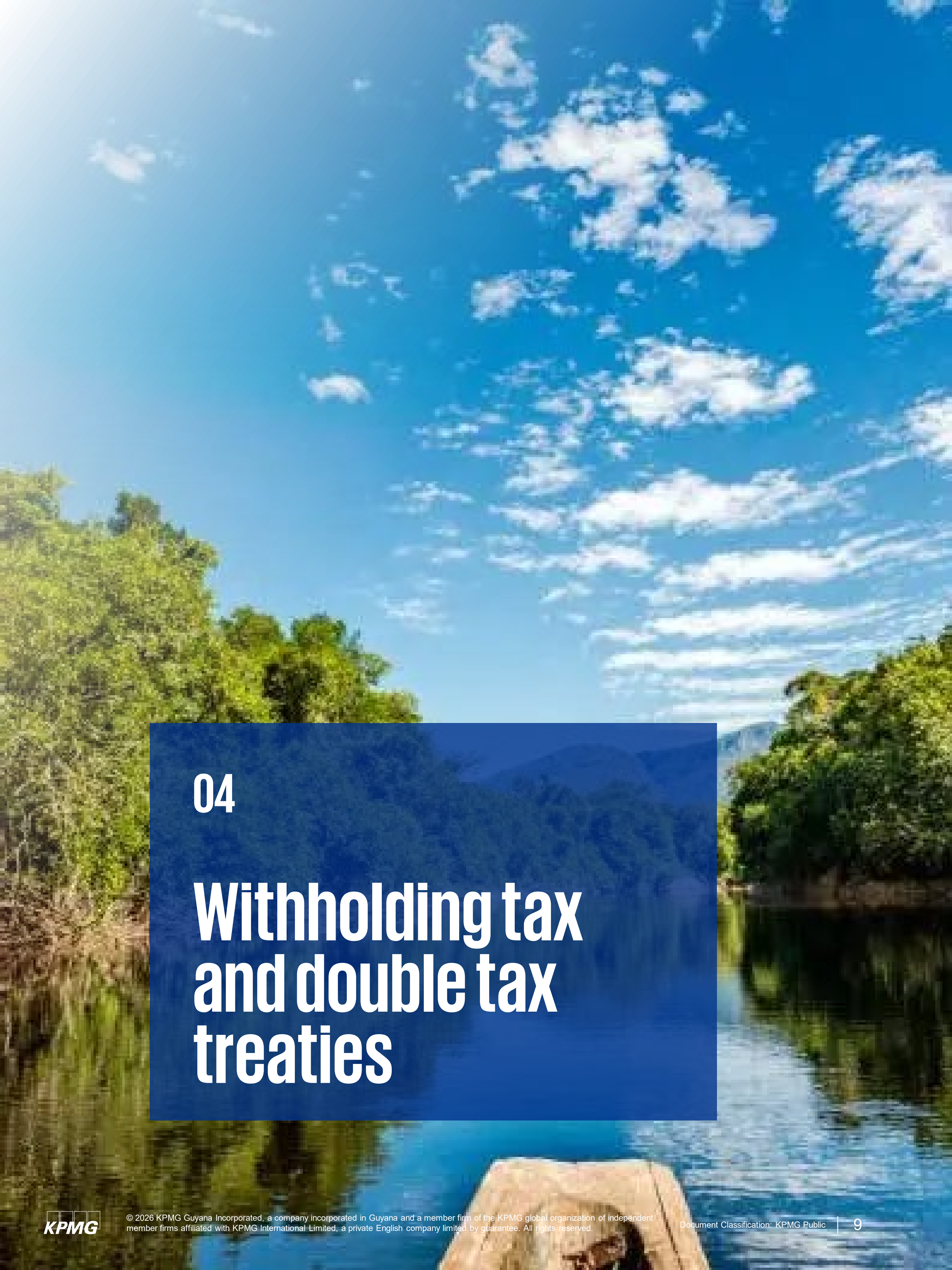
03

Wear and tear allowances

Wear and tear allowances

Asset Classification	Rates [1]
Aircraft	33.33%
Boats	10%
Motor vehicles	20%
Furniture & fittings	10%
Plant & Machinery	20%
Office equipment - electronic	50%
Office equipment - other	15%
All-Electric motor vehicles	50%
Building (housing machinery)	5% on cost
Buildings used for providing services & warehousing	2% on cost
Machinery & equipment used by poultry farmers in the poultry industry	50% - 1st year 25% - 2nd year 25% - 3rd year
Alternative energy equipment (wind, solar, biomass technologies)	Capital cost written off within two years for new equipment
Small consumables or short-life assets (bedding, tools, bottles, carpets, cutlery)	100% write-off in the year of purchase

KPMG comment
1. The wear & tear rates shall be calculated on the written-down value basis; however, the taxpayer may elect and apply to the Guyana Revenue Authority to use a straight-line method



04

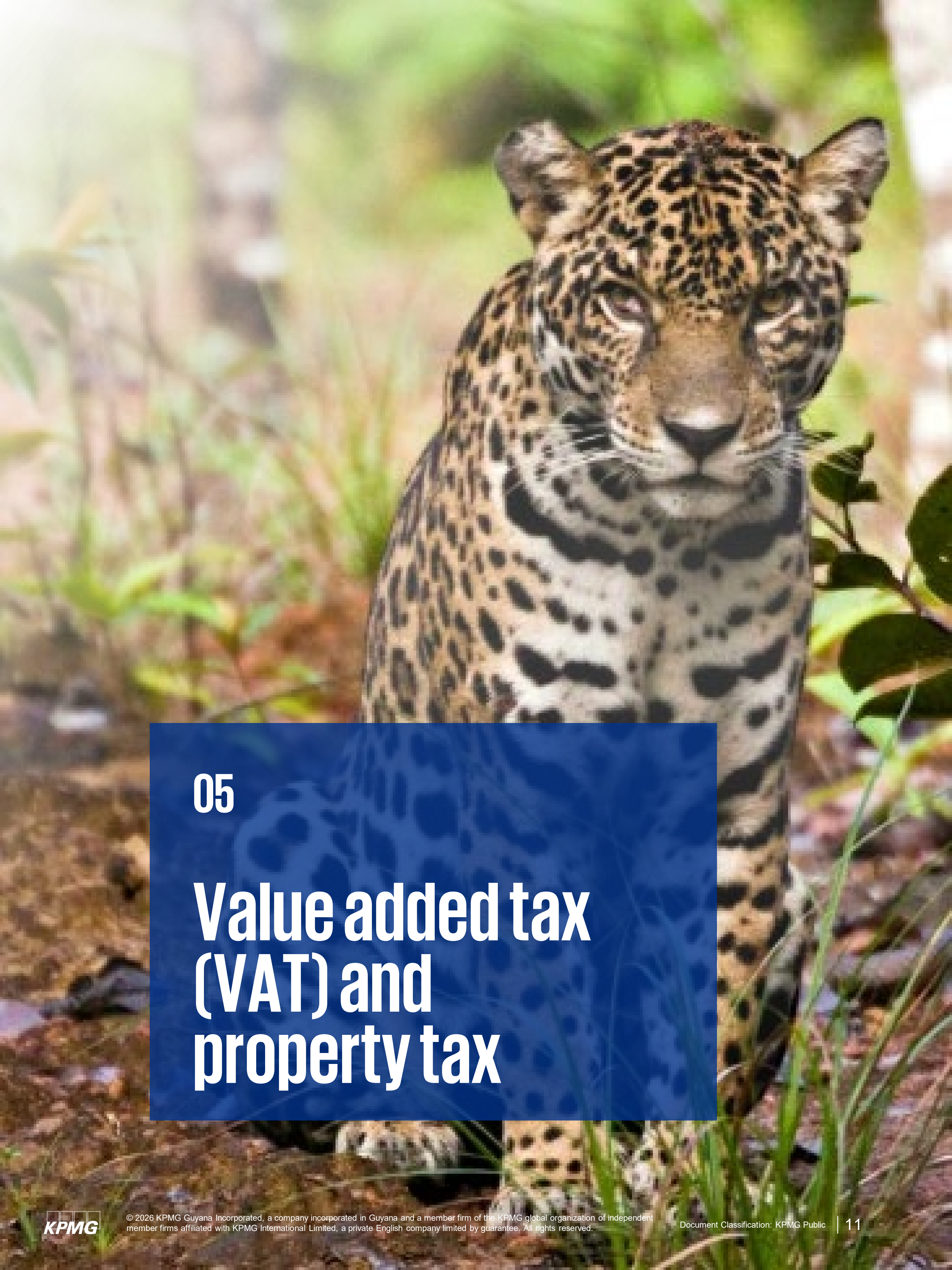
Withholding tax and double tax treaties

Withholding tax and double tax treaties

Categories of payment	Rates
Dividends	20%
Interest	20%
Royalties	20%
Payments on contracts	10%
KPMG comment	
WHT rates may differ depending on the provisions of an applicable Double Taxation Treaty. (Guyana has Tax Treaties with CARICOM, Canada, United Kingdom and United Arab Emirates)	

WHT rates shown in the table below. If a treaty rate is higher than the domestic rate, the lower domestic rates apply:

Treaty country	Dividends	Interest	Royalties	Management/ technical fees
United Kingdom	10%	15%	10%	10%
Canada	15%	25%: in this instance the 20% domestic rule applies	10%	10%
United Arab Emirates	10%	N/A	10%	10%
CARICOM	0%	15%	15%	10%



05

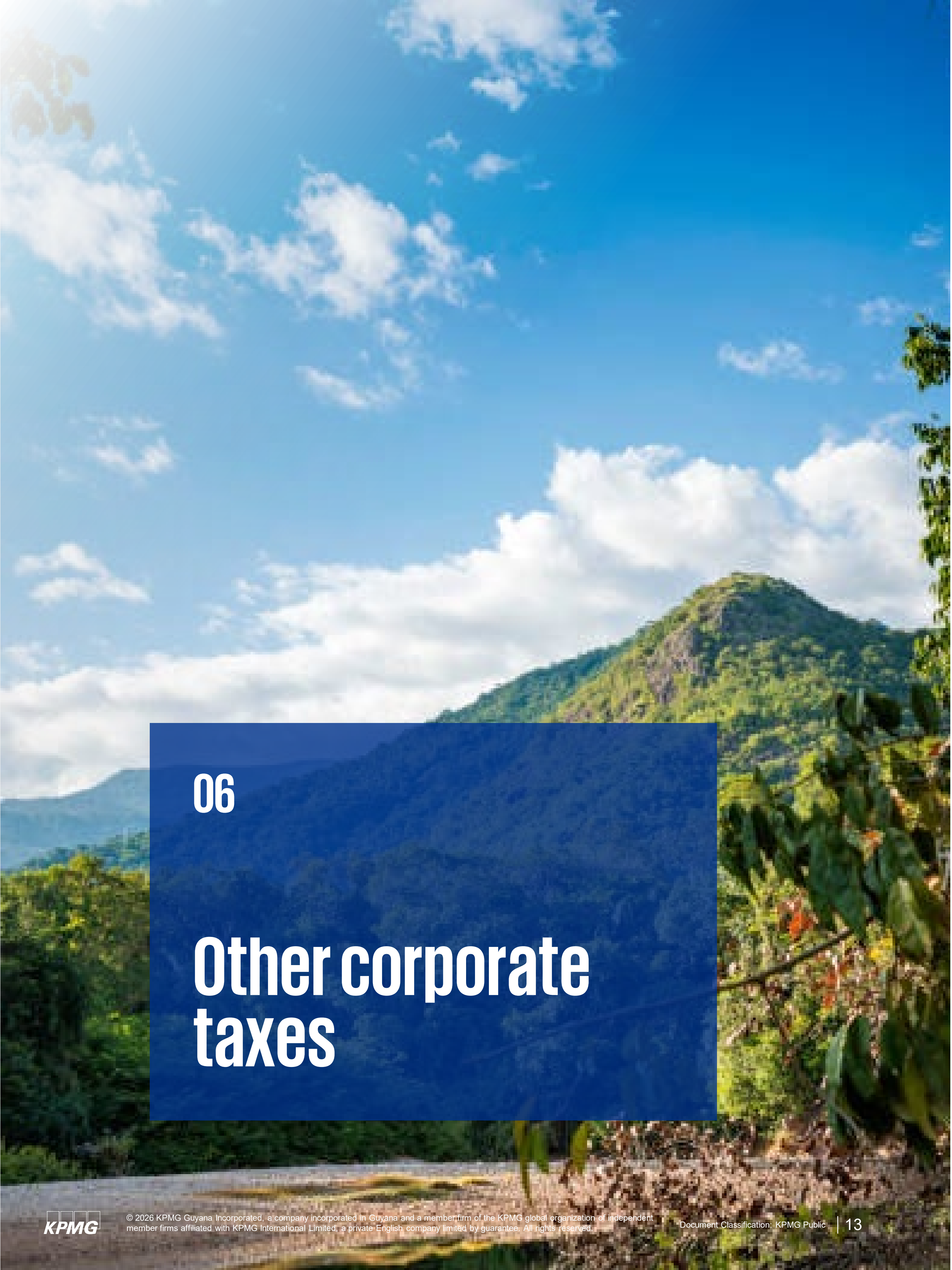
Value added tax (VAT) and property tax

VAT

Rates	Standard rate: 14% on all local or imported goods and services* Zero rate (e.g. medical supplies, certain utilities) Exempt (e.g. educational materials, financial services, mining & natural resources, health care, certain food items) *Exception those goods and services that are exempt
Due date	Due on the 21st day of the month following the close of the period
Penalty & interest	Failure to file a VAT return attracts a penalty of GY$1,000 per day or 10% of the taxes to be paid (penalty shall not exceed the taxes owed) Late payment of VAT attracts interest of 2% per month

Property tax

Rates	1st GY$40 million of net property - 0% Next GY$20 million of net property – 0.5% Every dollar of remainder of net property – 0.75%



06

Other corporate taxes

Other corporate taxes

Capital Gains Tax
Capital Gains Tax is applied to “net chargeable gain” on assets disposed of at a rate of 20%. Short Term Capital Gains are taxed as ordinary income for disposal which occurs within 12 months of acquisition.
Local Content Act (LCA)
Local Guyanese companies are mandated to register under the LCA if they are in the business of providing goods and services to the petroleum sector. The ownership of the company must be structured as follows: Beneficial ownership: ≥51% by Guyanese nationals Management control: ≥75% of executive & senior management ≥90% of other (non-managerial) positions
Stamp duty
Stamp duty is imposed on various instruments which includes but not limited to statutory declaration, deeds of conveyance, affidavits, mortgages, share transfers and bills of exchange. The rates and fees vary based on the specific type of instrument involved.
Customs duty
This is a tax levied by the Government of Guyana on goods imported into the country. The rates generally range from 0% to 20% for most goods and certain agricultural products may be subject to duties of up to 40%. Certain machinery: (e.g. generators, heavy plant) may attract 0% to 10% duty.
Permanent Establishment
A Permanent Establishment (PE) is generally triggered when a foreign business has a fixed place to carry on business in the country amongst other things as follows: Physical presence: e.g. an office, mine, oil & gas well Management carried out in Guyana Construction or installation project that lasts more than 12 months Mines, oil & gas wells, quarries

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KPMG in Caricom forms part of the international network of member firms that operate in 138 countries and territories, with more than 276,000 partners and employees. Our Caricom offices consists of 1,500 professionals collaborating across industries, sectors, and national boundaries to deliver professional services for the benefit of their clients, KPMG people, and the capital markets.

Member firms are located in Jamaica, Trinidad and Tobago, and Barbados (also servicing St. Lucia, Antigua and Barbuda, Anguilla, Dominica, Grenada, Guyana, Montserrat, St. Kitts and Nevis, and St. Vincent and the Grenadines). Our practice has strong professional contacts with the KPMG member firms in the Bahamas, Bermuda, Cayman Islands, all of which have similar cultures and operating environments.

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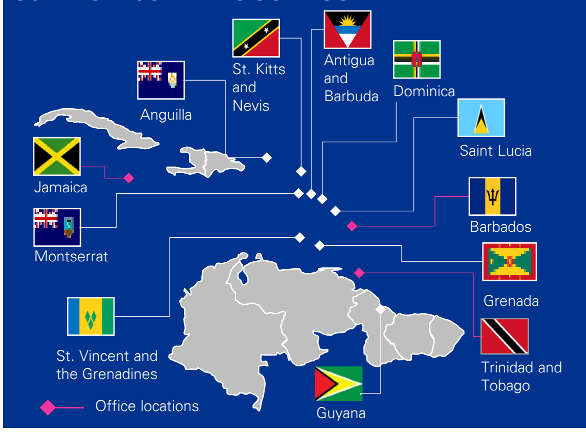
Our member firms service:



Servicing
12 countries

- Anguilla
- Antigua and Barbuda
- Barbados
- Dominica
- Grenada
- Guyana
- Jamaica
- Montserrat
- St. Lucia
- St. Kitts and Nevis
- St. Vincent and the Grenadines
- Trinidad and Tobago

Celebrating,
100+ years
of service

4
physical offices

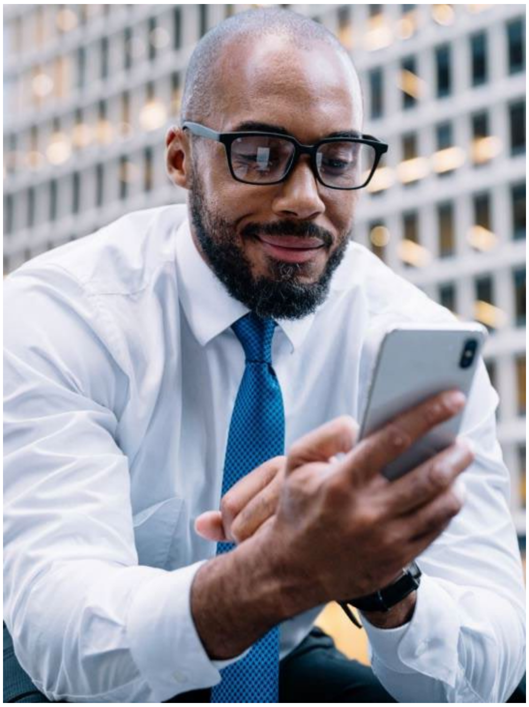
- Barbados
- Jamaica (two offices)
- Trinidad and Tobago

Our people

33
Partners and Directors

70% | 30%
Gender split (F | M)

Our services



Tax

- Tax advisory
- Personal and corporate tax
- International tax
- M&A tax
- Transfer pricing
- Tax due diligence
- Tax litigation

Advisory

Management Consulting

- Customer and operations
- IT advisory
- People and change
- Internal audit risk and compliance
- Accounting advisory
- Cyber Security Services

Risk Consulting

- Financial risk management
- Internal audit and risk consulting
- Accounting advisory services

Deal Advisory

- Corporate finance
- Infrastructure
- Valuation services
- Transaction services
- Restructuring

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