**INLAND REVENUE
**Department
C/o Ministry of Finance
Financial Complex Bldg.
Carenage
St. George’s
GRENADA
Tel: (473) 440-2695/1998/3556/2731

Information for Businesses

**APPEALS**
If you are not satisfied with any assessment by the Comptroller, you may appeal in writing within thirty (30) days of the date of the notice of assessment, specifying your grounds for appeal, and the Comptroller will re-consider the assessment and inform you of his decision. If you are still not satisfied with the Comptroller’s decision, you may appeal to the independent Appeal Commissioners with a further right of appeal to the High Court.

**OTHER TAXES**
Other taxes collected by the Inland Revenue Department are Ticket Tax, Property Tax, Land Transfer Tax and Motor Vehicle Tax.

**LICENCES**
There are a variety of licences collected by the Inland Revenue Department. Among them are Motor Vehicle and Motor Drivers Licences. Also, there are Liquor Dealers and Refreshment House Licences. If you intend to go into any business involving the sale of alcoholic beverages, the obtaining of a licence is a must.

**GENERAL CONSUMPTION TAX**
General Consumption Tax (GCT) - ACT No. 7 of 1995 is an Act to provide for the imposition of a General Consumption Tax (GCT) to be charged on the importation of goods and services as well as on the sale of goods and services. The Act came into effect from the 5th April 1995.

The tax is applied on both goods and services as shown in the two categories listed below:
- The importation in Grenada of goods
- The sale in Grenada of goods and services

*NB.* — This leaflet has been prepared by the Inland Revenue Department for providing guidance to taxpayers who are just starting off in business. Any more information, and or clarification can be obtained by getting in touch with personnel of the department using the telephone numbers given at the front of this brochure.
AS A SMALL BUSINESS, WHAT ARE THE TAXES THAT I MIGHT BE LIABLE TO PAY TO THE INLAND REVENUE DEPARTMENT?

The main taxes are Income Tax, General Consumption Tax and Annual Stamp Tax. There are some other smaller taxes and licences

INCOME TAX
(Act No. 36 of 1994)

Who Pays The Tax
Every Company excluding those with concessions, Sole Proprietors, Professionals and Employees earning in excess of $60,000.00 per annum.

When is the tax due
The tax is due and payable at the end of your financial year, but deducted monthly by the employer in the case of an employee.

Rate of Tax
Companies - thirty percent (30%) of net profit
Sole Proprietorships, Professionals and Employees - thirty percent (30%) of the excess over $60,000.00.

To Whom payable
The tax can be paid to Inland Revenue Department, or any District Revenue Office as the case may be.

On What!
Income tax is chargeable on net profit as it relates to companies and all other types of businesses. In the case of sole proprietorships there is a $60,000 exemption.

Returns
All returns are due within ninety days after the end of the accounting period (fiscal year basis). But in the case of a company it must be accompanied with a financial statement.

Income Tax Cont’d

Interest
Interest of 1½% per month or part there-of is charged on the unpaid balance

Offences

Civil Penalties - You have ninety days after your accounting period in which to file your return. If you fail to furnish a return on time you shall incur a penalty of $100 or 10% of the taxes unpaid, which ever is greater.

Criminal Penalties - The law provides for criminal proceedings to be taken against persons who do not comply with the laws.

Appeals
The same rights for appeals exist for Income Tax as for Annual Stamp Tax. See Appeals under the Annual Stamp Tax section page 4.

ANNUAL STAMP TAX

Annual Stamp Tax (AST) - Act. 36 of 1992. It is a tax on gross receipts replacing stamp on bills.

The Annual Stamp Tax charged for a year is based on the gross receipts for the previous year. That is, the tax for 2000 is based on the gross receipts for 1999.

The percentage rate to be used in calculating the stamp tax shall be:
1. 0.25% in respect of businesses with gross receipts over $30,000 per annum but not exceeding $100,000 per annum;
2. 0.5% in respect of businesses with gross receipts exceeding $100,000 per annum.

Gross Receipts shall include:-
(a) Sale or the disposal of goods and services;
(b) Investment Income;
(c) Rental Income;
(d) Interest Income;
(e) Dividends;
(f) Cost of material from stock;
(g) Royalties;
(h) Commissions and Fees including income and fees from copyright, patents and intellectual property;
(i) Any other income not of a capital nature.

LIMITS
The minimum Stamp Tax payable is $100.00.

RETURNS
Returns are due by March 31st. of the assessment year.

PAYMENTS
Payable in nine monthly installments, starting from April and going right on to December.