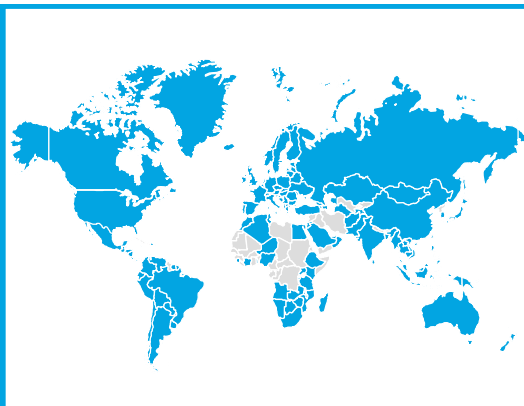


EXPATRIATES

British Virgin Islands

Tax facts for international assignees



INCOME TAX: WHO IS LIABLE

Effective from January 1, 2005 Income Tax was zero-rated and PAYE was abolished. These taxes have been replaced by a Payroll Tax (see below).

Anyone working within the territory is subject to payroll tax, whether or not they actually receive remuneration or are paid in the country.

PAYROLL TAX RATES

Payroll tax is an employer tax. However, the employer is permitted to deduct 8% from the employee.

There is an annual exempt amount of US \$10,000. If the employee has more than one employer, the benefit of the exemption can only be claimed under the primary employer.

SOCIAL SECURITY CONTRIBUTIONS

The employee pays social security contributions of 4% of remuneration, up to an annual ceiling which changes year to year. The current maximum earnings on which contributions are payable is US \$43,524.

Employees will need to register with the Social Security Board, by filing out a registration form and showing relevant ID and proof of the right to work. Once registered the employee will be issued a Social Security card.

NATIONAL HEALTH INSURANCE

The employee pays health insurance contributions of 3.75% of remuneration, up to an annual ceiling which changes year to year. The current maximum earnings on which contributions are payable is US \$87,048.

Employees will need to register with the National Health Insurance (attached to the Social Security Board), by filing out a registration form and showing relevant ID and proof of the right to work. Once registered the employee will be issued a National Health Insurance card.

BREAKING RESIDENCY - EXIT PROCEDURES

There are no current exit procedures.

For further information and to register for future updates contact expat@bdo.global

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