

Profile——The Republic of Suriname (Suriname for short)

I. Jurisdiction Background

The Republic of Suriname, located in the northern part of South America, is one of the smallest countries in South America, yet its population is one of the most ethnically diverse in the region. The capital, Paramaribo, is the political, economic, and cultural center of Suriname and the main trading port. Dutch is the official language. Its economy is dependent on its extensive supply of natural resources, most notably bauxite, of which it is one of the top producers in the world.

II. Organizational Structure

The Directorate of Taxes and Customs (Belastingdienst Suriname, DoTC) under the Ministry of Finance and Planning assumes the responsibility of enforcing tax laws and tax collection and administration. In addition to the headquarters, it also has offices in charge of direct taxes, customs duties, consumption taxes and those for collections.

III. Current Tax System

The tax system of Suriname is composed of direct taxes and indirect taxes. The direct taxes mainly include income tax on corporations and individuals, and the indirect taxes primarily consist of value added tax which was newly enacted in 2023. Other taxes and duties include excise tax, stamp duty and property tax, etc.

IV. Overview of tax preference policies

Based on the Investment Law 2001, entrepreneurs have the possibility to request incentives for investments in sectors of agriculture, animal husbandry, fisheries, horticulture, aquaculture, mining, forestry, tourism, trade, transport, and professional services. Qualified taxpayers may enjoy incentives such as random depreciation and tax holidays, etc.

V. Tax Collection and Administration

The DoTC has made continuous efforts to modernize the tax collection and administration and promote voluntary compliance. It is in the process of digitizing its business processes in recent years. The Multi Tax Solution (MTS), a comprehensive revenue management system, was launched with main functions to support tax collection, accounting, and as an online portal for taxpayers. It was implemented using a modern, cloud-based approach, and made it easy to integrate new tax instruments and modules into the system which allows the tax authorities to manage tax data more efficiently and effectively and improve the tax collection efforts. Taxpayers and withholding agents are required to register in the online portal to obtain a tax identification number (FIN).

VI. Taxpayer Services

In recent years, the tax authorities have initiated tax reforms, with the enhancement of service quality being a central aspect of the tax reform endeavor in Suriname. The core component of the service reform is to afford taxpayers the capacity to conduct registration, filing, payment, and refund procedures in a digital format.

The DoTC has introduced online filing for VAT, payroll tax, and pension premiums, and the e-tax channel on its official website allows taxpayers to realize tax matters through both online and offline channels.

VII. Tax Legislation Process

Suriname has a relatively long history of tax legislation, and major tax laws include Lottery Tax Act 1833, Income Tax Act 1922, Property Tax Act 1944, Dividend Tax Act 1973, Social Insurance Contributions Act 1981, Payroll Tax Act 1981, Rent Tax Act 1995, and Gaming Tax 2002, etc. Amendments have been made to the tax laws over the time. The Value Added Tax Act 2022, which came into effect on January 1, 2023, replaced the turnover tax.

VIII. Future Tax Reform Plan

With the aim of restoring the Surinamese economy to a proper course, in recent years, the Government of Suriname has been in the process of implementing a recovery plan and a multi-year development plan. The tax system will be enhanced through restructuring the income tax brackets, incorporating a value added tax (VAT) into the sales tax regime, introducing a withholding tax, and extending the tax jurisdiction to the offshore economic zones. Up to the present moment, the Government of Suriname has achieved remarkable progress in the legislation of VAT and Income Tax.

IX. International tax cooperation

Suriname has entered a tax treaty with Indonesia. It is a member of the Center of Inter-American Tax Administrations (CIAT), and a Council Member of the Belt and Road Initiative Tax Administration Cooperation Mechanism (BRITACOM).

X. Others

None.