

## **Decision List BES Fiscal Administrative Consultation on January 13<sup>th</sup>, 2009 at Sint Eustatius**

**As agreed between the delegations of Bonaire, Sint Eustatius, Saba and the  
Netherlands**

### **Introduction/summary**

- The past two years have brought intensive and constructive negotiations between representatives of Bonaire, St. Eustatius, Saba, and the Netherlands regarding the nature, the set-up, and the development of the new tax/fiscal system which will be applied on the BES islands.
- On basis of the mutual, between the BES and the Netherlands, agreed starting points and prerequisite constraints, the proposed new fiscal structure is set up in proposed legislation.
- An initial concept of this legislation was forwarded to the BES islands in early October 2008. The concept was later discussed in detail on October 29, 2008.
- In connection with the exchange of ideas on October 29<sup>th</sup> 2008, several suggestions of the BES islands to add or modify elements of the bills were adopted. At the same time, it was agreed that the Netherlands would forward a second concept of the tax legislation before Christmas 2008.
- During the BES Week of November 2008, there was further discussion regarding the prospective tax/fiscal system for the BES islands. Subsequently, with regards to the aforementioned, pertinent decision making occurred on January 13, 2009 on Sint Eustatius. On this occasion, Bonaire, Sint Eustatius, Saba, and the Netherlands made specific agreements with focus on the strengthening of the local economies and the self-sufficiency of the inhabitants of the Islands, which are documented in this decision list.

### **Decisions Tax/Fiscal system BES islands**

- The chosen setup and development of the future tax system for the BES islands, as it was included in the second concept of the proposed Tax

law BES and, Customs and Duty law BES, including explanatory memorandum, as it was sent to the BES islands by the Netherlands, has been agreed upon.

- In conjunction with Bonaire, Saba and Sint Eustatius, the Netherlands will look into the possibility of specifically lower the profit tax or totally dispose of the profit tax.
- During this investigation assistance is offered to the Islands, together or individually, for further modifications of the proposed laws and assistance is offered for the information campaign regarding the proposed laws.
- The Netherlands will further prepare these proposed tax laws, in order to present them to the Council of Ministers so that they are dealt with during the first quarter of 2009. These proposed tax laws can be presented to the respective Island Councils.
- The tax legislation for the BES islands can be adapted annually, where necessary; this can be done once there has been administrative consultation between the BES islands and the Netherlands and there is conformity and adherence to the annual Dutch tax system plan.
- In the context of the phased approach, a communication strategy will be considered with regards to the consequences of the proposed tax laws for the people of the BES islands.
- The tax tariffs as stated in the second concept of the proposed tax laws can, if so decided in a political consultation between the BES Islands and The Netherlands, for example if based on the available figures of the tax income give the reason hereto, before the implementation date of the tax laws be changed through extra tax laws.

Signed by the representative of Bonaire, Saba, Statia and The Netherlands on Statia on January 13, 2009.