

Corporation Tax, Business Levy, and Green Fund Levy — What Foreign Investors Should Know

This guide walks investors through the corporate tax landscape in Trinidad & Tobago as of the 2025/2026 fiscal year: the headline rates, sector-specific rates, the business levy and green fund levy, the current suite of investment-linked tax allowances, and the filing calendar.

Key Points

- Headline corporation tax rate: 30% on chargeable profits.
- Sector rates: 35% for commercial banks and petrochemicals; 50% for petroleum production (30% for deep-water).
- Business Levy: 0.6% of gross revenue (payable to the extent it exceeds the corporation tax charge).
- Green Fund Levy: 0.3% of gross income (not deductible for corporation tax).
- Investment allowances: 150% cybersecurity (up to \$500K), 150% tech/digitisation (up to \$3M), 40% R&D (up to \$3M).
- Returns due 30 April following year-end (six-month extension to 31 October available).
- Quarterly instalments: 31 March, 30 June, 30 September, 31 December.
- The Finance Act 2025 introduced (effective 1 January 2026) a 0.25% commercial asset levy on financial institutions and local insurers.

1. Headline rates

The Corporation Tax Act imposes tax on the chargeable profits of a company at the following rates for the 2025/2026 fiscal year:

- Ordinary companies, 30%.
- Commercial banks, 35%.
- Petrochemical companies, 35%.
- Petroleum production companies (onshore & shallow marine), 50%.
- Petroleum production companies (deep marine, defined depth thresholds), 30%.

- Life insurance companies, variable (0%, 15%, 25%, or 30%) depending on the class of business.

2. Business Levy & Green Fund Levy

In addition to corporation tax, companies are subject to two turnover-based levies:

- Business Levy, 0.6% of gross revenue. This is a minimum tax: it is only payable to the extent that the levy exceeds the corporation tax charge for the period. Businesses in their first three years of operation are generally exempt.
- Green Fund Levy, 0.3% of gross income. This is a true additional charge, it is payable in addition to corporation tax and is not deductible for corporation tax purposes.

3. Investment-linked tax allowances

The following enhanced allowances are available to companies as of the 2025/2026 year:

- Cybersecurity expenditure, 150% allowance, capped at TT\$500,000 (for expenditures incurred through 31 December 2025).
- Investment in tech start-ups or new-tech businesses, and expenditure on technology solutions and digitisation, 150% allowance, capped at TT\$3 million.
- Research and development, 40% allowance, capped at TT\$3 million.
- Carbon capture & storage or enhanced oil recovery investments, 30% allowance, capped at TT\$500,000.
- Corporate sponsorship of registered schools, 150% allowance, capped at TT\$500,000.
- Promotion of the fashion industry, 150% allowance, capped at TT\$12 million.

These allowances stack on top of ordinary deductions and can meaningfully reduce effective tax rates for qualifying investments. Documentation and pre-approval requirements apply, engage a local tax adviser early.

4. Filing calendar

Corporation tax is administered on a fiscal-year basis. Key dates:

- Return due date, 30 April following the end of the fiscal period.
- Automatic six-month extension available, extended due date 31 October.
- Estimated tax quarterly instalments, 31 March, 30 June, 30 September, 31 December.

Late filing and late payment attract interest at commercial rates. VAT is a separate regime with monthly or bi-monthly filings depending on turnover.

5. Finance Act 2025 changes (effective 1 January 2026)

The Finance Act 2025 (Act No. 14 of 2025) introduced two changes of interest:

- A new deduction for contributions to registered animal shelters, capped at the lower of 15% of chargeable profits or TT\$100,000.
- A new commercial asset levy of 0.25% on total assets, payable by financial institutions and local insurers.

These take effect from 1 January 2026 and should be factored into 2026 planning.

6. Double taxation treaties

Trinidad & Tobago has an active network of double-taxation treaties with a range of countries including Canada, the United Kingdom, the United States, Germany, France, Switzerland, India, China, Brazil, and several CARICOM Member States. Investors from treaty jurisdictions may benefit from reduced withholding rates on dividends, interest, and royalties. Treaty positions must be documented in advance, retrospective claims are rarely successful.

Sources

- Corporation Tax Act & Income Tax Act, T&T
- PwC Tax Summaries, Trinidad & Tobago (2025)
- KPMG Bulletin on Finance Act 14 of 2025
- Deloitte T&T Highlights 2024

This guide is an informational summary prepared by the Tobago Foreign Direct Investment Commission for the benefit of prospective investors. It does not constitute legal, tax, or financial advice. Legislation and administrative practice change from time to time, always consult a qualified attorney-at-law admitted in Trinidad & Tobago before acting on any of this material. Where a discrepancy exists between this guide and the underlying statute, the statute prevails.