

How To Repatriate Profits and Dividends Out of Trinidad & Tobago

T&T does not restrict the repatriation of capital, profits, dividends, interest, or investment gains. However, the mechanics still matter: withholding tax must be discharged at source, funds must be routed through an Authorised Dealer, and FX allocation must be lined up in advance. This guide covers the full sequence for both scheduled and one-off repatriations.

Key Points

- There are NO exchange-control restrictions on repatriation of capital, profits, dividends, interest, or gains.
- Repatriation must be routed through an Authorised Dealer (your corporate bank).
- Withholding tax on dividends is typically 8% for individuals and companies (subject to double tax treaty reduction).
- Dividends can only be paid out of distributable profits, audited or reviewed accounts are the standard evidence.
- USD FX allocation from Authorised Dealers can be tight; give the bank advance notice on large remittances.
- Documentation matters, the bank will want a board resolution, audited accounts, and treaty positions.

1. Legal framework, what is permitted

This is worth stating clearly because it is often misunderstood: Trinidad & Tobago does NOT impose exchange-control restrictions on the repatriation of capital, profits, dividends, interest, or investment gains by foreign investors. The Foreign Investment Act does not restrict repatriation. The Exchange Control Act, as administered, does not require approval for repatriation itself; it only requires that the transaction be routed through an Authorised Dealer.

See the Exchange Control Act guide for the full legal position.

2. Step 1, Declare the dividend properly

Dividends can only be paid out of distributable profits. The board of the T&T subsidiary must:

- Prepare audited or reviewed financial statements confirming the availability of distributable profits.
- Pass a board resolution declaring the dividend, specifying amount, currency, recipient, and record date.

- Confirm solvency, the company must be able to meet its debts as they fall due AFTER the distribution.

A dividend paid where there are no distributable profits, or where the solvency test fails, can be recovered from the directors personally under the Companies Act.

3. Step 2, Withholding tax at source

Withholding tax is deducted at source from the gross dividend and remitted to the IRD before the net amount is remitted overseas. Standard rate:

- Dividends to individuals and companies, 8% (2025/2026).

Treaty reductions may apply. Where the recipient is resident in a jurisdiction with a double taxation treaty with T&T (e.g. Canada, UK, US, Germany, Switzerland, several CARICOM Member States), the rate may be reduced, typically to 5%, 10%, or nil depending on the treaty and the recipient's ownership percentage. Treaty positions must be documented in advance with a Certificate of Residence from the recipient's home tax authority.

4. Step 3, Instruct the Authorised Dealer

Provide your bank (the Authorised Dealer) with:

- Copy of the board resolution declaring the dividend.
- Audited or reviewed accounts evidencing distributable profits.
- Withholding tax receipt from the IRD.
- Treaty documentation, if claiming a reduced withholding rate.
- The recipient's account details (SWIFT, IBAN, correspondent bank).
- A completed FX purchase form specifying amount and value date.

For a single, well-documented dividend the bank can typically execute within 3–5 business days once FX allocation is available.

5. Step 4, FX allocation

This is the one operational constraint that catches investors off guard. Although there is no legal restriction on repatriation, day-to-day retail access to USD in T&T can be tight, and Authorised Dealers ration USD allocations across their client book.

For large or time-sensitive repatriations, engage the FX desk EARLY:

- At least 30 days ahead of the target value date.
- Provide a full pipeline forecast where you expect recurring flows.

- Consider staggering large repatriations across multiple value dates.
- If possible, hold cash flows in the USD account throughout the year, so the repatriation is a straight-through wire and not a fresh TTD → USD conversion.

For very large one-off transactions (e.g. return of capital on exit), work with the bank on a forward-planned FX schedule.

6. Repatriating other forms of income

Non-dividend repatriations follow the same overall pattern but with different documentation:

- Interest on shareholder loans, loan agreement, board resolution, and withholding tax receipt (15% default; reducible by treaty).
- Royalties and service fees, arm's-length agreement, invoice, withholding tax receipt (15% default; reducible by treaty; watch for transfer-pricing scrutiny on related-party fees).
- Gains on disposal, sale agreement, evidence of capital gains position, and attorney's confirmation that no unresolved tax liabilities remain against the seller.
- Return of capital, board resolution, evidence that the reduction of capital was sanctioned in accordance with the Companies Act.

7. Keeping records

For every repatriation, keep a compliance pack containing:

- The corporate resolution.
- The audited or reviewed accounts (for dividends).
- The withholding tax receipt from the IRD.
- The Authorised Dealer's confirmation and SWIFT copy.
- Any treaty documentation.

Regulators, auditors, and future buyers of your investment will all want to see this chain of documentation. A tidy compliance file protects the value of your investment on exit.

Sources

- Exchange Control Act, Chap. 79:50
- PwC Tax Summaries, Trinidad & Tobago Withholding Taxes (2025)
- Central Bank of T&T, Authorised Dealer guidance

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.