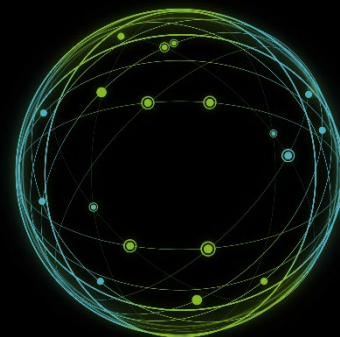


International Tax Aruba Highlights 2026

Updated January 2026



Recent developments

For the latest tax developments relating to Aruba, see [Deloitte tax@hand](mailto:Deloitte_tax@hand).

Investment basics

Currency: Aruba florin or guilder (AWG), which is pegged to the US dollar (USD) at a rate of 1.79 (USD 1 = AWG 1.79).

Foreign exchange control: A 1.3% foreign exchange commission is calculated as a percentage of the gross outflow of money on transfers from residents to nonresidents, and on foreign currency cash transactions.

An exchange rate margin commission is applicable on all purchases (at 0.375%) and sales (at 0.125%) of foreign exchange transactions settled through commercial banks.

Accounting principles/financial statements: Financial statements must be prepared annually. No specific financial reporting framework is required. However, the law does mention that the financial statements must be prepared in accordance with internationally accepted standards.

Principal business entities: These are the limited liability companies (NV and VBA), exempted VBA, general partnership, (private) foundation, limited partnership, and branch of a foreign corporation.

Corporate taxation

Rates	
Corporate income tax rate	22%
Branch tax rate	22%
Capital gains tax rate	22%

Residence: A company is considered resident in Aruba for tax purposes if it is incorporated under the laws of Aruba or managed and controlled in Aruba.

Basis: Residents are taxed on worldwide income; nonresidents are taxed only on Aruba-source income. Foreign-source income derived by residents is subject to corporate income tax in the same way as Aruba-source income. Branches are taxed in the same way as subsidiaries.

A company can within one month after incorporation opt into the transparent company regime by sending a notification to the tax authorities. To maintain transparent status, the company must fulfill economic substance requirements and file a

transparent company return within six months after the end of its fiscal year. Companies subject to the regime create a permanent establishment in Aruba for their shareholders, and the permanent establishment is subject to corporate income tax on the Aruba-source income. Such companies are not subject to dividend withholding tax in Aruba.

Taxable income: Corporate income tax is imposed on a company's profits, which consist of business/trading income; passive income, such as dividends and interest; and capital gains. Normal business expenses may be deducted in computing taxable income, while additional incentives may apply.

Rate

General

The corporate income tax rate is 22%.

Surtax

There is no surtax.

Alternative minimum tax

There is no alternative minimum tax.

Global minimum tax (Pillar Two)

Aruba has not yet implemented rules that generally are in line with the global anti-base erosion (GloBE) or "Pillar Two" model rules published by the OECD/G20 Inclusive Framework on BEPS that are designed to ensure a global minimum level of taxation of 15% for multinational enterprise groups with annual consolidated revenue of at least EUR 750 million.

Taxation of dividends: Dividends received generally are taxed according to the regular taxation rules, although exemptions may apply (e.g., see "Participation exemption," below).

Capital gains: Capital gains on participations normally are taxed, unless the participation exemption applies (see "Participation exemption," below).

Losses: Losses incurred by a company on a stand-alone basis generally may be carried forward for five years. For tax years 2020 through 2022, any losses incurred may be carried forward for seven years. The carryback of losses is not permitted.

Foreign tax relief: Foreign tax paid may be credited against Aruba tax on the same income, but the credit is limited to the amount of Aruba tax payable on the foreign income.

Participation exemption: Dividends and capital gains received by a resident company from a participation in a resident or nonresident company are exempt under the participation exemption, provided certain conditions are fulfilled.

Holding company regime: There is no holding company regime.

Incentives: The imputation payment company (IPC) regime, which allows for lower corporate income tax rates (10% to 15%) and a 0% dividend withholding tax, has been abolished as from 1 January 2023, with a transitional period applying to existing IPC structures until the last day of fiscal years beginning before 1 January 2026.

Profits from the operation of an oil refinery or an oil terminal are subject to corporate income tax rates of 6%, 7%, or 10%.

Aruba also has several free zones that offer tax benefits, such as a 2% corporate income tax rate, provided certain conditions are fulfilled.

As from 1 January 2026, two new beneficial tax policies have been introduced. The first offers tax incentives for investments in designated areas of Oranjestad and San Nicolas. If specific conditions are met, taxpayers may qualify for full exemptions from

profit tax and dividend withholding tax for 10 years and partial exemptions for transfer tax and turnover tax for two years. The second offers various incentives and exemptions applicable for five years for startups in certain sectors, including tourism (medical, cultural, sport, adventure), the knowledge economy, maritime and aviation logistics, agriculture, the circular economy, and creative industries.

Compliance for corporations

Tax year: A calendar year or fiscal year generally applies.

Consolidated returns: Where a fiscal unity exists for corporate income tax purposes, subsidiary companies included within the fiscal unity (and that are registered for corporate income tax) electronically file a simplified return, and the company at the head of the fiscal unity files a consolidated return. However, separate annual financial accounts still are required for each entity within the fiscal unity.

Filing and payment: A self-assessment regime applies. Entities subject to corporate income tax must file a provisional tax return with the tax authorities within five months after the end of the fiscal year and pay the corporate income tax due when the tax return is filed. If the provisional tax return is filed on time, an extension of six months is given for the final tax return. Corporate income tax due on the final tax return must be paid at the time of filing the return.

The tax return must be accompanied by all information needed to establish the company's taxable income, including the balance sheet, the profit and loss account, and any other information requested by the tax authorities. If a complete tax return is not submitted, the tax authorities may issue an estimated assessment. A final assessment must be issued no later than five years after the end of the relevant tax year.

Tax returns must be filed electronically through the tax authorities' online portal ("BO impuesto"). Taxpayers must register on the portal and can appoint a representative to file the tax return on their behalf.

Penalties: Penalties apply for the late filing of a return and the late payment of tax due on a return.

Rulings: Companies may request rulings from the tax authorities (e.g., fiscal unity, cost plus, participation exemption, transparent status).

Individual taxation

Rates		
Individual income tax rate	Taxable income (AWG)	Rate
	Up to 34,930	0%
	34,931–63,904	21%
	63,905–135,527	42%
	Over 135,527	52%
Capital gains tax rate		0%/25%

Residence: Individuals are considered residents if, based on the facts and circumstances, their center of existence is deemed to be in Aruba.

Basis: Residents are taxed on their worldwide income; nonresidents are taxed only on Aruba-source income.

Taxable income: Income is taxed under a schedular system. Employment income, the results derived from conducting a sole proprietorship, and revenue from movable and immovable property are generally considered taxable income.

A fictitious annual minimum wage of the higher of the following amounts applies to a "substantial shareholder" (i.e., a shareholder who holds 25% or more of the shares in a company) and is subject to tax: 75% of the wage of the most comparable employment; the wage of the top earning employee at the company or affiliated entities; or AWG 48,000. For the first four years

of a startup company, the substantial shareholder's fictitious annual minimum wage is equal to the minimum wage set at 1 January of the relevant year.

Rates: Rates are progressive from 0% to 52%. A tax-free amount of AWG 30,000 applies to taxpayers that are qualified as payers of income tax for the entire calendar year. This effectively means that a taxpayer with annual taxable income not exceeding AWG 64,930 will not be subject to income tax for 2026.

Capital gains: Capital gains are exempt, except for those derived from the sale of shares relating to a "substantial interest," which are taxed at 25%. Taxpayers are treated as having a substantial interest in a company if they hold, directly or indirectly, at least 25% of the shares of the company either alone or together with next of kin.

Deductions and allowances: Subject to certain restrictions, deductions are granted for medical expenses and insurance, retirement annuities, mortgage interest, etc. Personal allowances are available to taxpayers and their spouses, children, and other dependents. Special allowances are available under the expatriate regime and fringe benefits policy.

Foreign tax relief: Foreign tax paid may be credited against Aruba tax on the same income, but the credit is limited to the amount of Aruba tax payable on the foreign income.

Compliance for individuals

Tax year: The tax year is the calendar year.

Filing status: Joint filing is permitted.

Filing and payment: Individuals who receive a declaration letter from the tax authorities must file an income tax return. An income tax return also must be filed if a letter was not received but income was earned in Aruba. The tax return must be filed within two months after the year end. Upon request, an extension to file the tax return is possible.

Wage tax is levied on the employment income of an individual and is a pre-levy of the individual income tax, which is taxed under a schedular system (see "Rates" under "Individual income tax," above).

Penalties: Penalties apply for the late filing of a return and the late payment of tax.

Rulings: Individuals may request rulings from the tax authorities.

Withholding tax

Rates				
Type of payment	Residents		Nonresidents	
	Company	Individual	Company	Individual
Dividends	0%/10%	10%	0%/5%/10%	10%
Interest	0%	0%	0%	0%
Royalties	0%	0%	0%	0%

Dividends: Dividends paid to resident companies are subject to a 10% withholding tax rate, unless the dividends are exempt under the participation exemption. Dividends paid to resident and nonresident individuals are subject to a 10% withholding tax rate. Dividends paid to nonresident companies are subject to a 10% withholding tax rate, unless the rate is reduced to 5% for nonresident companies within the Kingdom of the Netherlands. For the IPC regime, the 0% withholding tax rate will apply to dividends distributed through 2027.

Interest: There is no withholding tax on interest.

Royalties: There is no withholding tax on royalties.

Fees for technical services: There is no withholding tax on technical service fees.

Branch remittance tax: There is no branch remittance tax.

Anti-avoidance rules

Transfer pricing: Aruba respects internationally accepted transfer pricing guidelines and the arm's length principle. Statutory transfer pricing documentation requirements apply, and documentation must be retained in the taxpayer's records.

Interest deduction limitations: Payments (including interest and compensation for the use of tangible and/or intangible goods or for services (e.g., rent, royalties, management fees)) are not tax deductible unless the Aruban entity making the payment can prove that (i) the recipient is not directly or indirectly related to the payer (i.e., an interest of 25% or more), or (ii) the payment is included in the tax base of the recipient that is subject to a nominal tax rate of at least 15%.

Controlled foreign companies: There are no controlled foreign company rules.

Anti-hybrid rules: There is no anti-hybrid legislation.

Economic substance requirements: There are no economic substance requirements, other than for companies opting for the transparent company regime or the tax exempted regime (see "Basis" under "Corporation tax," above).

Disclosure requirements: There are no disclosure requirements.

Exit tax: An exit tax applies to liquidations, mergers, and divisions. The tax also applies when companies and foundations are converted into a foreign legal entity, or when a taxpayer transfers its registered office to another jurisdiction. The increase in the value of an asset transferred to a beneficiary is subject to the exit tax.

General anti-avoidance rule: There is no general anti-avoidance rule.

Turnover tax

Rates	
Standard rate	7%
Reduced rate	0%

Taxable transactions: Turnover tax is imposed on the sale of goods and the provision of services. Exemptions are available. Turnover tax also is imposed on imported goods; the tax is deductible if the goods are commercial goods intended for resale.

Telecommunication, radio and television broadcasting, and electronic services are considered to be rendered from where the recipient of the services lives or is established (rather than where the provider of the services is established).

Rates: The standard turnover tax rate is 7%.

Registration: Residents and nonresidents that make taxable deliveries of goods or services in Aruba must register for turnover tax purposes.

Filing and payment: A self-assessment regime applies, with monthly filing. The tax return and payment of tax are due within 15 days after the end of the month.

A reverse charge mechanism applies to foreign-based entrepreneurs without a permanent establishment in Aruba. If they render one or more of the following services to entrepreneurs based in or with a permanent establishment in Aruba, the recipient of the services (rather than the provider of the services) must pay any turnover tax due: immovable property services; the transport of people or goods; cultural, artistic, scientific, sport, education, entertainment, or similar activities; loading, unloading, or similar transport-related activities; work regarding movable properties; and telecommunication, radio and television broadcasting, and electronic services.

Foreign-based entrepreneurs with no permanent establishment in Aruba may appoint a tax representative in Aruba for transferring goods and rendering services for which the entrepreneur must pay turnover tax in Aruba. The tax representative

then acts in the name of the entrepreneur regarding all the rights and obligations of the entrepreneur related to the tax returns and the payment of tax.

Other: Tax returns should be filed electronically through the tax authorities' online portal ("BO impuesto"). Taxpayers must register on the portal and can appoint a representative to file the tax return on their behalf.

Other taxes on corporations and individuals

Unless otherwise stated, the taxes in this section apply both to companies and individuals and are imposed at the national level.

Social contributions and payroll taxes: The employer is required to make pay-related social insurance payments on behalf of its employees. Employed and self-employed individuals are required to make social insurance payments, with a capped amount based on the individual's salary.

Capital duty: There is no capital duty.

Real property tax: An annual 0.6% "ground tax" is levied on the value of real estate owned by corporations, determined by the local tax authorities. The tax authorities must be notified of a purchase of immovable property and of any adjustments resulting in a change to the value of the property and the assessment to be imposed in the subsequent year.

The rates for residents are as follows:

- 0% for properties with an aggregate value of AWG 120,000 or less;
- 0.2% for properties with an aggregate value of AWG 120,001 to AWG 250,000;
- 0.3% for properties with an aggregate value of AWG 250,001 to AWG 500,000;
- 0.4% for properties with an aggregate value of AWG 500,01 to AWG 750,000; and
- 0.6% for properties with an aggregate value greater than AWG 750,000.

An annual 0.6% tax is imposed on the value of real estate owned by nonresidents.

Transfer tax: Transfer tax is levied on the purchase and acquisition of real estate (including under the law of succession and donations). The transfer tax is 3% on real estate with a value of AWG 250,000 or less, and 6% on any value greater than AWG 250,000.

Transferring economic ownership of real estate is also subject to transfer tax. An economic ownership exists if the slightest change in value is attributable to someone else other than the legal owner, except by the signing of a purchase deed or a purchase option or having a right to obtain the title. The seller of the economic ownership, if not by notarial deed, needs to notify the tax inspector within two weeks after the transfer of the economic ownership. If the notification is late, a penalty up to of AWG 100,000 may be imposed or, if the value of the property is greater than AWG 100,000, up to 10% of that value.

Transferring shares of real estate companies is subject to transfer tax (3% on share value of AWG 250,000 or less, and 6% on any value greater than AWG 250,000). Certain conditions need to be fulfilled to be considered a real estate company.

Stamp duty: There is no stamp duty.

Net wealth/worth tax: There is no net wealth tax or net worth tax.

Inheritance/estate tax: There is no inheritance tax or estate tax. A transfer of real property as an inheritance is not subject to transfer tax (see "Transfer tax," above).

Other: A 12.5% tourist levy is payable by tourists staying at hotels and resorts. Fixed amounts apply for time-share rentals. An environmental levy applies on all occupied rooms or units at fixed amounts, depending on the type of accommodation.

Tax treaties: The Tax Arrangement for the Kingdom of the Netherlands applies to tax matters between the countries of the Kingdom of the Netherlands, which includes Aruba, Curaçao, the Netherlands, and St. Maarten.

Tax authorities: Departamento di Impuesto

Contact us:

Michael-Leo van Romondt

mlvanromondt@deloitte.aw

Julian Lopez Ramirez

jlopezramirez@deloitte.cw

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