

GLOBAL HIRING GUIDE

Sint Maarten





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01

BASIC COUNTRY FACTS

- **Full Name**
Sint Maarten
- **Capital**
Philipsburg
- **Main Languages**
Dutch
English
- **Population**
42,846
- **Monetary Unit**
Netherlands Antillean Guilder
- **Internet Domain**
.sx
- **International Dialing Code**
+599
- **Currency**
Netherlands Antillean guilder



02

STATUTORY LABOR REQUIREMENTS

Probation Period

- A trial period must be agreed to in writing and may not exceed two months.

Annual Leave

- Every employee is entitled to an amount of vacation days per year equal to at least three times the contracted number of working days per week, with a minimum of fifteen days per year for employees who work six days per week.

Public Holidays

1. New Year's Day
2. Good Friday
3. Easter Sunday
4. Easter Monday
5. Carnival
6. Labor Day
7. Ascension Day
8. Whitsun
9. Emancipation Day (of Sint Maarten)
10. Constitution Day
11. St. Martin's Day
12. Christmas Day
13. Boxing Day

Maternity Leave

- Female employees are entitled to 16 weeks of maternity leave

Paternity Leave

- Fathers are entitled to receive paid paternity leave of seven days

Sick Leave

- In the event an employee is unable to perform his/her labor due to sickness (that is not intentionally caused by the employee), the employer is obligated to continue payment of (100% of) the employee's salary during a relative short period of time (unless otherwise stipulated in the labor agreement).

Work Hours

- Non-schedule workers are employees with a regular five/six day (on average not exceeding) 40-hours-working week.
- Working hours, including overtime, may be no more than 11 hours per day and 50 hours per week.
- Schedule workers are employees on a five/six day (on average max) 45- hour working week where labor may be performed at different hours (outside regular office hours).

Overtime

- Overtime shall be paid at time and a half (1 ½) the normal rate during the weekdays and twice (2) the normal rate on Sundays, Public Holidays and Rest Days, except where Sunday is scheduled as part of a shift arrangement, and is therefore paid at time and a half (1 ½) the normal rate.

Notice Period

- The mandatory notice period to be taken into by an employer is:
 - In case of an employment of less than five years: one month;
 - In case the employee has been employed more than five but less than ten years: two months;
 - In case the employment has lasted longer than ten years but less than fifteen years: three months;
 - In case the employment has lasted more than fifteen years: four months.

Severance

- The employer must pay the employee a one-time severance pay equal to one week's wage per year of employment for the first ten years of service;
- For the eleventh till the twentieth full years in service one and a quarter times the week's wages per year;
- For the following years, twice the week's wages per year

13th Month

- 13th month pay is not mandatory.



03

INCOME TAX

- Residents are taxable on their worldwide income.
- Nonresidents are taxable only on income derived from certain Sint Maarten sources.
- A resident individual who receives income, wherever earned, from former or current employment is subject to income tax in Sint Maarten.
- Income is taxed under a scheduler system.
- Employment income, including most employment benefits, profits derived from the carrying on of a business by an individual, income from immovable property and the rights to which they are subject, income from moveable assets and periodic allowances are taxable.
- Rates are progressive up to 47.5% (including a local surtax of 25%)

INCOME TAX		
TAXABLE INCOME		RATE
From	To	0%
0	ANG 31,837	10% (12.5% Including The 25% Surtax)
ANG 31,837	ANG 47,756	16% (20% Including The 25% Surtax)
ANG 47,756	ANG 66,328	21% (25.25% Including The 25% Surtax)
ANG 66,328	ANG 99,490	27% (33.75% Including The 25% Surtax)
ANG 99,490	ANG 140,612	32% (40% Including The 25% Surtax)
ANG 140,612		38% (47.5% Including The 25% Surtax)

04

SOCIAL SECURITY

- All resident individuals must pay social security contributions.
- The contributions provide benefits under the General Old Age Pension Ordinance (AOV), the General Widows and Orphans Ordinance (AWW) and the General Insurance Extraordinary Sickness Ordinance (AVBZ).
- Contributions to the health insurance (ZV) and disability insurance (OV) are also due on salaries up to a certain threshold
- Social security contribution rates for 2023 are given below: -

CONTRIBUTION	EMPLOYER	EMPLOYEE
AOV	9%	6%
AWW	0.5%	0.5%
BVZ	9.3%	4.3%
AVBZ	0.5%	1.5%
ZV	1.9%	-
OV	0.5% To 5%	-

05

DEDUCTIBLE EXPENSES

Personal Deductions

- A resident taxpayer is entitled to more deductible items than a nonresident taxpayer.
- A fixed deduction of ANG500 may be deducted from employment income.
- Instead, actual employment-related expenses incurred may also be fully deducted to the extent that the expenses exceed ANG1,000 annually.
- Residents may claim the following personal deductions:
 - Mortgage interest paid that is related to the taxpayer's dwelling (limited to ANG27,500 annually)
 - Maintenance expenses related to the taxpayer's dwelling (limited to ANG3,000 annually)
 - Interest paid on consumer loans (limited to ANG2,500, or ANG5,000 if married, annually)
 - Life insurance premiums that entitle taxpayers to annuity payments (up to a maximum of 5% of the income or ANG1,000, annually)
 - Pension premiums paid by an employee
 - Social security premiums paid by an employee
 - Qualifying donations in excess of certain threshold amounts

Business Deductions

- In general, business expenses are fully deductible.
- However, the deduction of certain expenses is limited.
- The following deductions are available for self-employed persons:
 - Accelerated depreciation of fixed assets at a maximum rate of 331/3%.
 - An investment allowance of 8% for acquisitions of or improvements to fixed assets in the year of investment and in the immediately following year.
 - The investment allowance is increased to 12% for acquisitions of new buildings or improvements to existing buildings.
 - This allowance applies only if the investment amounts to more than ANG5,000 in the year of investment.

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IMMIGRATION

Immigration

- The Kingdom of the Netherlands – Caribbean consists of St. Maarten, Aruba, Curacao, Bonaire, St. Eustatius and Saba.
- The Dutch Caribbean Visa is valid for travel to any of the countries mentioned above and is issued at Dutch Embassies and Consulates around the world.
- US, Canadian, and EU citizens and legal residents, as well as legal residents and citizens of countries who do not require a visa to travel to St Maarten, when visiting St Maarten can stay for up to 90 days (short stay).
- Individuals must have a valid passport.
- Short stays include holidays, business trips and family visits.
- The maximum stay per visit in any one of the countries within the Dutch Caribbean is 1 month (30 days).
- A visitor cannot exceed 90 days' total stay in the Dutch Caribbean, per calendar year, when travelling on a Dutch Caribbean visa.
- For Dutch nationals and American nationals, maximum stay allowed is 6 months uninterrupted with the possibility to extend.
- For nationals of Canada, the European Union, Australia, New Zealand and Japan; maximum stay allowed is 3 months uninterrupted with the possibility to extend.



TYPE OF VISA	DOCUMENTATION	VALIDITY	ELIGIBILITY
Dutch Caribbean Visa	<ul style="list-style-type: none"> • a passport that is valid upon entry and for the duration of stay • a completed and signed Embarkation and Disembarkation card (ED-card); • a valid return- or onward ticket; • a valid reservation for an accommodation in St. Maarten (e.g. hotel or apartment) or proof that • he/she owns property in St. Maarten (a residence, condominium, apartment, timeshare apartment • or a pleasure yacht moored in St. Maarten; • a legitimate address of a family member or friend if not staying at a hotel, etc. • proof of sufficient financial means for hotel expenses (if applicable) and living expenses during • his/her stay (U.S.\$ 100.00 - \$200.00 per day or valid credit card) 	90 days	Foreigners seeking to visit Sint Maarten for short stay must obtain a Dutch Caribbean Visa

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VALUE ADD TAX

Value Added Tax

- Sales tax (BBO) is levied on the sale of goods and provision of services.
- The standard rate is 5%.

VAT	
Standard Rate	5%

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WITHHOLDING TAX

Withholding Tax

- There is no withholding tax on dividends, interest, royalties and technical service fees.

TERMINATION

- St. Maarten has mandatory rules and regulations regarding termination of employment agreements that have to be taken into account.
- There are, in general, four possibilities for an employer to terminate an employment agreement pursuant to St. Maarten law:
 - Immediate dismissal, which is only allowed if there is an urgent reason, justifying an immediate termination. Such urgent reason and the immediate termination would immediately have to be informed to the employee;
 - Termination by giving notice, in which event the prior approval from the Director of the Ministry of Public Health, Social Development and Labor (Ministerie van Volksgezondheid, Sociale Ontwikkeling en Arbeid) has to be obtained pursuant to the National Ordinance Termination Employment Agreements (Landsverordening Beëindiging Arbeidsovereenkomst). Without such consent any termination by giving notice will be considered null and void. Such consent has to be requested by the employer and the request has to be justified and substantiated. The Director could decide to grant consent under the condition that compensation has to be paid out to the employee or under other conditions to be established by the Director;
 - Dissolution by the Court of First Instance of St. Maarten; and
 - Termination by mutual agreement. In such event the employer and the employee themselves negotiate the terms and conditions for the termination of the employment agreement.

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STATUTORY BENEFITS

- These are mandatory benefits as postulated by law.
- These include probationary period, annual leave, public holidays, sick leave, maternity leave, paternity leave, overtime pay, notice period, and severance pay.
- Statutory benefits also include social security benefits.

STATUTORY BENEFITS

- Probationary Period
- Annual Leave
- Public Holidays
- Maternity Leave
- Paternity Leave
- Sick Leave
- Overtime Pay
- Notice Period
- Severance Pay
- Social Security Benefits





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