



# 2026/27 Bermuda budget snapshot

“Responsible choices – Lasting benefits for Bermudians.”

The 2026/27 Budget Statement, delivered by Premier and Minister of Finance David Burt on February 20, 2026, underscores a markedly improved fiscal outlook for Bermuda. This is the first budget fully shaped by the successful implementation of the Corporate Income Tax (“CIT”), with at least 70% of net CIT revenue to be dedicated to paying debt interest, reducing net debt, and building financial assets over a rolling three-year period.

To support this approach, the Government is establishing three key funds: a **Stabilisation Fund** to provide a financial buffer by saving in strong years and cushioning downturns; a **Sinking Fund** to ensure structured debt repayment to reduce refinancing risk; and a **Sovereign Wealth Fund** to invest for long-term returns and build national wealth over time.

The budget reflects a strategy grounded in fiscal resilience, historic debt reduction, investment in national infrastructure, and meaningful tax relief for workers and employers.

**Cost of living relief:** Payroll tax cuts, lower electricity costs, reduced duty on essential goods, and a further 10% cut to vehicle licensing fees;

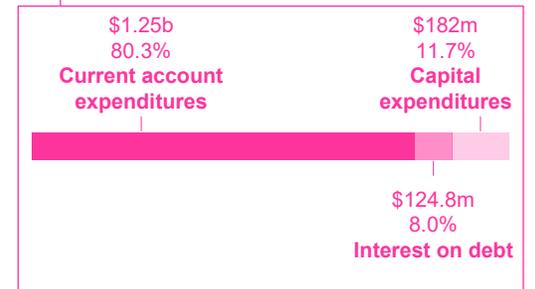
**Healthcare:** \$87m for the Bermuda Hospitals Board to advance Universal Health Coverage, plus \$14m carried forward to expand HIP and FutureCare services;

**Infrastructure:** The Budget provides \$9.4m for the Swing Bridge, \$8.8m for Tynes Bay expansion, \$26.9m for the Bermuda Housing Corporation, and \$14m to upgrade facilities at public schools and the Bermuda College. It also funds new buses, road and wall repairs, and other safety and sustainability measures;

**Seniors:** A \$15m expansion of FutureCare subsidies for low-income seniors, higher Financial Assistance pensioner thresholds (from \$500 to \$800), and payroll tax exemptions for Bermudians aged 65+ on the first \$96k of earnings.

**Debt reduction:** Full repayment of the \$605m senior notes maturing in January 2027, representing the single largest debt reduction in Bermuda’s history;

Through this fiscal strategy, the Government intends to convert strengthened revenues into lasting national resilience - reducing debt, building financial reserves, and ensuring that future generations inherit a Bermuda on firmer, more sustainable footing.



**Bermuda's 2025/26 results at a glance**

- Unemployment rate** 1.4% *Lowest rate since 1970*
- Additional number of jobs filled** +0.8% | 279

**Estimated value of construction activity undertaken** +\$42.7m

**Visitor spending** +3.5% | \$550m  
*Both air and cruise*

**GDP increase estimate** 2.5% to 3.0%

**International business** +1.4% | 72 new jobs

**New international companies and partnerships formed** 398

**Annual inflation rate** 2.2%  
*as at September 2025*

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