



Aruba

General	Types of indirect taxes (VAT/GST and other indirect taxes)	<ul style="list-style-type: none"> — Turnover tax. — Health levy.
	Are there other indirect taxes?	Additionally, there are minor, case-specific indirect taxes, such as an excise tax, stamp duty, registration duty, transfer tax, land tax for real estate and room tax.
	What are the standard or other rates (i.e. reduced rate) for VAT/GST and other indirect taxes?	<ul style="list-style-type: none"> — 1.5% turnover tax. — 2% health levy.
	Who is required to register for VAT/GST and other indirect taxes?	Entrepreneurs and enterprises carrying out a business, provided they are collecting revenues from the sale of goods and/or the rendering of services in Aruba.
VAT/GST registration	Is voluntary registration for VAT/GST and other indirect taxes possible for an overseas company (e.g. if the annual turnover is below the relevant VAT/GST and other indirect taxes registration threshold)?	In terms of the turnover tax and health levy, the answer is no. Based on the applicable legislation, overseas companies could only register for turnover tax or health levy purposes in case the company is subject to those taxes in Aruba, meaning they are registered taxpayers. In specific cases, an overseas company might be subject to turnover tax or health levy in Aruba for services rendered or goods delivered without a presence of a permanent establishment in Aruba.
	Does an overseas company need to appoint a fiscal representative?	Not applicable.
	Which forms and supporting documentation does an overseas company need to submit for VAT/GST and other indirect taxes registration?	Not applicable.
	Is grouping* for VAT/GST and other indirect taxes possible?	Yes.
VAT/GST compliance	How frequently are VAT/GST and other indirect taxes returns submitted?	Monthly.
	What are the exchange rate rules in your country?	Not applicable.

* By 'grouping' we mean: either a consolidation mechanism between taxpayers belonging to the same group (payment and refund are compensated but taxpayers remain distinct) or a fiscal unity for VAT/GST purposes (several taxpayers are regarded as a single taxpayer).

VAT/GST recovery	Can an overseas company recover VAT/GST and other indirect taxes if it is not registered for VAT/GST and other indirect taxes locally?	No. Aruba has a cascade tax system.
	Are there any exemptions with the right to recover or deduct input VAT?	Not applicable.
	Are there any restrictions to the deduction of input VAT?	Not applicable.
Invoices	Is a business required to issue tax invoices?	For the turnover tax, no. For the health levy, yes.
	Is it possible/mandatory to issue invoices electronically?	Electronic invoicing is possible, but not mandatory.
	Is it possible for recipient to issue tax invoices/self-invoices (self-invoicing)?	No.
Audits	Do tax audits take place on a regular basis?	Only incidentally (i.e. based on filing of documents).
	Are there audits done electronically in your country (e-audit)? If so, what system is in use?	No.
	What penalties can arise from non-compliance?	The following administrative fines can arise: — in case the tax is not fully paid in time, a maximum of 10,000 Aruban guilders (AWG) — in case the tax is not fully paid in time on purpose or due to gross negligence, 100% of the additional tax amount that had to be paid on time. The Aruban tax authorities are not able to impose an administrative fine in case a criminal charge has started regarding the same fact.
Special indirect tax rules	In your country are there any special rules for the sale of a company by a taxpayer to another where VAT is not due on the sale?	No, except for goodwill under certain conditions based on policy.
	In your country, are there unique specific indirect tax rules that you would not expect to find in 'standard' VAT jurisdictions?	The import of goods is not a taxable event for the turnover tax or for the health levy. No right to claim deduction of the turnover tax and/or health levy paid by entrepreneurs.
	Does a reverse charge mechanism apply in your country for goods or services?	No.
	Are there indirect tax incentives available in your country (e.g. reduced rates, tax holidays)?	If certain conditions are met, an exemption to the turnover tax and health levy may be granted to companies incorporated and established in the Free Zone of Aruba and exclusively operating in the international warehousing, distribution and production of goods and/or the delivery of non-financial international services.
Rulings	Are rulings and decisions issued by the tax authorities publicly available in your country?	No.