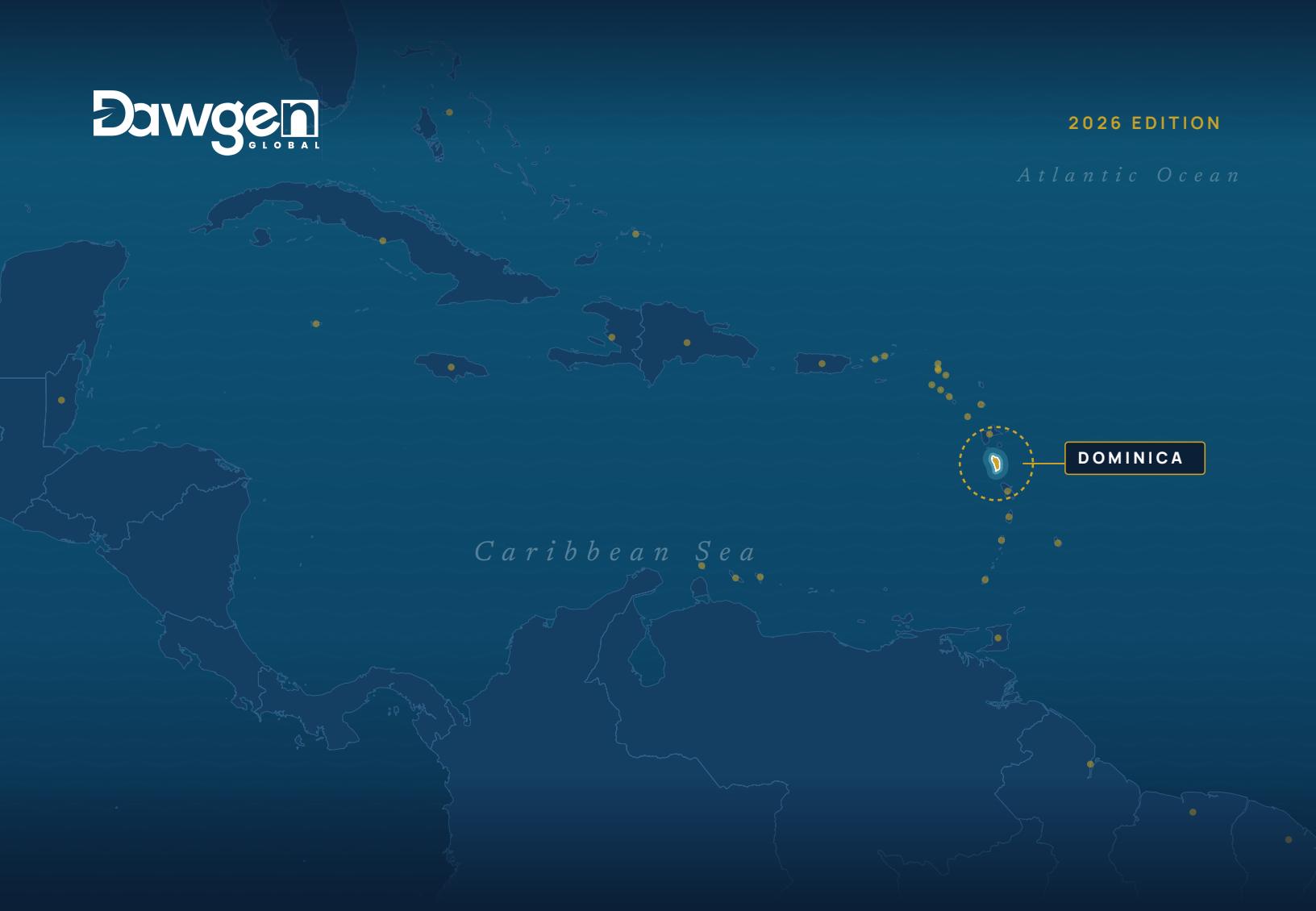
Dawgen GLOBAL

2026 EDITION



CARIBBEAN SERVICE DESK · EASTERN CARIBBEAN

Doing Business in Dominica

A practical guide to establishing, operating and growing a business in Dominica

CONTENTS

01	Dominica at a glance	3
02	Why Dominica	4
03	Choosing a business structure	5
04	Setting up: step by step	6
05	Tax at a glance	7
06	Employing people	8
07	Banking, currency and property	9
08	Incentives, trade and customs	10
09	Regulators and compliance calendar	11
10	Your first 90 days: checklist	12
11	How Dawgen Global helps	13

FOREWORD

Dominica, the Nature Island of the Caribbean, is investing in renewable energy, infrastructure and resilience, opening new opportunities for investors.

Investors are drawn to Dominica for good reason: an English-speaking, common-law jurisdiction in the Eastern Caribbean Currency Union, with a fixed exchange rate and major projects in geothermal energy and a new international airport. Opportunity sits alongside complexity. Registration, tax, land, employment and licensing rules all need careful handling from the first day.

This guide sets out what you need to know in plain language: how to choose a structure, how the set-up process works, what taxes apply, how to employ people, and which incentives may be available. It is written for investors, entrepreneurs and regional and international groups considering Dominica.

We serve clients in Dominica through Dawgen Global's Caribbean Service Desk, managed from our headquarters in Kingston. We are ready to help you turn a plan into a well-run, compliant business.

Dr. Dawkins Brown, Ph.D., MCMI, ACFE

Executive Chairman, Dawgen Global

How to use this guide

This guide gives a practical overview of establishing and running a business in Dominica. It is general information, current to October 2026, and is not a substitute for advice on your circumstances. Rates and rules change; speak to us before you act.

OVERVIEW

01 Dominica at a glance

A mountainous, volcanic island in the Windward Islands, with an economy built on tourism, agriculture and construction, and a drive to become climate resilient.

CAPITAL
Roseau
Commercial and government centre

POPULATION
About 70,000
Large diaspora in the US, UK and Canada

LANGUAGE
English
Official language of business and law

CURRENCY
Eastern Caribbean dollar (XCD)
Pegged at EC$2.70 to US$1

LEGAL SYSTEM
English common law
Final appeal to the Caribbean Court of Justice

TIME ZONE
UTC−4
Atlantic Standard Time all year; no daylight saving

CORPORATE INCOME TAX
25%
No capital gains tax

VALUE ADDED TAX
15%
10% on hotel accommodation; registration above EC$250,000 a year

TRADE AGREEMENTS
CARICOM, OECS, EU, UK, US
CSME; OECS Economic Union; EU and UK EPAs; CBI

Leading sectors

Eco-tourism and hospitality · Agriculture and agro-processing · Renewable energy · Construction and real estate · Financial services · Knowledge services and ICT · Water and natural products · Creative industries

Gateways

Douglas-Charles Airport handles most flights, with regional connections and limited direct US services; a new international airport is under construction. Woodbridge Bay port at Roseau handles cargo.

Public holidays

Twelve public holidays in 2026, including Carnival Monday and Tuesday, Emancipation Day (first Monday in August), Independence Day (3 November) and Community Service Day (4 November).

INVESTMENT CLIMATE

02 Why Dominica

Natural assets, a fixed currency and a programme of major public investment make Dominica a distinctive base for focused businesses.

Natural advantage

Rainforest, rivers, hot springs and marine reserves underpin a growing eco-tourism and wellness sector. Fertile volcanic soils and abundant fresh water support agriculture, agro-processing and natural products.

Regional integration

As a member of CARICOM and the OECS Economic Union, Dominica gives access to regional markets, a shared currency and central bank, and free movement for OECS nationals. The Eastern Caribbean Supreme Court serves all member states.

Familiar legal framework

Company, contract and property law follow English common law, with final appeal to the Caribbean Court of Justice. Foreign nationals may own land, generally under an Alien Landholding Licence.

Building resilience

After Hurricane Maria in 2017, Dominica set out to become a climate-resilient nation. A 10 MW geothermal plant at Laudat entered commercial operation in 2026, reducing reliance on imported diesel. A new international airport in the north-east, financed through the Citizenship by Investment Programme, is scheduled for completion in 2027.

Where the opportunities are

Sector	Examples of opportunity
Tourism	Eco-lodges and resorts, wellness, diving, adventure and supply chains for food and services
Agriculture	Organic produce, agro-processing, aquaculture and food security
Energy	Geothermal, solar and hydro generation, storage and energy efficiency
Construction	Resilient housing, tourism developments and services to major public projects
Knowledge services	Digital services, outsourcing and education

Invest Dominica Authority

The Invest Dominica Authority is the national investment and export promotion agency. It reviews incentive applications, recommends concessions to Cabinet and helps investors with approvals.

LEGAL VEHICLES

03 Choosing a business structure

Most investors use a private company incorporated under the Companies Act. Overseas companies may instead register as an external company. The right choice depends on liability, tax, financing and exit plans.

Vehicle	Key features	Typical use	Main obligations
Private company limited by shares	Separate legal entity; liability limited to shares; at least one director; registered office in Dominica	Most operating businesses and subsidiaries of foreign groups	Annual return to CIPO; corporate income tax returns; beneficial ownership information
Public company	Can offer securities to the public; may list on the Eastern Caribbean Securities Exchange; stricter disclosure	Larger businesses raising capital	Audited financial statements; securities law and listing rules
External company (branch)	Overseas company registered with CIPO to carry on business in Dominica; not a separate legal entity	Projects, contracts and market entry by foreign companies	Registration with CIPO; 25% tax on Dominica profits plus branch remittance tax
Partnership	General or limited partnership; general partners may be personally liable	Professional practices and family businesses	Business name registration; partners taxed on their share of profits
Sole trader	Individual trading in their own name or a registered business name; unlimited liability	Small owner-managed businesses	Business name registration; personal income tax
Non-profit company	No share capital; incorporated for charitable or community purposes	Charities, associations and non-profits	Annual return; tax exemption where approved

Foreign ownership

Foreign investors may own 100% of a Dominica company in most sectors. Regulated activities, such as banking, insurance and telecommunications, need a licence first. The international business company regime closed on 1 January 2022.

Beneficial ownership

Companies must identify the individuals who ultimately own or control them and keep this information up to date. Banks and other regulated businesses verify it under the Money Laundering (Prevention) Act; there is no public register.

GETTING STARTED

04 Setting up: step by step

Companies are registered with the Companies and Intellectual Property Office (CIPO), which offers online filing. Incorporation is quick once documents are ready; bank accounts and licences usually take longer.

1 **Plan the structure and name** — WEEK 1
Choose the vehicle, shareholding and directors, and search and reserve the proposed name with CIPO.

2 **Incorporate with CIPO** — WEEK 1–2
File the articles of incorporation with notices of the directors and registered office, usually through a Dominica attorney-at-law.

3 **Open a bank account** — WEEK 2–6
Banks apply full know-your-customer checks on the company, directors and beneficial owners. Allow extra time where owners are overseas.

4 **Register for tax and social security** — WEEK 2–4
Register with the Inland Revenue Division for a taxpayer number, and for VAT if annual taxable supplies will exceed EC$250,000. Register as an employer with Dominica Social Security.

5 **Obtain licences and permits** — VARIES
Obtain business licences from the Inland Revenue Division, sector licences, planning approval, an Alien Landholding Licence where needed, and work permits for foreign staff.

6 **Plan for data protection** — BEFORE TRADING
Dominica has no comprehensive data protection law yet; an OECS harmonised framework is in development. Adopt recognised good practice, especially if you handle data from the EU, UK or US.

7 **Set up accounting and compliance** — BEFORE TRADING
Put in place bookkeeping, payroll, IFRS-compliant reporting, a tax and filing calendar, and anti-money laundering controls where your sector requires them.

Documents you will usually need

Certified passport and proof of address for each director, shareholder and beneficial owner; bank or professional references; a registered office address in Dominica; and, for an external company, certified constitutional documents, a certificate of good standing from its home registry and details of a person in Dominica authorised to accept service.

TAXATION

05 Tax at a glance

Dominica taxes resident companies on worldwide income and non-residents on Dominica-source income. There is no capital gains tax. The headline rates are below.

Business taxes	
Corporate income tax	25% of net profit; losses carried forward up to five years
Branch profits	25%, plus 15% branch remittance tax
VAT	15% standard; 10% on hotel accommodation; some supplies zero-rated or exempt; registration above EC$250,000 a year
Stamp duty on land	2% paid by the buyer and 2.5% by the seller; also applies to some share sales in land-rich companies
Alien Landholding Licence	10% of the market value of land acquired by non-citizens, where a licence is required
Customs	Duty under the CARICOM Common External Tariff, plus a customs service charge and environmental levy

Individuals	
Personal allowance	EC$30,000 a year
Income tax rates	15% on the next EC$20,000; 25% on the next EC$30,000; 35% above EC$80,000

Withholding tax (non-residents)	Rate*
Dividends	15%
Interest and royalties	15%
Management and technical fees	15%

*Domestic rates; nil on payments to residents. Dominica's main tax treaty is the CARICOM double taxation agreement, which may reduce these rates for payments within CARICOM.

Recent changes

The 2026/27 budget (4 August 2026) proposed a single 10% personal income tax rate from 1 January 2027, keeping the EC$30,000 allowance, with individuals taxed only on Dominica-source income. It also reintroduced the employment tax rebate and, from 1 October 2026, charges VAT and excise on imports on the CIF value only. The income tax changes need legislation.

PEOPLE

06 Employing people

Employment law is protective but predictable. Employers must register with Dominica Social Security, deduct and pay contributions monthly, and observe minimum standards on wages, leave and termination.

Minimum standards

- **Minimum wage:** EC$9.00 an hour for most workers from 1 December 2025; higher for some categories
- **Hours:** 40-hour standard week; overtime at premium rates
- **Vacation:** two weeks' paid leave a year, three weeks after five years
- **Maternity:** 12 weeks' leave after a year's service, part paid by the employer, with a Social Security benefit
- **Notice:** one month for monthly-paid staff, two months after ten years; shorter for weekly-paid staff
- **Redundancy:** after three years' continuous service, a payment rising with service, capped at 52 weeks' pay

Statutory payroll contributions

Contribution	Employee	Employer
Income tax (PAYE)	15% / 25% / 35%	—
Social Security	6.75%	8%*

Social Security applies to earnings up to EC$7,000 a month and is due by the 14th of the following month; PAYE is due by the 15th. *7.75% for employees outside the Protection of Employment Act.

Bringing in foreign staff

Work permits

Non-nationals need a work permit from the Labour Division, valid for one year and renewable. The post must first be advertised locally.

CARICOM skilled nationals

Qualified nationals of participating CARICOM states in approved categories may work under a CARICOM Skills Certificate. OECS nationals may live and work freely.

Residence and citizenship

Residence permits are issued by the Ministry of National Security and Home Affairs. Citizens, including those approved under the Citizenship by Investment Programme, need no work permit.

HR essentials from day one

Give every employee written terms of employment, keep accurate time, pay and leave records, register each employee with Social Security, and adopt a staff handbook covering conduct, grievances and health and safety. Most disputes we see start with missing paperwork, not bad intentions.

MONEY AND ASSETS

07 Banking, currency and property

Banking and finance

Dominica has regional and local banks, a development bank and credit unions, supervised by the Eastern Caribbean Central Bank (banks) and the Financial Services Unit (non-banks).

- **Fixed currency:** the Eastern Caribbean dollar has been pegged at EC$2.70 to US$1 since 1976
- **Exchange control:** legislation remains in place, but profits and capital can generally be repatriated through banks
- **Foreign currency accounts** may be approved by the Ministry of Finance for businesses with foreign earnings
- **Capital markets:** the Eastern Caribbean Securities Exchange serves the currency union
- **Compliance:** expect thorough anti-money laundering and know-your-customer checks

Financial reporting

Companies prepare financial statements under International Financial Reporting Standards (IFRS), or IFRS for SMEs where eligible, and file them with their tax return.

Land and property

Non-citizens generally need an Alien Landholding Licence to acquire land. Invest Dominica guidance is unclear on whether small holdings are exempt; confirm with Invest Dominica before you sign. A licence is property-specific and non-transferable.

Typical costs on a property purchase	
Stamp duty	2% paid by the buyer; 2.5% by the seller
Assurance fund and judicial fees	1% each
Legal fees	Up to 2.5%, plus VAT
Alien Landholding Licence	10% of market value, where required

Before you build

Development needs approval from the Physical Planning Division, and larger or sensitive projects need an environmental impact assessment.

GROWTH LEVERS

08 Incentives, trade and customs

Dominica offers concessions case by case through the Invest Dominica Authority, alongside citizenship by investment and preferential access to regional and international markets.

Key incentive regimes

Regime	What it offers
Fiscal Incentives Act	Income tax holidays of up to 15 or 20 years and duty relief for approved manufacturers, agro-processors, ICT and other service businesses
Hotels Aid Act	Concessions for approved hotel and resort development
Approved developments	Concessions for Cabinet-approved projects above EC$3 million
VAT relief	Exemption on capital imports for approved entities until taxable activity starts
Citizenship by Investment	From US$200,000 to the Economic Diversification Fund, or approved real estate of at least US$200,000 held for at least three years, plus government fees

Eligibility and conditions apply to each regime. We can assess which incentives fit your project and prepare the applications.

Market access

- **CARICOM Single Market and Economy:** duty-free trade in qualifying goods across member states, with a Common External Tariff on imports
- **OECS Economic Union:** a common currency and free movement of nationals
- **CARIFORUM–EU and CARIFORUM–UK Economic Partnership Agreements:** preferential access to Europe
- **Caribbean Basin Initiative:** duty-free access to the United States for many products

Customs

The Customs and Excise Division handles imports and exports through an electronic declaration system. Duty is charged at tariff rates, plus the customs service charge, environmental levy, VAT and, for some goods, excise tax. From 1 October 2026 VAT and excise on imports are based on the CIF value.

COMPLIANCE

09 Regulators and compliance calendar

Who regulates what

Body	Role
CIPO	Company registration, annual returns, intellectual property
Inland Revenue Division	Income tax, VAT, PAYE, withholding tax and business licences
Customs and Excise Division	Imports, exports and duties
Eastern Caribbean Central Bank	Commercial banks and monetary policy
Financial Services Unit	Insurance, credit unions and other non-banks
Financial Intelligence Unit	Anti-money laundering reporting
Dominica Social Security	Social security contributions and benefits
Labour Division	Work permits and labour standards
Citizenship by Investment Unit	Citizenship applications
Physical Planning Division	Planning and development approvals

Key filing dates

When	What
14th of each month	Social Security contributions for the previous month
15th of each month	PAYE and withholding tax for the previous month
20th of each month	VAT return and payment for the previous month
31 January	Employer's annual PAYE return; annual business licence fees
31 March, 30 June, 30 September	Income tax prepayments of 25%, 35% and 40% of the estimated liability
31 March	Corporate return, financial statements and final payment (December year-end); individual returns
Each year	Annual return to CIPO

Companies file within three months of their year-end. Late filing and payment attract penalties and interest, which build quickly.

Anti-money laundering

Financial institutions and designated non-financial businesses, including real estate agents, attorneys and accountants in certain activities, must meet obligations under the Money Laundering (Prevention) Act and report to the Financial Intelligence Unit.

ACTION PLAN

10 Your first 90 days: checklist

Use this checklist to track the essential steps from decision to first trading day.

Days 1–30: establish

- [ ] Agree business plan, structure and ownership
- [ ] Search and reserve the company name
- [ ] Gather KYC documents for directors and owners
- [ ] Appoint a Dominica attorney-at-law
- [ ] File incorporation documents with CIPO
- [ ] Register with the IRD for a taxpayer number
- [ ] Record beneficial ownership information
- [ ] Apply to open business bank accounts

Days 31–60: register and license

- [ ] Register for VAT if above the EC$250,000 threshold
- [ ] Register as an employer with Social Security
- [ ] Obtain business and planning approvals
- [ ] Apply for an Alien Landholding Licence if needed
- [ ] Apply for work permits for foreign staff
- [ ] Assess eligibility for incentives
- [ ] Lease premises and arrange insurance cover

Days 61–90: operate

- [ ] Set up the accounting system and chart of accounts
- [ ] Set up payroll and statutory deductions
- [ ] Issue written employment terms
- [ ] Build the tax and filing calendar
- [ ] Put AML and data protection policies in place
- [ ] Agree year-end and audit arrangements

Ongoing

- [ ] Monthly PAYE, Social Security and VAT filings
- [ ] Income tax prepayments
- [ ] Annual tax return and financial statements
- [ ] Annual return to CIPO
- [ ] Renew licences and permits on time

YOUR PARTNER

11 How Dawgen Global helps

One Dawgen Global team supports you through our Caribbean Service Desk, managed from our headquarters in Kingston.

Market entry and structuring

Choice of vehicle, group and tax structuring, feasibility studies and business plans.

Incorporation and corporate secretarial

Company formation, statutory registers, annual returns and beneficial ownership records.

Tax advisory and compliance

Registrations, planning, VAT, PAYE, returns, withholding tax and tax audits, through our Caribbean Tax Service Desk.

Accounting and payroll outsourcing

Bookkeeping, management accounts, payroll and a Virtual CFO.

Audit and assurance

Statutory audits, reviews and special-purpose reporting for lenders and parent companies.

HR, immigration and legal support

Employment contracts, HR policies, work permits and legal process support, with our panel of attorneys.

Risk and compliance

AML programmes, data protection good practice, internal audit and governance.

Technology and cyber

Systems selection, digital transformation, cybersecurity and AI governance.

Incentive applications

Incentive and permit assessments and applications.

Start with a conversation

Tell us your plans for Dominica, and we will set out the steps, timeline and costs. Some regulated services are performed by affiliated firms; we will advise you of the arrangements when you make a request. Fees are tailored to each client's circumstances and set out in an engagement letter. Email **dominica@dawgen.com** or **info@dawgen.global**, or call (876) 926-5210.

Talk to the Dominica Caribbean Service Desk

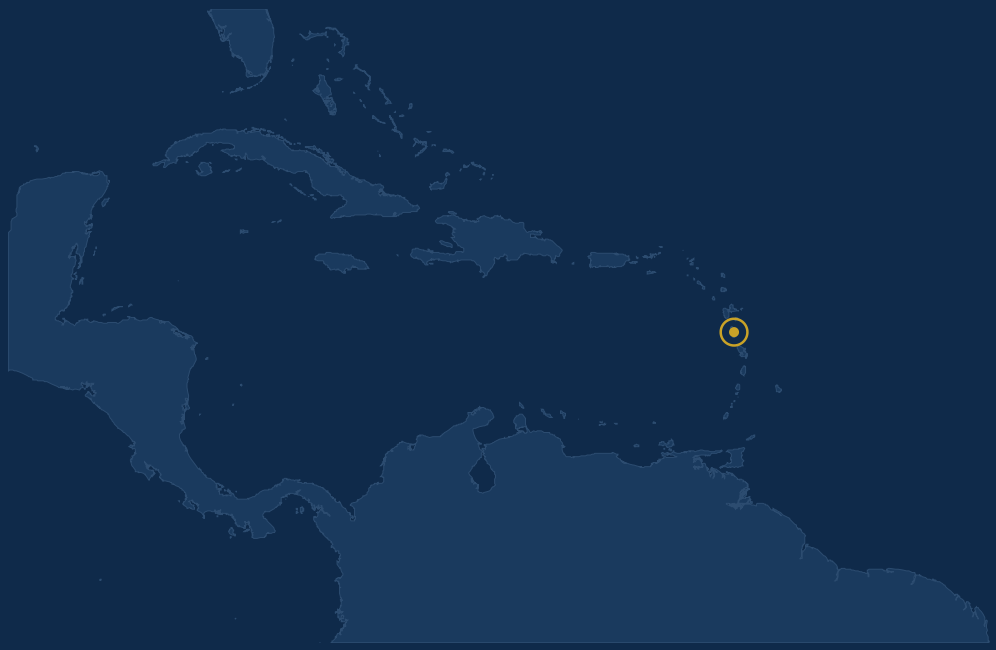
Contact

dominica@dawgen.com

Dawgen Global, Dawgen Towers
47-49 Trinidad Terrace, Kingston 5, Jamaica
(876) 926-5210 · (876) 630-2011
(876) 929-3670 · (876) 929-3870
US toll free 855-354-2447
info@dawgen.global · dawgen.global

Key official sources

- Inland Revenue Division (ird.gov.dm)
- Companies and Intellectual Property Office (cipo.gov.dm)
- Invest Dominica Authority (investdominica.com)
- Dominica Social Security (dss.dm)
- Eastern Caribbean Central Bank (eccb-centralbank.org)
- Citizenship by Investment Unit (cbiu.gov.dm)
- Government of Dominica (dominica.gov.dm)
- Government Information Service (news.gov.dm)



This publication contains general information only, current to October 2026, and is not professional advice. Tax rates, thresholds and procedures change frequently, and measures announced in the 2026/27 budget may change before they become law; confirm the current position with Dawgen Global or the relevant authority before acting. Some regulated services are performed by affiliated firms; we will advise you of the arrangements when you make a request.

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