Ministry of Finance Banking & Postal Services
Government of the Republic of the Marshall Islands

PRESS RELEASE

For immediate release
March 6, 2025

Iakwe,

The Ministry of Finance, Banking and Postal Services would like to inform all taxpayers of the most recent Amendment to the Income Tax Act 2025. The Amendment dictates the removal of the 16% tax rate, and the establishment of the following tax rates on Wages and Salaries:

i) 8% tax rate upon the first $10,400 of annual Wages and Salaries
ii) 12% tax rate upon annual Wages and Salaries greater than $10,400

Employees whose annual Wages and Salaries are $8,320 or less are exempt from any tax rate on Wages and Salaries. Employees whose annual Wages and Salaries exceed $8,320 are not eligible for an exemption.

The Amendment will be in effect October 2025. Hence, employers must follow the current tax rates for Wages and Salaries.

For more information, please direct any inquiries to the Division of Customs, Treasury, Revenue and Taxation by calling 625-8311/8835 ext. 405 or by visiting our office.

Thank you,

Ayako Yamaguchi-Eliou
Secretary of Finance

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