



## LEGAL COOPERATIVE FRAMEWORK ANALYSIS

### Within the ICA-EU Alliance

#### KEY HIGHLIGHTS FOR CURAZAO

This one-pager aims to provide a brief overview of the most notable features of Curaçao's national cooperative legal framework, based on the work of the national legal expert.

The first Curaçao cooperatives regulation dates back to 1920. The National Ordinance regarding cooperative was published on February 13, 1920 and entered into force on March 19, 1920. Several amendments have since been made. Curaçao does not have special laws on specific types of cooperatives. Book 2 of the Civil Code provides a general framework but depending on the specific areas of business of a cooperative, other laws, i.e. tax laws, may also be applicable.

**Cooperative Friendliness:** Contrary to certain countries there is not one specific law that regulates everything regarding cooperatives, including for example the taxation aspects. The cooperatives are treated similarly to other legal entities for profit tax. The cooperatives especially the credit unions have been requesting for several years already to receive an exempt for profit tax. It is not clear at this moment if and by when this exemption will be granted.

**Key Recommendations for Improvement:** Prepare a bundle of national ordinances with all the most relevant (provisions of) national ordinances for cooperatives in order to make these laws, as soon as possible more accessible for the cooperatives and promote the understanding of these national ordinances within cooperatives.

**Conclusions:** Some countries have a law in which everything with regard to cooperatives is regulated. This is not the case in Curaçao, we do not have one single specific law that regulates everything regarding cooperatives, including for example the taxation aspects, but we do have provisions in Book 2 of the Civil Code regarding cooperatives.