

## British Virgin Islands (BVI)

The British Virgin Islands are a British Dependant Territory composed of over 50 islands, islets and cays located approximately 60 miles (95 kilometres) East of Puerto Rico. The total land area is approximately 60 square miles (155 square kilometres) and the total population is approximately 21,000. The principal island is Tortola, with a population of about 13,500. The capital of Road Town is located on Tortola. Access to the islands is easy by air and sea; the main gateways are Puerto Rico and the U.S. Virgin Islands, which lie immediately to the west. The Territory is politically stable and has a high level of internal self-government

There are no capital gains taxes, inheritance taxes or death duties in the Territory. Government revenues are derived from local income tax, import duties, stamp duties, license fees and company fees.

In recent years the British Virgin Islands has become a significant international finance centre. The government seeks to maintain and enhance the Territory's reputation in international finance through a policy of ongoing consultation and active support of the offshore industry.

### SALIENT FEATURES

The British Virgin Island corporation ordinance offers a host of benefits not readily available in most other offshore jurisdictions.

### CORPORATE REQUIREMENTS

**Name :** Names must end with one of the following words, or abbreviations thereof - Limited, Corporation, Incorporated, Societe Anonyme or Sociedad Anonima. The following words, and their associated activities, cannot be used: Assurance, Bank, Building Society, Chamber of Commerce, Chartered, Co-operative, Fund, Imperial, Insurance, Municipal, Mutual Fund, Royal and Trust.

**Capital:** There are no minimum or maximum capital requirements. The standard authorized capital of an international business company is \$50,000. This attracts a government fee of \$350 annually. Higher share capital have to pay an annual government fee of \$1100.

**Shareholders:** An exempted company needs to have at least one shareholder and shares can be issued in bearer or registered form. There is no requirement to file the details of shareholders on any public record.

**Registered Office / Agent:** As a matter of local company law the company must maintain a registered office address within BVI and a registered agent as well.

**Directors / Officers:** A minimum of one director is required and corporate directors are permitted. There is no requirement to file the details of directors on any public record.

**Register of Directors & Members:** A copy of the register of Directors & Members must be kept at the Registered Office commencing from the date of registration of the Company.

**Books, Records, and Seal:** There is no requirement to file accounts or an annual return. The only requirement is that the company must pay the relevant fee to the local government. The Books and



records required to be kept at the registered office of the international business company or at such other place as the directors may, by resolution, determine. The IBC Company shall have a common seal and an imprint thereof shall be kept at the registered office of the company.

**Wide Objects:** A wide range of application is possible, including: investment, property holding, financial management, trading and copyrighting and/or licensing. Unlike many other jurisdictions, there are no disclosure requirements, nor any minimum capitalization regulations, nor any prohibitive license fees pertaining to trust and trustee companies for application in private-label trust company, unit and mutual fund situations.

### **CONFIDENTIALITY**

Maximum confidentiality and anonymity are provided by British Virgin Island. There is no requirement to file any organizational or accountancy information with the Registrar of Companies (other than the memorandum and Articles of Association). The share registers are available for inspection only by BVI company registered shareholders or by order of the BVI court.

### **EXEMPTION FROM TAX**

International Business Companies are exempt from all local taxes and stamp duty. Upon the sale or transfer of the IBC's shares to a third person, capital gains tax is not payable under BVI law. BVI companies are not required to file tax returns or any other type of report or declaration to this government regarding foreign-source income.

### **ASSET PROTECTION**

BVI Corporations are a premier choice for asset protection and financial privacy.

### **CURRENCY EXCHANGE CONTROL**

There are no exchange controls in BVI. The official currency is the United States Dollar.

### **TRANSFER OF FUNDS**

As there is no currency or exchange control in BVI, no approval need be obtained for the transfer of dividends, interest, royalties other profits or for repatriation of capital. Companies are permitted to repatriate all profits, dividends and management charges.

### **STATUS**

The British Virgin Islands is a self-governing, politically stable British Crown Colony with a self-legislative assembly and has become an important centre for offshore business activities.

### **LEGAL SYSTEM**

The legal system is based on the English Common Law.