

## Bahamas

The Bahamas extends in a 1,225 km arc from 78 km east of Palm Beach, Florida, to just north of Haiti. The Bahamas consists of an archipelago of nearly 700 islands and 2,000 cays. The population of the Bahamas is approximately 340,000. In July 1973, the Bahamas became an independent country within the British Commonwealth. A Governor General appointed by the British Government is responsible for defence, external affairs and internal security.

However, the real head of the Government is an elected Prime Minister who consults with a Cabinet of sixteen, twelve Cabinet Ministers and four Ministers of State chosen from the Legislature. There are four political parties, the dominant Progressive Liberal Party, Free National Movement Party, and Labour Party. The bicameral legislature has a 49 member House of Assembly and a 16 member Senate. The Bahamas has excellent communications. There are direct flights from Europe as well as many US cities. Miami is only 30 minutes away by jet aircraft and New York is less than three hours away. The official and spoken language is English and the Bahamas Dollar is on a par with the US Dollar.

### SALIENT FEATURES

The International Business Companies Act 2000 was introduced at the end of that year repealing the previous IBC legislation which allowed for companies to be quickly and easily incorporated for the purpose of transacting offshore business. This was following international pressure to abolish bearer shares and bring more transparency into company affairs so that from early 2001, IBCs have the following characteristics:

### CORPORATE REQUIREMENTS

**Name :** The Names must end with one of the following words, or abbreviations thereof - Limited, Corporation, GmbH, Incorporated, Societe Anonyme or Sociedad Anonima.

**Capital:** There is no minimum authorized capital required of IBCs. The authorized share capital of an IBC may be divided into various classes of shares, each with different voting, dividend and other rights. Capital may be denominated in any currency. Shares may be issued in fractions in registered form only, and may be of no par value. Unnumbered shares are permitted. In addition, in certain circumstances, IBCs may purchase, redeem, or otherwise acquire their own shares. An IBC may, in certain circumstances, reduce its capital by resolution of its directors and with the necessity for an appropriate order of the Court. The maximum capital that attracts the minimum Gov fee of \$350 is \$50,000

**Shareholders:** An exempted company needs to have at least one shareholder. No details of the shareholders appear on the public file but a register of shareholders must be kept at the registered office address of the company in Bahamas – this is only open to inspection by the members of the company, not the public at large.

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



**Directors / Officers:** A minimum of one director is required and corporate directors are permitted. A register of directors must be lodged with the Registrar of Companies and this will be open to inspection.

**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 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.

## CONFIDENTIALITY

The IBC still affords a high degree of confidentiality since there are only limited filing requirements for an IBC. It is only the name of the Company, its registered office and that of its registered agent's name and address, the Company's Memorandum and Articles of Association, including any amendments as well as the names and address of the company's directors and officers that are filed with the Government. The names and addresses of the Company's shareholders are only registered in the share register maintained at the registered office of the company and are not filed or registered in any public register in the Bahamas and therefore provide the investor with total privacy.

## TAXATION

IBCs pay no taxes in Bahamas as The Bahamas is an independent no tax jurisdiction. There are no direct taxes such as income tax, corporation tax, capital gains tax, profit tax, gift tax or death duties.