



## Company Incorporation *Isle of Man*



Prestigious Jurisdiction, specially suitable for those who need **VAT registration** to trade with **EU**.

Bank accounts in IOM available, and **Bank Account NOMINEE SIGNATORY** service, for full privacy protection.

The Isle of Man is in the "common purse" with the UK for Customs and Excise. The standard rate of VAT is therefore in line with the UK at 17.5%. The rate of income tax applicable to Isle of Man companies not engaged in banking or local real estate business is 0%.

The Isle of Man is an established international business and finance centre, with a secure base built on political stability, low taxation and a firmly established fiscal and regulatory environment independent of the UK.

The Isle of Man is an internally self-governing dependent territory of the British Crown. It is not and has never been part of the United Kingdom but is within the British Isles. It is technically a Crown Dependency and is independent in all matters except foreign affairs and defence, both of which are the responsibility of the United Kingdom Government and for which the Isle of Man pays an annual contribution.

The Manx exercise their extensive political and legislative independence through their ancient parliament, Tynwald, which is the oldest legislature in the world in continuous existence.

## Types of Company

Incorporated under the Companies Acts 1931- 2004

Companies may be:

- Limited by shares
- Limited by guarantee
- Limited by guarantee and having a share capital
- Having a share capital with unlimited liability.

All companies are designated as either private or public companies. Private companies are not permitted to offer their shares or securities to the general public and are not required to file annual audited accounts at the Companies Registry.

Established under the Limited Liability Company (LLC) Act 1996

The Isle of Man adopted the Wyoming legislation as its model and enacted the Limited Liability Companies Act 1996. A LLC is a hybrid structure composing attributes of both a company and a partnership. Further specific information is available on request.

## Company Tax

Previously the Isle of Man operated a company income tax system that permitted non-resident tax status, tax exemption and international tax status. To comply with commitments made to the EU and the OECD the Isle of Man adopted a strategy to change its corporate tax system and to remove these, so called "harmful tax practices".

**From the 6 April 2006, the general rate of corporate income tax in the Isle of Man is 0%. A 10% tax rate still applies in very limited circumstances, for companies engaged in banking business and IOM property transactions. An annual corporate charge of £250 is payable by every company.**

Distributions made to non-residents of the Isle of Man from companies taxed at 0% are subject to withholding tax at the rate of 0%.

## VAT Registration and EU Trading

Although the Isle of Man is not a member of the EU, it has the distinct advantage of being part of the customs territory of the EU under Protocol 3. A company can register for VAT in the Isle of Man if it maintains a place of business in the Isle of Man. It is therefore possible for Isle of Man and foreign companies to make advantage of the Isle of Man 0% corporate tax rate whilst obtaining the benefits of VAT registration for trade in the EU.

## ISLE OF MAN INCORPORATION

We check the availability of your preferred corporate name and reserve it for you.

We prepare and file all necessary documentation for the formation of

your new corporation.

We promptly forward the original company documents to you.

Basic ESTABLISHMENT FEES (one time only fees)	GBP
<b>Incorporation Fee</b> <i>(includes expenses, filing fees and duty for standard authorised capital)</i>	€1620
<b>Corporate Structuring and Due Diligence</b> <i>(preparation of company documentation kit and the provision of a company seal)</i>	€300
Processing Application to open Isle of Man Corporate Bank Account	€500
Government Fees (was €430 now is €250)	€250
Annual return Filing Fee	€70
<b>TOTAL FIRST YEAR:</b>	<b>€2740</b>
<b>ANNUAL RECURRING FEES</b>	
Corporate Domicile <i>(provision of registered office and if applicable registered agent, maintenance of statutory records, compliance, filing of Annual Return and any tax/licence declaration)</i>	€700
Government Fees (was €430 now is €250)	€250
Annual return Filing Fee	€70
<b>OTHER SERVICES</b>	
<b>Professional Directors, Authorised Bank Nominee, Company Secretary and Nominee Shareholders</b>	€1000
<b>VAT registration</b>	€450
VAT administration (book-keeping, banking)	€200 / quarter
Provision for Preparation of Statutory Financial Accounts	€300
Trust and Private Foundations	
Preparation of Trust/Foundation Deeds and Transfer of Assets	from €950
Annual Trustee Fees	from €1200

*Notes: This Quotation excludes any VAT tax that may be applicable (17.5%)*

Note: all professional **nominee directors** in the Isle of Man must be checked by the Government Financial Supervision Commission before they are permitted to appointment to a client company. The Government checks the police record, professional qualifications, knowledge of company law, work experience and financial standing.

To comply with local law, as in all jurisdictions, an Isle of Man licensed agent must act for the company, and a local director must be appointed.

This is in compliance with the Corporate Service Providers Act 2000.

## DOING BUSINESS IN THE ISLE OF MAN

The Isle of Man is situated in the heart of the British Isles midway between England and Ireland. It is an established international finance centre, with a secure base built on political stability, low taxation and a firmly established fiscal and regulatory environment independent of the UK. Established here in 1975, OCRA (Isle of Man) Limited is considered one of the island's leading corporate and trust service providers.

### Key Advantages



About the Isle of Man

Business Services

Isle of Man Private Limited Companies

Isle of Man Hybrid Companies

Isle of Man New Manx Vehicles "NMV"

Isle of Man LLCs

Isle of Man Limited Partnerships

Isle of Man Trusts

Isle of Man Foundations

### KEY ADVANTAGES

\*\*Voted the "Best Offshore Financial Services Centre" for seven of the last eight years.\*\*

- Close proximity to Europe.
- Sophisticated banking infrastructure.
- A supportive government with a fiscal and legislative framework that positively encourages the Island's financial services sector.
- A policy of low taxation for both individuals and companies.
- A reputation for world-class regulatory standards offering a flexible and non-bureaucratic approach.
- A politically and economically stable environment. The Isle of Man has a Standard & Poor's "AA+" Country Risk Rating.
- The capacity for sustained growth.
- An established and mature financial services sector.
- World class communications and digital telecommunications infrastructure that fully considers the requirements of Internet technology businesses.
- Uncompromising commitment to maintaining high service and compliance standards

- A suitable base for EU VAT management