

BERMUDA

Bermuda - Common law

Incorporate Now | Consultation

Click request a call for a free, no obligation consultation.
In a hurry? Click incorporate now, and startup your company immediately.

Incorporating a company in Bermuda

Far Horizon Capital Inc
10 Anson Road, Suite 26-04
International Plaza, Singapore

Bermuda taxes

If you want to incorporate in Bermuda, you have to know about taxation for an Exempted company which is the most common company type in Bermuda.

Exempted Companies in Bermuda are entitled to do business outside the country. They may have restrictions to trade and own real estate within the territory and to undertake financial services activities. An Exempted Company is totally tax-exempted. This means that income accrued offshore is not subject to taxation. Currently, Bermuda does not levy corporate income tax to any legal entity, but an Exempted Company is protected from any newly enacted taxes on income or capital gains until 2035. This ranks Bermuda as 1st overall in terms of CIT globally.

An Exempted Company may be formed by one or more shareholders and one or more directors, who can be legal or natural persons. Nominee shareholders are allowed. It is required a secretary, who has to be an Bermuda individual resident. Minimum capital required is US$ 1. Bearer shares and shares without par or nominal value are not allowed. Shareholders and directors are publicly disclosed. Beneficiaries are disclosed to the authorities but not available on public record. Accounting records must be kept and financial statements must be prepared. However, there is no requirement to submit annual return, tax return or file accounts to the authorities. The audit requirement may be waived if members and directors agree.
There is no value-added tax or sales tax, which ranks Bermuda as 1st overall in terms of VAT globally.

Thin capitalisation rules are not in effect. Thin capitalisation refers to any sort of restrictions on companies' debt-to-asset ratios. Dividends are not taxable. Dividends are distributions of company profits, established by the board, to a class of its shareholders. Dividends can be either stock, cash, or property. Capital Gains are tax-exempted. A capital gains tax is levied on the profits that a corporation or natural person realizes when he or she sells sells a capital asset for a price that is higher than the purchase price.

There are no withholding taxes in Bermuda. This means that payments on dividends, interests, royalties or fees to non-residents are not taxed.
There is no known tax on wealth in Bermuda. There is a real property tax and a stamp duty on transfer of real property. We are not aware of any commonly used credits for innovation spend that include tax relieft in BM.

The above is not tax or legal advice for your company's circumstances. Incorporations.io can point you to a lawyer in Bermuda who can give you the proper advice and help you need. Want to work together? Click incorporate now if you are in a hurry, or press the free consultation button above.

The vat rate in Bermuda is 0% which ranks 1 in the world.

- ✖ **Patent box**
- ✖ **RND credit**
- ✖ **Wealth tax**
- ☑ **Estate tax**
- ✖ **Transfer taxes**
- ✖ **Asset taxes**
- ✖ **Capital duties**

- **0** **Tax treaties**
- **0%** **Offshore Tax**
- **0%** **Corp rate**
- **-** **Loss carryback years**
- **-** **Corporate time**
- **0%** **VAT rate**
- **0%** **Capital gains**
- **2017** **AEOI planned**

Bermuda Legalese

When looking for a jurisdiction in which to incorporate, the first thing to look at is the legal code. The body of law in Bermuda is common law law. Common law makes for a easy corporate setup. Electronic signatures are permitted.

The abbreviation BM is for Bermuda and the most common company structure in Bermuda is an Exempted company.

When setting up, budget about 2-3 Weeks to put together the paperwork and file an Exempted company in BM. The types of cash you can use to capitalize your business is often BMD and Any legal tender.

Yes, one is allowed to re-domicile an Exempted company from BM. You are usually allowed to change the jurisdiction of the company, pending certain procedures.

There must be at least 1 shareholder. This makes it possible for you to own an Exempted company in BM by yourself. Corporate Shareholders are allowed, meaning you could have a company as a shareholder. Foreign ownership is allowed, up to 100% of the ownership of the legal entity.

There is a requirement to have at least 2 directors. Additionally, corporate directors are permitted. Directors should not have an expectation of privacy, as they are not kept private in Bermuda. There is a body of law which requires companies to hold an annual meetings of shareholders.

A registered office is a requirement, whom the company will pay yearly, for an agent which can receive a service of process on behalf of the registered legal entity. A related requirement, a company secretary is also mandated by the government.

There is a Furthermore, there is oftentimes a requirement to have these accounts audited.

Overall we think Bermuda is a good option and have given it a score of 81 as an IO score, using the Incorporations.IO proprietary formula.

- ✖ **Directors not disclosed in a public registry**
- ✖ **Shareholders not disclosed in a public registry**
- ☑ **Redomiciliation permitted**
- ☑ **Registered office required**
- ☑ **Corporate director permitted**
- ☑ **Local Secretary not required**
- ☑ **Local Director not required**
- ☑ **Electronic signature**

1 **Shareholders required**

2 **Directors required**

2-3 Weeks **to form**

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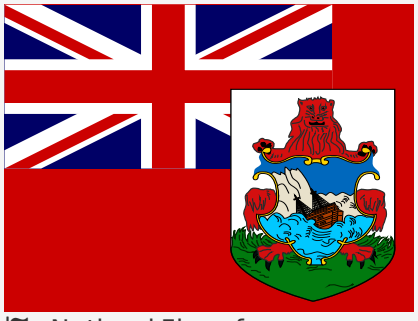
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Country Info



National Flag of

Bermuda (eng)

Currency

BMD

Area Code

+1441

Capital

Hamilton

Region

Northern America

Native Languages

English

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