



# MARSHALL ISLANDS

Marshall Islands - Common law for corporate matters

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In a hurry? Click incorporate now, and startup your company immediately.

## Incorporating a company in Marshall Islands

# Marshall Islands taxes

If you want to incorporate in Marshall Islands, reading this will help you becoming knowledgeable on the specific tax laws and rates for an IBC which is the most common legal entity in Marshall Islands.

An International Business Company (IBC) in Marshall Islands is entitled to do business outside the country. An IBC may have restrictions to carry out business and own real estate within the territory and conduct certain financial activities. IBCs income earned outside the country, from our research, and this is not personal tax advice, is not subject to taxation. This ranks Marshall Islands as 1st overall in terms of corporate tax rate worldwide.

An IBC in Marshall Islands is commonly used for asset management and protection, real property holding, international trading, holding company, holding patents and trademarks and holding vessels.

An IBC may be formed by one or more shareholders, one or more directors and one secretary, who may be natural or legal persons. Nominee shareholders and directors are allowed. Minimum paid up capital may be US\$1. Shares may be in any currency. No-par value and bearer shares are allowed.

Details of shareholders, directors and beneficiaries may not be publicly disclosed. An IBC is required to prepare and maintain accounts, but it may not be required to file any annual report, annual tax return or financial statements. Migration of domicile is permitted.

Dividends paid and received by an IBC are tax-exempt. Dividends are distributions of an earnings of the legal entity, determined by the board, to a particular class of shareholders. Dividends can be one of the following shares of stock, cash payments, or other property. Capital Gains are not subject to taxation. A capital gains tax is levied on the profits that a corporation or natural person realizes when they sell sells a capital asset for a price that is higher than the purchase price.

IBCs payments on dividends, interests, royalties or fees to non-residents are not subject to withholding tax.

Sales tax in Marshall Islands ranges from 2% to 4%, which ranks Marshall Islands as 23rd overall with regards to VAT globally.

There is no known tax on wealth in Marshall Islands. There are no known inheritance, transfer and real property taxes in Marshall Islands.

The above is not tax or legal advice for your particular company tax obligations. We are able to refer you to an expert in Marshall Islands who can give you the proper advice and help you need. Ready to get started? Click incorporate now if you are in a hurry, or press the free consultation button above.

The vat rate in Marshall Islands is 4% which ranks 22 in the world.

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

- 14** **Tax treaties**
- 0%** **Offshore Tax**
- 0%** **Corp rate**
- **Loss carryback years**
- **Corporate time**
- 4%** **VAT rate**
- 0%** **Capital gains**
- 2018** **AEOI planned**

# Marshall Islands Legalese

For starters, the law in Marshall Islands is common law for corporate matters law. You will want to get some local advice as to how to best structure a company in Marshall Islands. E-signatures are allowed.

The country code MH is for Marshall Islands and the most common company type type in Marshall Islands is an IBC.

The average time to incorporate is 1-3 Days to incorporate an IBC in MH. The minimal capitalization is 0, This means you don't have any minimum share capital. The types of consideration you can use to setup your legal entity is often legal currency.

Yes, one is allowed to re-domicile an IBC from MH. 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 IBC in MH by yourself. Corporate Shareholders are encouraged, which means you can have a corporate shareholder. Foreign ownership is tolerated, up to 100% of the total equity of the company.

A company is only required to have one director. Additionally, corporate directors are permitted. Directorship information is usually not shared with the general public. There is a requirement to have annual meetings of shareholders.

A registered office is a requirement, whom the company will pay yearly, for an address which can receive any lawsuit papers on behalf of the company. Furthermore, a company secretary is a requirement.

There is a not currently a requirement to file annual returns. This will not exclude the business or its owners from additional tax or reporting obligations elsewhere and you are encouraged to receive personal advice on your personal tax obligation. However, there is no requirement that these accounts be audited.

Overall we think Marshall Islands is a good option and have given it a score of 84 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**
- 1 Directors required**
- 1-3 Days to form**



# MARSHALL ISLANDS

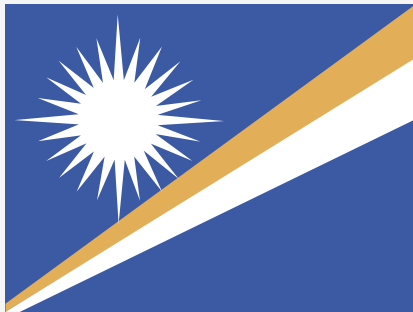
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## Country Info



🚩 National Flag of

**Republic of the  
Marshall Islands (eng)**

**Republic of the  
Marshall Islands (mah)**

\$ Currency

**USD**

☎ Area Code

**+692**

🏰 Capital

**Majuro**

✈ Region

**Micronesia**

🌿 Native Languages

**English**

**Marshallese**