



# DOMINICA

Dominica - Common law

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## Incorporating a company in Dominica

# Dominica taxes

If you want to incorporate in Dominica, this article will educate you on the tax laws for an IBC which is the most common legal entity in Dominica.

International Business Companies (IBCs) in Dominica are entitled to do business internationally and shall not trade with residents, own real estate property right within the territory and conduct certain financial services activities. IBCs income accrued offshore, from our research, and this is not personal advice, are 20-year tax-exempted. This ranks Dominica as 1st when compared to corp. taxation rate internationally. An annual Government fee may apply.

An IBC in Dominica may be formed by one or more shareholders and one or more directors, who can be the same person and may be a natural or a legal person. Nominee shareholders and directors are allowed. It may not be required a secretary. Minimum capital required is US\$ 100, shares may be in any currency, and may be issued with par or non-par value, and as bearer or registered form.

Details of shareholders, directors and beneficiaries are not publicly disclosed. There is no requirement to prepare or file accounts or financial statements, or to appoint an auditor.

Thin capitalisation rules are not in play. Thin capitalisation refers to any type of requirements on companies' debt-to-asset ratios. Dividends paid or received by an IBC are not subject to taxation. Dividends are distributions of earnings of a legal entity, voted by the board of directors, to a class of its shareholders. Dividends can be issued as cash payments, shares of stock, or other property. Capital Gains are exempted of taxes. A capital gains tax is levied on the profits that a corporation or natural person realizes when he or she sells a capital asset for a price that is higher than the purchase price.

IBCs are not subject to withholding taxes. This means that payments on dividends, interests, royalties or fees to non-residents are not subject to taxation.

The value added tax (VAT) rate in Dominica is 15.00%, which ranks Dominica as 80th overall in terms of VAT taxation rate internationally. There is no known tax on wealth in Dominica. There are no known inheritance taxes in Dominica. There are real property and transfer taxes in Dominica.

The above is not tax or legal advice for your company's facts and circumstances. We are able to help you to find to an accountant in Dominica who can answer all your questions. Ready to get started? Click incorporate now if you are in a hurry, or press the free consultation button above.

The vat rate in Dominica is 15% which ranks 78 in the world.

✗ **Patent box**

✓ **RND credit**

✗ **Wealth tax**

✓ **Estate tax**

✓ **Transfer taxes**

✗ **Asset taxes**

✗ **Capital duties**

**31** **Tax treaties**

**0%** **Offshore Tax**

**0%** **Corp rate**

**-** **Loss carryback years**

**15** **Corporate time**

**15%** **VAT rate**

**0%** **Capital gains**

**2017** **A EOI planned**

# Dominica Legalese

When examining a jurisdiction in which to incorporate, the first thing to look at is the legal code. The underlying law in DOMINICA is common law law. Common law jurisdictions are generally regarded as easier to structure. Electronic signatures are permitted.

The country code DM is for DOMINICA and the most common company type structure in DOMINICA is an IBC.

The time to setup is usually 1-2 Days to incorporate an IBC in DM. 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 frequently any legal tender.

Yes, one is allowed to re-domicile an IBC from DM. 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 DM by yourself. Corporate Shareholders are allowed, meaning you could have a company as a shareholder. Foreign ownership is permitted, up to 100% of the ownership of the legal entity.

A legal entity is only required to have 1 director on the board. Consequently, corporate directors are permitted. Directors should not have an expectation of privacy, as they are not kept private in DOMINICA.

A registered legal firm must be retained for an address, paid by the company on an annual basis, for an office which can receive a service of process on behalf of the registered legal entity. A related requirement, a corporate secretary is not a requirement.

There is a no requirement to file annual returns. This will not exempt the business or its owners from additional tax or financial obligations elsewhere and you are encouraged to pay for personal advice on your own tax situation. However, there is oftentimes a requirement to have these accounts audited.

Overall we think Dominica is a good option and have given it a score of 82 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**
- 1-2 Days **to form**



# DOMINICA

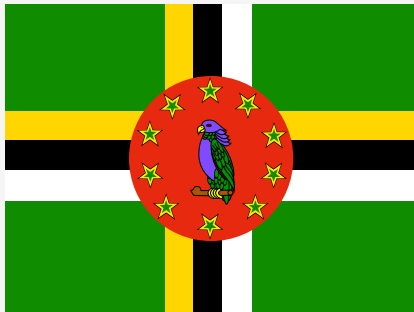
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☎ Consultation

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## Country Info



🚩 National Flag of

**Commonwealth of  
Dominica (eng)**

\$ Currency

**XCD**

☎ Area Code

**+1767**

🏰 Capital

**Roseau**

✈ Region

**Caribbean**

🌿 Native Languages

**English**