

Introduction

Located in the Irish Sea between Britain and Ireland, the Isle of Man is a self governing territory within the Commonwealth. This Island is politically stable and fiscally independent from the European Union (EU). Although the Isle of Man is not a member of the EU, it benefits from a relationship with the EU, which allows free movement of goods in trade between the Island and other countries in the EU.

The Isle of Man has a well-developed professional and financial infrastructure, with a strong banking and investment fund and captive insurance sectors. The government of the Isle of Man implemented tax incentives such as the absence of tax on capital transfer and inheritance and reduced corporate and personal taxes.

General Information.

Type of Company:	International LLC, Private Limited
Currency:	Sterling Pounds are the common currency. There are no exchange controls or restrictions upon the movement of funds.
Minimum Capital:	STG £2,000
Capital duty:	Minimum of £115 for companies of £2,000. Duty of £5,000 for an unlimited authorised capital.
Availability of shelf Co's:	Yes, as tax status is applied for after incorporation.
Bearer / nil par value shares:	Shares of No par value are permitted, Bearer shares are prohibited.
Shareholders:	Single shareholders are allowed, but two shareholders or more are usual.
Directors:	A minimum of two natural directors is required for both types of company. Corporate Directors are not allowed. Exempt companies must have at least one resident Director.
Secretaries:	All Manx companies require a Company Secretary. Exempt companies must have a qualified secretary, resident in the Isle of Man.
Company Registers / Records:	Register of Members, Directors, Secretaries, Charges and mortgages, should be maintained at the Registered Office. Accounting records should also be maintained, although this is not available for public viewing.
Registered Office:	A Registered Office must be maintained in the Isle of Man.
Statutory Submissions:	Annual Returns, Registration of charges and mortgages. Returns of Allotments and Charges of Directors and Secretaries details.
Double Taxation Treaties:	Exempt Companies cannot take advantage of the Double Tax Treaty with the UK.
Directors Meetings / AGM's	No restrictions upon Board Meetings of exempt companies.
Public Records:	Details of the Registered Office, copy of the Memorandum and Articles of Association, Register of Charges and Mortgages, Annual Return (containing details of Directors, Secretary and Shareholders) and holdings.
Annual Government Fees/Duties:	The filing fee for the Annual Return of all companies is £45.00 Exempt Fees: £475.00 per year, Private Ltd £250.00

Advantages: Highly respected jurisdiction, internationally, with many World-class banks and financial institutions. Wide range of trading and tax planning vehicles. VAT Registration with UK reciprocal agreement.

Disadvantages: Can be seen as expensive in comparison to other jurisdictions.

Other useful Information: **Confidentiality**

An Isle of Man IBC does not have to be registered with any public authority. Any information given to the Trustee by the Settler or the Beneficiaries is kept strictly private and confidential.

Non-Resident Companies

This type of company has its central management and control exercised from a foreign base. It will only be liable to income tax if there is any income from Isle of Man besides bank interest.

To obtain Non Resident status a Declaration of Non Residency has to be filed with the Registrar of Companies. A flat duty of £600 has to be paid annually upon filing of the annual return with the Registrar of Companies.

Resident Companies

This type of company is used mainly for carrying on business in the Isle of Man. The taxation rate is 20% on chargeable profits.

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