

# British Virgin Islands

- Leading offshore jurisdiction
- Enjoys a high degree of market awareness and acceptability
- Able to list on leading stock exchanges, including Hong Kong

## Introduction

The British Virgin Islands (BVI) is a group of islands in the Caribbean Sea located approximately 80 kilometres east of Puerto Rico. The BVI is a British Overseas Territory, which became self-governing in 1967 and is a member of the British Commonwealth.

Since the BVI introduced International Business Company (IBC) legislation in 1984, its offshore financial services sector has expanded rapidly. In 2004, the IBC Act was replaced by the Business Companies Act, which further enhanced the jurisdiction's popularity.

## Law and Taxation

The legal system is based on English common law, supplemented by local ordinances. There are no taxes levied on business companies with the exception of the annual government licence fee, which is USD450 for companies with a maximum authorised share capital of 50,000 shares. Companies that fail to pay their licence fee by the due date are subject to penalties and will be struck off five months after the due date. There are no exchange controls or restrictions on the flow of currency in or out of the territory.

## Corporate Requirements

Each BVI company must have a registered agent and registered office in the BVI, provided by a licensed service provider.

Each company must have at least one director, and corporate directors are permitted. Under the Business Companies Act (the Act), every newly incorporated company is required to appoint its first director within six months of the date of incorporation and the Register of Directors or a copy must be kept at the office of the registered agent. With effect from 1 April 2016, details of the directors will need to be filed with the Registry of Corporate Affairs however such filing record will not be available to anybody other than BVI regulatory and law enforcement authorities.

The company should have at least one shareholder, and bearer shares are allowed. Under the Act, bearer share certificates have to be held by an approved custodian. According to the BVI Business Companies (Amendment) Act 2012, a bearer share company must maintain a register of the company's bearer shares, specifying the number of the bearer share certificate, the full name of the beneficial owner, the full name of any other person that has an interest in the bearer share, and the name and address of the custodian.

The Register of Shareholders or a copy should be kept at the office of the registered agent. Details of the shareholders do not appear on any public record, although there are provisions for optional filing of this information. Often, it is advisable to keep the original register in the BVI for stamp duty reasons.

There are no requirements for annual returns, annual meetings, or audited accounts.

## Local Infrastructure

The BVI has attracted a healthy number of international accounting and law firms. There are, at present, relatively few banks and financial institutions. The Registry of Corporate Affairs in the BVI is technically advanced and efficient, and has kept pace with continually increasing demand.

There are no specific statutory provisions governing secrecy in relation to companies. However, there are minimal statutory filing requirements and English law (which applies to the jurisdiction) imposes a common law duty on professionals to keep the affairs of their clients confidential.

## Our Services

Vistra continuously holds a substantial stock of companies with a wide selection of names that are immediately available for purchase. We can also arrange to incorporate a company with your choice of name and can confirm the availability of names in advance.

All companies are provided with a complete company kit, including share certificates, three or four copies of the Memorandum and Articles of Association (depends on clients' originate country), statutory registers, a common seal, a company chop, and a Certificate of Guarantee of Quality. In addition, we can assist you in obtaining Certificates of Good Standing and other certificates of corporate existence as well as relevant post-incorporation services.