

# ILS Incorporation Datasheet - Isle of Man



<p><b>1 Advantages</b></p>	<ul style="list-style-type: none"> <li>• Long established and well regulated international finance centre</li> <li>• Sophisticated infrastructure and high respectability</li> <li>• Political and economic stability</li> <li>• No Stamp Duty, Estate Duty or Capital Gains Tax</li> <li>• 0% Income Tax rate for companies for the majority of activities</li> </ul>
<p><b>2 Disadvantages</b></p>	<ul style="list-style-type: none"> <li>• Can be expensive for some operations</li> <li>• Outdated companies legislation means that statutory maintenance is highly burdensome (although this is under review)</li> </ul>
<p><b>3 Company Tax Status</b></p>	<p><u>Resident</u> – All companies formed from 6 April 2006 are taxed at 0% with the exception of those involved in banking activities or investment in Isle of Man land, which are taxed at 10%</p>
<p><b>4 Company Legislation</b></p>	<p>The Companies Acts 1931 to 2004</p>
<p><b>5 Company Names</b></p>	<p>Prior approval of names is required. Many sensitive words, e.g. International, Bank, Royal, Trust, Holdings, Group etc. Must end 'Limited' or 'Public Limited Company'</p>
<p><b>6 Time Taken to Incorporate by FSC</b></p>	<p>1-3 days</p>
<p><b>7 Are shelf companies available?</b></p>	<p>Yes</p>
<p><b>8 Usual minimum capital</b></p>	<p>£2,000</p>
<p><b>9 Capital Duty</b></p>	<p>£16 per £1,000 of capital, or part thereof, with a maximum total payment of £5,000</p>
<p><b>10 Minimum Number of Shareholders</b></p>	<p>One - but two are usual</p>
<p><b>11 Bearer Shares Allowed / Shares of No Par Value Allowed</b></p>	<p>No / No</p>
<p><b>12 Directors: Minimum Number / Corporate Directors Allowed / Location</b></p>	<p>Two / No / No restriction but a majority of local directors to establish management and control on the Island is recommended in most cases</p>
<p><b>13 Secretary: Mandatory / Corporate Secretary Allowed / Location</b></p>	<p>Yes / Yes / No restriction</p>

<b>14 Is there a requirement for a Registered Office / Registered Agent?</b>	Yes / No, but registered office must usually be provided by a licensed Corporate Service Provider
<b>15 Is any information required by the authorities prior to incorporation or prior to tax status being granted?</b>	Not for companies with business activities that do not require regulation
<b>16 What information is available on the public file?</b>	Registered Office, full details of Directors, Secretary and Shareholders, Memorandum & Articles of Association, Annual Returns, Mortgages and Charges (if any), certain shareholders' resolutions
<b>17 What documents must be kept at the Registered Office?</b>	Registers of Directors / Secretaries / Members / Mortgages and Charges, minutes of shareholders' meetings
<b>18 Corporate Books and Seal</b>	Both usually retained at the Registered Office, although the seal may be dispensed with, if desired
<b>19 Are accounts required / filed?</b>	Yes / Not on public record but may need to be submitted to the tax authorities upon request under the 0% regime
<b>20 Is an audit required?</b>	A company may be exempt from audit if it meets two out of the following three criteria: <ol style="list-style-type: none"> <li>1. its annual turnover is £5.6 million or less;</li> <li>2. its balance sheet total is £2.8 million or less, and;</li> <li>3. its average number of employees is 50 or fewer.</li> </ol>
<b>21 Is an Annual Return required?</b>	Yes
<b>22 Where are meetings to be held?</b>	No statutory restriction
<b>23 What annual fees are payable to the Government?</b>	<ul style="list-style-type: none"> <li>• Annual Return Filing Fee: £320 (due on anniversary of incorporation)</li> <li>• Companies involved in banking or Isle of Man land related activities: 10% of taxable profits</li> <li>• Distributable Profits Charge - Companies with Isle of Man resident shareholders that do not pay dividends are subject to this under which 55% (trading companies) or 100% (investment companies) of the distributable profits of the company are charged at a rate of 18%</li> </ul>
<b>24 Are there any exchange controls?</b>	No
<b>25 Double tax treaties</b>	UK only

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