

FAQ-Company Formation in British Virgin Island (BVI)

Country – **British Virgin Island- BVI Point**

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1. Advantage of Business Set in BVI

- Well planned, developed & growing economy
- Part of fast growing economy in EU country
- Strong and well balance country with business growth
- Well developed banking and financial hub
- Secured and safe business environment
- Basic business rule and policy in line with international business standard
- Well developed infrastructure, port, and transport facility
- Liberal Immigration policy
- Well cultured and educated work force
- Well connected with EU, Europe, Africa and Asian Market
- Major hub for MNCs, Trading house and Investment banker

2. Preferred Business Destination

As per the business study and Government data, major businesses in BVI are:

- Investment banker, Assets Management Companies & Private Equity Funds
- International banking and financial Hub
- Asset Management and remain holding company to avail tax benefits
- Shipper and Forwarding Agent, onwards exports and Shipment
- Trading hub –Electronic, Electrical, Computer, Garments & FMCG products
- Gold, Gems and Jewelry, Diamond studded ornaments
- Tourism, oil, power, automobiles and EPC contracts
- Garments, Food grain, Pharma, Perfumes and healthcare products
- Major Trade with GGC, Asian, African and EU Market

3. Type of Business Entity

- **Limited Liability Company** –IBC Company–International Business company
- **BC Company**

We strongly recommend the BC Company considering the nature of business plan in EU and overseas market. It is also commonly known as BC Company and having separate legal entity. In this company, as per norms you will have 100% ownership with you and no need to have any local BVI resident Partner. You will have full liberty and freedom to do business and day to day banking.

Formation, License fees & time frame normally 3 working days.

Under the BVI Business Companies Act 2004, companies incorporated in BVI are defined Business Company (BC).

BVI BC's are very popular and widely used offshore companies because of their administrative ease, flexibility, taxation exempt status and the fact that they are widely accepted and recognized by the international financial community.

Formation & timeframe –4 working days

4. Advantage of company having Company in BVI

- 100% ownership allowed in Company by Foreigners.
- Zero tax on profit, income, gain and full repatriation allowed
- Any individual or corporate body (overseas) may incorporate a BVI company.
- Easy to form and run the business, warehousing & manufacturing in any part of world
- Minimum one direct or required to form company and can have more if required
- No Local Shareholder & Director required to form and manage the company
- No major restrictions on the type of business activities that a company can engage in.
- No special approvals are required by foreigner means they are at par with locals.
- No Restriction or obligation for local employment of workforce.
- Minimum paid up capital requirement is USD 1 for a BVI company & Authorized USD 50000
- Company can issue Ordinary shares
- Local Registered office required – provided by us.
- Your presence is not compulsory to form BVI Company and open the bank account
- No audit required at the time of renewal of company

To Form the company in BVI, you need to appoint professional firm for assistance and complete the formalities of formation of company. We shall provide the same.

5. 5 Minimum requirements for registration of a BVI company

- **One Shareholder either individuals \ Limited entity**
 - **Know your client – KYC Norms** For individual : Copy of passport, overseas residential address proof, and other KYC information such as personal and business profile, etc.
 - If the share holder is a corporate entity (in BVI): Copy of registration documents such as Certificate of Incorporation and Memorandum & Articles of Association and Board Resolution.
- **One Director either individuals \ Limited entity**
 - The minimum number of directors is one, who may be a natural person or a body corporate.
 - Directors may be of any nationality. Corporate directors are permitted in BVI.
 - Copy of passport and overseas residential address proof
- **Local & nominee Director / Shareholder - Optional**
 - BVI / offshore Company does not require local BVI resident person.

- **Registered office in BVI**

Company need to have registered office in BVI. We shall provide the registered office address. Post Box No. is allowed to utilize as registered office.

Upon receipt of the signed incorporation and supporting documents from you, we will proceed to incorporate the company.

6. Foreign Company Registration Options

Foreign company plans to have presence in BVI, have the choice of setting up business unit as branch office, subsidiary, or representative office in BVI.

- **BVI/Overseas Company** - A separate company formed by shareholder and director of the company. It shall have independent identity. Foreign company shall become shareholder and control it.
- **Subsidiary Company** - A subsidiary company is a BVI \ Offshore company incorporated in BVI with the parent company as its majority shareholder. For small to mid-size foreign businesses, a subsidiary company is the most preferred choice of registration in BVI.
- **Branch Office** - A branch office is registered in BVI as an extension of its parent company and not as a separately incorporated entity. The liabilities of a branch office extend to its parent company.

Representative Office

A representative office is registered in BVI as a temporary arrangement for conducting marketing research activities. A representative office does not have any legal status and cannot be engaged in any profit yielding activities.

7. Business trade License & Banking

A BVI Company has all the powers of a natural person. To carry out international business License is not required for BVI Company. The company can do international business in trading, manufacturing, consultancy, investment, marketing and liaison work, commission agent, sourcing agent and other major business as permissible under law.

Bank account opening

After successful registration of your BVI Company, you can open a corporate bank account in any of the major banks in BVI such as HSBC, Standard Chartered, Citibank, etc. Many of the banks in BVI these days require physical presence of the company principals as part of the account opening procedure. However it is not compulsory to visit BVI to open the bank account.

While visit to BVI, you have a wider choice of banks to choose from. In this case, you can explore the features and facilities provided by different banks and decide on the bank that best suits your needs. However you can open the bank account in your home country if allowed. Otherwise many offshore destination allowed to open the bank account of BVI company.

While opening the bank account, clients should bring the following documents

- Original Passport & residence address proof of director & share holder
- Original BVI company formation documents & Trade License
- Business profile of director & shareholder
- Proposed Business plan of the company
- Bank Reference letter \ statement from existing banker of director – optional

8. Income Tax, Dividend and other Benefits

In BVI, there is Zero Tax on profit, income, gain and dividend. It is allowed to repatriate full profit. BVI company no need to maintain books and file audited account to any authority at time of renewal. BVI needs to do submit the Annual Tax Return to Company Authority every year. However there is zero tax on Income.

9. Other Information – Annual Tax filing

BVI needs to do submit the Annual Tax Return to Company Authority every year. However there is zero tax on Income.

To carry out international business License is not required for BVI Company. Filing of annual return is not required

For More detail please visit website of Free Trade Zone few are as follows.www.bvifsc.vg
www.bvi.org.uk

10. Documents Required For Company Incorporation

Director and shareholder – When Individual

- Copy of passport and
- Copy of residential address proof such as a recent utility bill \ phone bill

Director and shareholder – When Corporate Bodies

- Copy of registration documents such as Certificate of Incorporation and Memorandum & Articles of Association of parent company and
- Board Resolution for investment with proposed business plan

Please note the following:

- No Presence of shareholder and directors required for company formation.
- All documents must be in English or officially translated in English;
- All copies of documents must be certified true copies by a notary public or self certifying.
- You can email us the scanned copies of documents so we can proceed with preparing the necessary incorporation documents. However we must receive the certified true copies before we can incorporate the company.
- Our compliance department may ask for additional information if necessary.
- Duly filled Company Formation Request Form

11. Company registration procedure and timeline

Company registration procedure in BVI is fully computerized. As a result, the incorporation process is quick and efficient. Under normal circumstance, the company can be incorporated in 3 working days.

There are two distinct steps involved in the Hong Kong company setup procedure:

- Company Name Approval and;
- Company Registration.

Both steps can be accomplished on the same time.

Details of directors and shareholders public information in BVI

Directors and shareholders information is not public information in BVI.