

International BRIEFING²⁰⁰⁹

RELIABLY INFORMED www.jordans-international.com



Yacht registration and administration services in the British Virgin Islands



Whether simply seeking to charter a yacht for a short break in the Caribbean, or are purchasing and leasing a super yacht, Jordans are well placed in the BVI to assist with every aspect of the process.

The British Virgin Islands offer some of the best sailing conditions in the world - a prevailing four knot breeze, crystal clear waters, a selection of over 50 islands (both populated and deserted) to explore and of course, the Caribbean climate. No BVI yachting brochure is complete without liberal use of superlatives and terms such as "ultimate", "unparalleled", "spectacular" really do capture the essence of the BVI's second most important industry – sailing and yacht charter. On their website, the BVI Shipping Registry invites you to "Register your Vessel in Paradise" and this is indeed a very accurate and viable proposition.

Yacht Registration

The BVI is a member of the prestigious Red Ensign Group and was granted category 1 assignment in June 2008.

Consequently there are no limitations on the type of vessel that may be registered. The prestige and protection afforded by the Red Ensign combined with an efficient and inexpensive registration procedure has launched the BVI as a serious base in which to own and manage yachts and ships. As a dependant territory of the United Kingdom, a resident of any EU or EEA country is entitled to register a yacht under the BVI flag, although it is often desirable to own a vessel through the medium of company. The BVI has one of the most successful company registries in the world and a corporate services industry which is the mainstay of local industry.

Corporate ownership

The BVI has a very attractive tax regime (set out below). Government revenues are raised through indirect taxation, flat rate licence fee on companies (typically just \$350.00) and payroll taxes.

Ownership of a yacht through a BVI company has distinct business advantages if the vessel is to be chartered and also presents opportunities for effective tax and estate planning. BVI ownership also qualifies the owner to settle the assets in a Virgin Island Special Trust, a very flexible yet effective

arrangement for inheritance planning.

Corporate ownership thus presents a fiscally efficient means of owning a yacht for residents and non residents of the BVI alike.

Jordans provide local management and administration, ranging from simply the provision of a registered office and agent, through to full management including in appropriate cases, provision of local directors, banking, payroll and accounting.

Charter

Jordans work closely with a number of local charter companies organising bareboat and crewed charters and can offer independent reassurance that the vessel is being maintained and utilised to the owners' expectations.

Ancillary services

Jordans can arrange introductions to relevant parties including surveyors, insurance companies, chandlers, marinas, and coordinate all the necessary activity to ensure successful registration and maintenance of the vessel.

Specific tax features of a BVI Business Company

- No corporation tax (abolished to domestic companies in 2006)
- No stamp duty on share transfers (unless related to BVI real estate)
- No withholding taxes
- No estate duties or inheritance taxes
- No capital gains tax
- An annual licence fee of \$350.00 is payable to the Government by all companies (increasing to \$1100.00 if the company has the ability to issue over 50,000 shares)

The BVI do not impose sales tax or VAT.

Fee Structure (exclusive of government disbursements)

Incorporation of a BVI company	\$1000.00
Provision of registered office/agent	\$450.00 p.a.
Provision of company secretary	\$300.00 p.a.
Provision of director services	\$1250.00 p.a.
Registration of yacht	\$500.00 p.a.
Provision of an authorised officer	\$250.00 p.a.
Yacht management	POA

For further information about this service please contact Amy Roost:

T: +1 284 494 6643

E: Amy_Roost@jordans-bvi.com



Amy Roost
Director - Jordans (BVI) Limited