

TURKS AND CAICOS ISLANDS (TCI)

1. SYNOPSIS

The Turks and Caicos Islands ("TCI") lie 575 miles south east of Miami, with the Bahamas some 30 miles to the north west. There are 8 principle inhabited islands which have an estimated population of 13,000 the seat of government and capital is Grand Turk.

The legal system is based upon English Common Law with local modifications and the Islands are governed by an Executive Council of ministers appointed from the Legislative

Council of elected members presided over by a British appointed Governor. The Islands are a British Crown Colony and Britain maintains responsibility for defense and foreign affairs.

2. THE TURKS AND CAICOS ISLANDS EXEMPT COMPANY

One of the foundations upon which the TCI 's success as an offshore centre has been built is the Companies Ordinance 1981. This legislation was closely modeled on the equivalent Cayman Islands law and is extremely flexible and provides in the shape of an exempted company for a minimum of disclosure. Meetings need not take place in the Islands, the objects may be unrestricted and details of shareholders and directors need not appear on any public record.

An exempt TCI company receives a certificate issued in the name of the Governor which guarantees that the company will be exempt from all forms of taxation, both in respect of its own operations and on the shares in the company, for a period of 20 years from its date of incorporation.

Companies may be incorporated with a translation of the English name appearing on the Certificate of Incorporation. The name may be represented in any foreign language or characters. Additionally, a foreign language translation of the Memorandum and Articles of Association may be officially registered alongside the English version. Thus, for example, the Certificate of Incorporation could bear both an English name and a translation of that name in Chinese characters. A Chinese character version of the Memorandum and Articles of Association could also be registered.

a. Taxation:

The TCI are a major "no tax haven". There are no direct taxes such as income tax, corporation tax, capital gains, profit tax, gift tax or death duties.

b. Shareholders:

An exempted company need only have one shareholder and we issue shares in registered form only. There is no requirement to file the details of shareholders on any public record.

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c. Directors:

A minimum of one director is required and corporate directors are permitted. There is no requirement to file the details of directors on any public record.

d. Annual Reporting:

There is no requirement to file accounts or a detailed annual return. Each company must file a short statement indicating that it has traded mainly outside the islands and that the company has complied with various statutory requirements.

e. Timescale:

Incorporation can be achieved within 24 hours. However it does take approximately 1 week for documents to arrive from TCI. Readymade companies are available for immediate purchase.

f. Restrictions on Name and Activity:

The following words cannot be used either in English or any other language: Assurance, Bank, Building, Society, Commonwealth, Co-operative Society, Fidelity, Friendly Society, Guarantee, Indemnity, Insurance, Re-insurance, Trust, Trustee, Underwriter, Royal, Imperial, Empire, Municipal and Chartered or any derivatives of any of those words without the written consent of the Financial Secretary. The name of an exempt company need NOT indicate that the company is limited.

g. Local Requirements:

As a matter of local company law the company MUST maintain a registered office address within the TCI and MUST also appoint a TCI resident as registered agent. We would generally provide these services as part of the domiciliary service fee.

h. Secrecy:

Both the Companies Ordinance and the Confidential Relationships Ordinance 1979 make it an offence punishable by a maximum fine of US\$50,000 and/or a prison sentence of up to 3 years for anybody to reveal confidential information, including details of the owners and directors, about a TCI exempt company or to threaten to reveal such information.

i. Costs / Charges:

Cost / Charges would be provided on request.

Whilst every effort has been made to ensure that the details contained herein are correct and up-to-date, it does not constitute legal or other professional advice. We do not accept any responsibility, legal or otherwise, for any errors or omissions.
