



Gibraltar Fact Sheet

GENERAL INFORMATION

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| Company type | Private Company limited by shares |
| Timeframe for company formation | 1 week |
| Governing corporate legislation | Gibraltar companies are regulated under the Gibraltar Companies Ordinance 1930. The Gibraltar Financial Services Commission is the governing authority. |
| Legislation | Modern offshore legislation |
| Legal system | Common Law |
| Corporate taxation | The tax rate is 10% as from 1st of January 2011. This rate of tax will be levied on company profits which derive in or accrue in Gibraltar. |
| Accessibility of records | The names of company officers appear on public record. |
| Time zone | GMT +1 |
| Currency | British Pound (GBP) |

SHARE CAPITAL

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|-----------------------------|-----------|
| Standard currency | GBP |
| Standard authorised capital | GBP 2,000 |
| Minimum paid up | GBP 1 |

SHAREHOLDERS, DIRECTORS AND COMPANY OFFICERS

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| Minimum number of Shareholders | 1 |
| Minimum number of Directors | 1 |
| Locally-based requirement | No |
| Requirement to appoint Company Secretary | Yes |

ACCOUNTING REQUIREMENTS

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|-----------------------------------|---|
| Requirement to prepare accounts | Accounts and tax filing must be submitted every year. |
| Requirement to appoint auditor | Yes |
| Requirement to file accounts | Yes |
| Accessibility of accounts | None |
| Requirement to file annual return | Yes |

DOCUMENT REQUIREMENTS

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| Certified copy of valid passport (or national identity card) |
| Certified copy of 2 proofs of address (issued within the last 3 months) in English or translated into English |
| One original professional reference |
| One original bank reference |
| Details of source of income |
| CV |

INCORPORATION FEES

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|-------------------------------|----------|
| Initial set-up and first year | EUR 3550 |
| Per year from second year | EUR 2550 |

GOOD TO KNOW

In Gibraltar there is no capital gains tax, wealth tax, sales tax, Estate duty, or value added tax and Non-Resident companies can take advantage of a number of offshore regimes. Additionally, no tax is payable on dividends, on interest paid to resident individuals, on interest paid to non-residents, and on dividends between Gibraltar companies.



JURISDICTION INFORMATION

Gibraltar is a small British Overseas Territory located in southern Europe, more specifically on the southern end of the Iberian Peninsula, on the edge of the Strait of Gibraltar, which links the Mediterranean to the Atlantic Ocean. Gibraltar has 32,000 inhabitants and a large part of the territory is covered by the enormous Rock of Gibraltar, a major landmark of the region. The country is part of the European Union and, for this reason, companies registered in Gibraltar benefit from all of the advantages of a European company, but with a far lower tax rate.

POLITICAL STRUCTURE

Gibraltar is a British Overseas Territory and Gibraltarians enjoy full British citizenship, however, the territory enjoys special status within the Community and is exempted from the Common Customs Tariff, the Common Agricultural Policy, and Value Added Taxation. Under its current constitution, Gibraltar has almost complete internal democratic self-government through an elected parliament, elected for a term of up to four years. The unicameral parliament consists of 17 elected members and the Speaker, who is appointed by a resolution of the parliament. The government consists of 10 elected members and the head of state is Queen Elizabeth II, who is represented by the Governor of Gibraltar. The governor enacts day-to-day matters on the advice of the Gibraltar Parliament, but is responsible to the British government in respect of defence, foreign policy, internal security, and general good governance. Judicial and other appointments are made on behalf of the Queen in consultation with the head of the elected government. Gibraltar is part of the European Union, having joined as a dependent territory of the United Kingdom under the Treaty Establishing the European Community covering special member state territories.

ECONOMY

The British military traditionally dominated Gibraltar's economy, with the naval dockyard providing the bulk of economic activity. This, however, has diminished over the last 20 years and, today, Gibraltar's economy is dominated by four main sectors: financial services, online gambling, shipping, and tourism. In 1967, Gibraltar enacted the Companies (Taxation and Concessions) Ordinance, which provided for special tax treatment for international business. This was one of the factors leading to the growth of professional services; such as private banking and captive insurance management. Gibraltar has several positive attributes as a financial centre, including a common law legal system and access to the EU single market in financial services. Since 1991, the Financial Services Commission (FSC) regulates the finance sector, while in 1997, the Department of Trade and Industry established its Gibraltar Finance Centre (GFC) Division to facilitate the development of the financial sector.

POPULATION

Gibraltar is one of the most densely populated territories in the world, with an estimated population of 32,194 in 2015. The breakdown of nationalities in Gibraltar are 83.22% Gibraltarian (colloquially, Llanitos), 9.56% Other British, 3.50% Moroccan, 1.19% Spanish, 1.00% Other Europeans, and 1.54% Other.

LANGUAGE

The official language of Gibraltar is English and it is used by the government and in schools. Most locals, however, also speak Spanish due to the territory's proximity to Spain. Gibraltarians also often converse in Llanito, a vernacular unique to Gibraltar, based on Andalusian Spanish with a strong mixture of British English and elements from languages such as Maltese, Portuguese, Genoese Italian, and Haketia (Ladino).

TAXATION

All companies incorporated in Gibraltar are required to produce and file certain accounting information at Companies House whether they have an activity or not. If no profit is accrued or derived from Gibraltar, the tax rate is 0%. If any profit, however, is accrued or derived from Gibraltar, the tax rate is 10%. Once the company has been incorporated, it has up to 18 months to choose a Financial Year end (taxation period). After the end of the Financial Year End, the company has 13 months to file the accounts every year. Should this not occur, an initial £50 penalty will be issued and six months thereafter a further penalty of £100 will be incurred against the company should the entity have not complied with regulations. Company accounts need to be filed up-to-date for all companies, should they have any activity or not. Please note that the above information and our prices are applicable to small and medium sized companies.

Small and medium-sized companies are categorized as such if the following conditions are met:

- net turnover does not exceed £4.8 million;
- balance sheet total does not exceed £2.4 million; and
- average number of employees does not exceed 50.

COMPANY FORMATION INFORMATION

INCORPORATION PROCEDURE

Upon receipt of the client's KYC documents (passport copy and proof of address issued within the last 3 months) and description of the intended business activity, and after our legal department's due diligence checks, SFM will begin the process of incorporation of the Private Company via our Gibraltar-based agent as it is necessary for the registered office of the company to be maintained in Gibraltar at the address of a licensed management company. Note that the below are the additional required documents for incorporation in Gibraltar:

- certified/notarised copy of one document verifying proof of identity e.g. passport or valid identity card;
- certified/notarised copies of two separate documents verifying proof of residential address dated within the last three months e.g. electricity, water or gas bill or bank statement;
- one original professional reference from a lawyer, accountant, notary or bank;
- one original financial reference from either a banker, accountant or similar;
- details of the nature of individual's source of income, wealth and/or employment; and
- Curriculum Vitae.

INCORPORATION TIMEFRAME

One week.

TRADING RESTRICTIONS

Gibraltar Private Companies cannot trade within Gibraltar or remit income to Gibraltar if the Company is to retain its Non-Resident status for tax purposes. A Non-Resident company cannot undertake the business of banking, deposit taking, insurance, assurance, reinsurance, fund management, asset management, or any other activity associated with the finance industry.

NAME RESTRICTIONS

A Gibraltar Private Company name must end with Limited or Ltd. Restricted names include those suggesting royal or governmental patronage or names deemed to be undesirable or offensive. 'International' and 'Gibraltar' cannot be used without consent unless the words are bracketed. Other restrictions are placed on names that are identical or similar to an existing company, as well as any name that may imply an activity associated with the banking or finance industry. The following names or their derivatives require consent or a licence: "bank", "building society", "insurance", "assurance", "reinsurance", "fund management", "asset management", "investment fund", "trust", "municipal", or "co-operative".

CORPORATE DOCUMENTS LANGUAGE

English.