



Seychelles International Financial Centre

A Seychelles International Business Company (IBC) is the most popular and versatile type of offshore corporation available in Seychelles. It is similar to the most popular international business company, the BVI IBC, and in some respects even exceeds that benchmark model of offshore corporation.

Introduction

The Seychelles International Financial Centre offers one of the most attractive investment alternatives in the offshore world. It has non-resident tax free and tax resident low tax structures; a growing network of tax treaties used for investment into other countries; low government fees; and international trade zone all created and supported by one of the most favourable legal and regulatory regimes in the offshore world. With its tax-exempt International Business Company (IBC), Seychelles has become one of the most popular offshore jurisdictions in the world.

Regulatory Framework

The Seychelles International Business Authority (SIBA) established in 1995 under the Seychelles International Business Authority Act of 1994 is essentially a one-stop shop that covers both licensing and regulation of the primary offshore business activities. It is the Registrar for International Business Companies, International Trusts, Protected Cell Company, Companies Special License, and Limited Partnerships. In addition, it regulates International (Free) Trade Zone activities in the Seychelles.

The Central Bank of Seychelles ensures financial securities of all investment by implementing legal framework, licensing and supervision of banks, insurance companies, trusts to allow as much transparency in financial transactions. The Seychelles' legal and regulatory framework has been qualified as fully compliant with OECD standards on transparency and exchange of information.

Company Incorporation & Corporate Services

Our company administration teams provide secretarial and administrative support throughout the life of a business or project. We also provide both corporate and individual director services to companies and a wide range of collateral services from Company migration & re-domiciliation services to Business Facilitation services.

International Business Companies (IBCs)

An IBC is a limited company that undertakes business activities licensed by the Seychelles International Business Authority (SIBA). These companies are, however, exempt from all forms of taxation and have been licensed with the exclusive aim of conducting international business outside of Seychelles. IBCs are commonly used for:

- Holding companies;
- Asset protection;
- International consultancy companies;
- Companies involved in international trade.

Subject to the limit set by its objects, an IBC can generally do anything that a body corporate can do. However, the IBC Act specifically prohibits it from conducting business as a bank, insurer, re-insurer or trustee (all three types of offshore businesses are regulated by special legislation) and, except as specifically permitted by law, from conducting any business in Seychelles or owning or leasing immovable property in Seychelles. It is an attractive financial structure that can be converted to other resident companies such as CSLs.

International Trusts

Trusts set up under the International Trust Act 1994, provide an effective and legitimate means of protecting one's assets. Various types of trusts may be set up such as charitable and revocable or irrevocable discretionary trusts. Some features of the trust include:

- Accumulation of income is unrestricted.
- The settlor may choose the law of the trust.
- There are no requirements to name the settlors or the beneficiaries, except if the beneficiaries are Seychellois citizens.
- The trust may own assets worldwide (except in Seychelles).
- It may hold shares and maintain bank accounts in Seychelles.

Companies Special License

The Companies (Special Licenses) Act, 2003, allows companies to take advantage of the Seychelles network of double taxation treaties as it is incorporated under the Companies Act 1972, and considered a tax resident under the Seychelles laws. The special provisions afforded under the Act provide it with a measure of confidentiality as well as a low tax status, calculated at 1.5 per cent of gross income. The CSL meets all the criteria of a modern legislation, mainly in relation to disclosure requirements; however, information disclosed in relation to these requirements is not accessible by the public.

To date, the Seychelles has a ratified double tax treaty with the following countries: China, Indonesia, Barbados, Botswana, Cyprus, Malaysia, Mauritius, South Africa, Thailand, United Arab Emirates, Vietnam and Oman.

Protected Cell Companies

Protected Cell Companies (PCC) are incorporated under the Companies Act 1972, and allow companies with specified activities to separate into identifiable cells without having to assume a separate legal entity. Cells within a PCC are protected against liabilities incurred by cells of the same company, and which are therefore attractive for a number of business activities. Qualified activities include offshore insurance and mutual funds businesses, and other collective investments.

Limited Partnerships

Limited partnerships are registered under the Limited Partnership Act 2003, and are subject to the Seychelles Commercial Code. It provides for a general partner who must be a Seychelles person and one or more limited partners. Limited partnerships are commonly used for joint ventures.

Taxation Treaties

Seychelles Mutual and Hedge Fund Act 2008, seeks to provide for a new regulatory environment for collective investment funds, in place of the one provided under the previous Mutual Fund Act 1997.

The Act provides for a licensing of mutual funds and mutual fund administrators under the central bank of Seychelles. Licensed mutual funds and fund administrators are exempt from taxes.

Foundations

Foundations are the latest addition to the Seychelles portfolio of financial services products. The Seychelles Foundation Act 2009 encompasses many of the best provisions found in other foundation jurisdictions yet provides more precision on essential legal issues in addition to more flexibility and better asset protection.

How can AXIS assist?

AXIS is a specialist service provider offering a full spectrum of corporate and fiduciary services to a diversified client base. With offices in Mauritius, Seychelles and Kenya, AXIS can set up companies, trusts, funds and other legal entities and provide the necessary fiduciary, corporate secretarial, administration, accounting and other ancillary services in those countries.

Through a network of partners and affiliates worldwide, AXIS can also assist in the setting up and administration of offshore entities in various jurisdictions.

For more information on AXIS, please contact trust@axiscorporateservices.com
or visit our website www.axiscorporateservices.com