

THE BELIZE IBC BASICS

INTERNATIONAL BUSINESS COMPANIES (IBC'S) INCORPORATED IN BELIZE ARE OFTEN USED BY HIGH NET WORTH INDIVIDUALS TO LEASE AND OWN PROPERTY, ESTATE PLANNING, TAX OPTIMIZATION AND ALSO IN CONJUNCTION WITH TRUST AND BY INTERNATIONAL COMPANIES IN CROSS BORDER TRANSACTIONS. AN IBC IS A **TAX-FREE** AND **EXCHANGE CONTROL-FREE** LIMITED LIABILITY COMPANY, INCORPORATED UNDER THE LAWS OF BELIZE, HOWEVER ALL ITS PROFIT-EARNING ACTIVITIES MUST BE CONDUCTED OUTSIDE BELIZE. FURTHER, A FOREIGN COMPANY ALSO HAS THE OPTION TO OPERATE UNDER THE LAW OF BELIZE AS AN IBC AND WOULD STILL HAVE ALL THE BENEFITS PROVIDED BY LAW.

THE IBC REGISTRY IN BELIZE IS FULLY **COMPUTERIZED** AND **MODERNIZED** AND CAN ACCOMPLISH COMPANY INCORPORATION WITHIN LESS THAN ONE HOUR. A FUNDAMENTAL FEATURE OF THE IBC IN BELIZE IS HOW THE LAW WAS SPECIALLY DESIGNED TO BE **COST SAVING**. ONE OF THE WAYS THIS HAS BEEN ACCOMPLISHED IS BY ENSURING THAT THE REGISTRATION FEE REMAINS COMPETITIVE ALONGSIDE THE OTHER OFFSHORE JURISDICTIONS. BECAUSE THERE ARE NO MINIMUM CAPITAL REQUIREMENTS, NO NEED FOR AUDITED ACCOUNTS, NO ANNUAL RETURNS, NO REQUIREMENT FOR A LOCAL DIRECTOR OR SECRETARY AND NO REQUIREMENT FOR AN ANNUAL GENERAL MEETING, THE COSTS OF MAINTAINING A BELIZE IBC ARE KEPT TO A MINIMUM.

ANOTHER FEATURE THAT MAKES A BELIZE IBC ATTRACTIVE IS ITS **FLEXIBILITY**. ONLY ONE DIRECTOR AND ONE SHAREHOLDER ARE NECESSARY AND IT MAY HAVE BEARER SHARES OR REGISTERED SHARES, VOTING OR NON-VOTING SHARES AS WELL AS THE AUTHORIZED SHARE CAPITAL MAY OR MAY NOT HAVE A PAR VALUE. THE IBC MAY CONDUCT ANY BUSINESS THAT IS NOT PROHIBITED UNDER THE LAWS OF BELIZE EXCEPT FOR BANKING, INSURANCE, TRUST MANAGEMENT AND COLLECTIVE INVESTMENTS, WHICH REQUIRES A LICENSE. THE IBC MAY ALSO PURCHASE ITS OWN SHARES AND REDEEM ITS OWN SHARES.

ALTHOUGH THE BELIZE IBC MUST CONDUCT ALL ITS PROFIT EARNING ACTIVITIES OUTSIDE BELIZE, IT MAY LEASE AN OFFICE IN BELIZE, OBTAIN THE SERVICES OF BELIZE PROFESSIONALS AND TRUST COMPANIES, KEEP ITS COMPANY RECORDS AND HOLD MEETINGS IN BELIZE, OPERATE AN ACCOUNT WITH A LOCAL BANKING INSTITUTION, HOLD SHARES IN ANOTHER BELIZE IBC AND OWN VESSELS REGISTERED IN BELIZE.

FINALLY, ONE OF THE MOST IMPORTANT FEATURES WHY BELIZE IS SO ATTRACTIVE IS **CONFIDENTIALITY**. BELIZE'S LAW HAS PROVIDED PROVISIONS TO MAKE CERTAIN THAT THE FREEDOM OF THE INDIVIDUAL AND THE SANCTITY OF PRIVATE COMMERCIAL TRANSACTIONS ARE AVAILABLE. THERE IS NO REQUIREMENT FOR PUBLIC DISCLOSURE OR ANNUAL FILING OF ACCOUNTS UNDER THE ACT.

IN CONCLUSION, BELIZE'S GEOGRAPHIC LOCATION, CONVENIENT TIME ZONE, POLITICAL AND ECONOMIC STABILITY, COMMON LAW LEGAL SYSTEM, EDUCATED, COMPETENT AND ACCESSIBLE PROFESSIONALS, ENGLISH SPEAKING WORK FORCE, UP-TO-DATE MODERN ELECTRONIC COMMUNICATIONS AND TAX ADVANTAGES MAKES DOING BUSINESS IN BELIZE EASY, CONVENIENT, AFFORDABLE AND PROFESSIONAL.

DISCLAIMER: PLEASE CONSULT A BELIZEAN ATTORNEY FOR SPECIFIC DETAILS ON IBC'S. THIS INFORMATION IS NOT INTENDED FOR LEGAL USE AND IS NOT THE LEGAL OPINION OF THE PENINSULA CLUB BELIZE NOR THREE PALMS INTERNATIONAL.