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CARIBBEAN OFFSHORE CORPORATE STRUCTURES UNDER A SWOT ANALYSIS

Case study

Keywords
Tax haven
SWOT Analysis
Offshore company
International Business Company
Limited Liability Company
Exempt Company

JEL Classification
H32, K22, M10

Abstract

Tax havens have long been under the attention of numerous Governments and International Organizations which triggered the concern of an uneven playing field in the taxation area. As a result numerous amendments have been made to both their commercial and tax legislations in order to be in line with the internationally agreed tax standards. The aim of this article is to conduct a SWOT analysis on the offshore corporate structures found in the Caribbean landscape. Based on a selection process of the most commonly recognized tax havens in the Caribbean region and an analysis of their offshore companies at the level of incorporation, administration, activities conducted and costs, a set of frequently met characteristics have been identified which stand at the basis of the SWOT analysis. The results stand to present a comprehensive four dimension framework of the offshore corporate structures in regards to their strengths, weaknesses, opportunities and threats.

Introduction

Generally, tax havens are referred as locations with very low tax rates and numerous tax incentives meant to attract investors (Hines, 2005). Their neutral tax systems have contributed to their economies` development and nowadays they are very often associated with the term *offshore financial centres* due to the fact that they offer financial services to non-residents at a scale that is disproportionate with the size and the financing needs of their own economies (IMF, 2007).Yet, in the context of globalization, tax havens have been blamed for creating a *harmful tax competition* through an unfair level playing field (OECD, 1998) and also concerns have been expressed in relation to the Governments` (of both developed and developing countries) ability to defend themselves against two emerging phenomenon: base erosion and profit shifting, addressed through the *BEPS Project* (OECD, 2013).

The Organization for Economic Cooperation and Development (OECD) together with the European Union (EU) have taken considerable actions in the alignment of the tax havens` legislation to the internationally agreed tax standards by eliminating harmful tax practices and promoting a level playing field. The OECD`s démarche consisted in the first place in listing a set of criteria to identify tax havens (OECD, 1998), followed by a publication of a *name and shame* list of the jurisdictions meeting those criteria, labelling them as *tax havens* (OECD, 2000). In order to avoid the international sanctions triggered by noncompliance, the tax havens made rapid commitments to adhere to the internationally agreed standards on transparency and exchange of information on tax matters elaborated by the OECD in order to eliminate any distortions in the international tax scene. Numerous amendments have been made both to their company and fiscal legislation in order for this alignment to take place. In supporting this initiative, the European Union came with a “Code of Conduct for business taxation” which was meant to eliminate any tax distortions in the Internal Market by attacking the harmful tax measures found in the tax legislation of both EU Member States as well as in associated territories (Official Journal of the European Communities, 1998).

By 2012 the OECD`s listing of the world`s tax havens was comprising only two jurisdictions: Nauru and Niue, as all the other nominated states had adopted the standards of transparency and exchange of information in tax matters, the two most important areas where improvement was needed and which were the basis of the OECD`s international tax standards (OECD, 2012). Also, the European Union`s Member States and Associated territories went through an evaluation process of their tax measures, and they committed to eliminate any harmful practices existing in their fiscal legislation (“rollback” process) and promised not to introduce any future measures that would fall under the provisions of the Code of Conduct for business taxation (“standstill” process) (Official Journal of the European Communities, 1998).

Given the numerous amendments that have been made to both the tax and commercial legislations of the tax haven jurisdictions, which have created the alignment to the international tax standards, the area of offshore corporate structures in a new regulated context represents a domain worth being explored in terms of advantages and disadvantages offered to the persons approaching these structures. For this reason, the purpose of this paper is to analyse at the level of the Caribbean region - which presents the highest concentration of tax haven jurisdictions - the offshore corporate structures which can be formed, at the level of incorporation, administration, activities conducted and costs. Based on this, a SWOT analysis will be conducted in order to identify what these structures have to offer to the persons that decide to incorporate such structures.

The paper is structured in four parts as it follows: the first part introduces the literature review in respect of tax havens, followed in the second part by the methodology used in conducting the SWOT analysis. The results` section presents the four dimensional SWOT analysis based on both the internal and external characteristics of the offshore corporate structure and the conclusions come to stress the most important aspects drawn from this research into the tax havens` juridical entities.

Literature underpinning

Given the fact that there is no generally agreed definition for a tax haven or for an offshore financial center, a set of perspectives have been gathered around this topic. Starting from the views of the most prominent international organizations and going through the academic literature, tax havens have been depicted in different shades.

Tax havens under the view of the International Organizations

In the chronological order of their respective reports the following organizations have drawn their perspectives over the tax havens.

The Organization for Economic Cooperation and Development (OECD) identified a set of four key factors in identifying a tax haven: No or only nominal tax rates; Lack of effective exchange of information; Lack of transparency; and No substantial activities (OECD, 1998).

The European Union through its Code of Conduct for business taxation highlighted a set of harmful tax measures which were very often met in the tax havens` legislations. The following measures were considered to be harmful under the provisions of the Code:

"1. whether advantages are accorded only to non-residents or in respect of transactions carried out with non-residents, or

2. whether advantages are ring-fenced from the domestic market, so that they do not affect the national tax base, or

3. whether advantages are granted even without real economic activity and substantial economic presence within the Member State offering such tax advantages, or

4. whether the rules for profit determination in respect of activities within a multinational group of companies depart from the internationally accepted principles, notably the rules agreed upon within the OECD, or

5. whether the tax measures lack the transparency, including where legal provisions are relaxed at administrative level in a non-transparent way." (Official Journal of the European Communities, 1998).

The International Monetary Fund (IMF) departs from the concept of tax havens and placing an accent on their very well developed financial industries supported by the high volume of transactions with non-residents, it adheres to the concept of *offshore financial centers*. In this line of thought, it offers the following characteristics to an offshore financial center: - it presents a large number of financial institutions transacting especially with non-residents; - the magnitude of its financial sector goes beyond the necessities of its own economy; - it offers some or all of the following advantages: no or low levels of taxation, lax regulations of the financial sector; banking secrecy and anonymity (IMF, 2000).

The lack of a generally accepted definition is also stressed by the Financial Stability Forum (FSF) which attaches the following aspects to the notion of the offshore financial center: - the lack or low level of taxation on business income and investment; - the lack of withholding taxes; - easy and flexible procedures for incorporation and licensing of companies; - lax surveillance rules; - ease and flexibility in using corporate structures; - lack of requirement for physical presence of the company or financial institution in its territory; - high level of information confidentiality; - the ring fencing of these advantages only to non-residents (FSF, 2000).

Yet, it must be emphasized that following the adherence of the tax havens to the OECD`s internationally agreed tax standards on transparency and exchange of information for tax purposes, aspects such as bank secrecy, anonymity and confidentiality in the sense of hiding identity, ownership or accounting information have been removed and they are no longer to be found in these jurisdictions. Yet, the tax advantages offered remain a major incentive for the creation of corporate structures in this territories.

Tax havens under the view of the academic literature

The academic literature also provides some definitions for these jurisdictions. Tax havens are seen as locations with very low tax rates and numerous tax incentives meant to attract investors (Hines, 2005). A set of characteristics of these territories include the following: Small countries, predominantly islands, with a population below 1 million; Good communication infrastructure; Few natural resources; British legal origins with English as an official language; Parliamentary systems; Proximity to the large capital-exporter countries; More affluent than other countries as they attract significant foreign investment due to the low tax rates and opportunities for tax avoidance; and High-quality governance institutions that can be translated in political stability, government effectiveness, rule of law and control of corruption (Dharmapala & Hines, 2009).

In the context of globalization, emphasis has also been placed on the tax havens` power to attract investment and numerous activities given their low tax environment. According to Hines, tax havens have attracted massive foreign investment and they had registered important growing rates in the last 25 years (Hines, 2005). Also, studies have indicated that multinational companies with important intragroup transactions and Research and Development activities are most likely to use tax havens (Desai, Foley & Hines, 2006). Therefore, these jurisdictions provide multinationals a free path to shift profits to low tax jurisdictions by using a variety of tax planning schemes (Krautheim & Schmidt-Eisenlohr, 2011). Taking these facts into account, the Governments are faced with the problem of being unable to raise tax revenue on the multinational firms, on one hand because of a downward pressure on profit taxation given the inter-states` competition to attract mobile firms and on the other hand, the multinational firms take advantage of the tax differences between countries in order to move profits towards the low-tax jurisdictions (Peralta, Wauthy & Ypersele, 2006).

Taxes have the potential to affect corporate behavior (Killian, 2006). They are a motivating factor in the decision making process and many managerial actions are directed towards tax minimization through aggressive tax planning schemes (Lanis & Richardson, 2012).

Taking all these aspects into account, this paper explores both the advantages and disadvantages offered by the tax havens` corporate structures (offshore companies).

Methodology

Given the high concentration of tax havens in the Caribbean area, the purpose of this paper is to conduct a SWOT analysis on the offshore corporate structures presented by the legislations of these states. The selection process of the tax havens is based on numerous listings that have been made both by the academic literature authors (Irish, 1982; Hines & Rice, 1994) as well as by numerous international organizations (OECD, 2000; IMF, 2000; FSF, 2000; IMF 2007). The tax havens that appear on most of the listings are selected for the purpose of this paper. After this selection process, the Companies laws of these states are analyzed in order to identify the offshore corporate structures. These structures will be further analyzed at the level of incorporation rules (minimum number of shareholders, liability of the shareholders, minimum authorized share capital, nominee shareholders and directors, registered office), administration criteria (minimum number of directors, registered agent, preparation of the accounting records), operations (types of activities allowed to be conducted) and costs (incorporation costs and annual costs paid to the Registered Office). Based on the aspects identified at this stage the Strengths and Weaknesses of these corporate structures are pointed out. Since these two aspects are related to the internal structure of the offshore entity, the Opportunities and Threats are seen as external factors influencing the operation of the company such as the degree of the territory's development as well as its legal, fiscal and regulatory features, an environment which influences the operation of the company. Taking all these aspects into account the SWOT analysis will provide a clear and comprehensive image on the offshore structures.

The selection criteria of the tax havens

The selection of the tax havens was made according to the highest number of appearances of these states on the listings made by both academic literature authors as well as international organizations. Therefore, Table no.1 identifies 19 prominent tax havens that are to be found in the Caribbean region, according to the listings made along the years.

The fiscal systems identified at tax havens

The offshore corporate structures must be analyzed also in the context of the fiscal systems of the territories in which they operate. Therefore, the 19 tax havens can be classified in three categories: "Zero tax" jurisdictions, Territorial-based tax systems and Global-based tax systems.

The "zero tax" jurisdictions are those that do not impose any direct tax on both natural and juridical persons, resident or non-resident. In this category can be found the following tax havens: Anguilla, Bahamas, Bermuda, The British Virgin Islands, Cayman Islands, Turks & Caicos Islands.

The territorial-based tax systems require that both resident and non-resident persons (companies or individuals) who derive revenue from within the territory that adheres to this system must be subject to tax. On the other hand the revenue generated outside the territory is not subject to taxation. This is the case of Belize, Costa Rica and Panama.

The global-based tax system is based on the principle that the residents (companies or individuals) are taxed on all revenue sourced from both within or outside the territory, whereas non-residents are subject to tax only on the revenue generated from within the territory in question. This system is characteristic to the following tax havens: Antigua & Barbuda, Aruba, Curaçao, St. Maarten, Barbados, Dominica, Grenada, St. Lucia, St. Christopher & Nevis and St. Vincent & the Grenadines.

The offshore corporate structures identified in the legislation of the tax havens

Taking into account the above fiscal-based classification of the tax havens, a set of observations can be drawn when identifying the types of offshore entities presented by these territories.

The "zero tax" jurisdictions, even though imposing no taxes on both resident and non-resident companies draw a distinction between the local companies that conduct activities within their territories and those that conduct activities outside their territories and which represent the offshore sector. In this respect there can be identified the following offshore structures:

- *The International Business Company or the IBC* is always incorporated under a separate legal act which comes under the name of "The International Business Companies Act". The legislation that allows the incorporation of an IBC can be found in: Anguilla and Bahamas. In Anguilla the IBC is prohibited to carry business transactions with residents of the territory, to own real property in Anguilla or to carry banking, trust, insurance or company management activities (Anguilla`s IBC Act, 2000). On the other hand, The Bahamas` legislation offers the IBC the freedom to conduct any business activities as long as it does not contravene any law from Bahamas (Bahamas – The IBC Act, 2000);
- *The Limited Liability Company or LLC* is incorporated under the provisions of the "Limited Liability Company Act" of Anguilla and it has legal personality as it combines the advantages of the limited liability of a company with the fiscal transparency of a partnership. It may conduct business activities

within Anguilla but it must not conduct banking, insurance, trust or company management activities or hold real property in Anguilla (Anguilla`s LLC Act, 2000);

- *The Exempt Company* is incorporated under the same legislative act as the local company and it can be found in Bermuda (Bermuda Companies Act, 2014), Cayman Islands (Cayman Islands Companies Law, 2013) and Turks & Caicos Islands (Turks and Caicos Islands Companies Ordinance, 2009). The main characteristic of this structure is that it benefits from the local neutral tax systems with the mandatory condition that all the activities of the company must be conducted only outside these territories. This entity is very similar to the IBC;
- *The BVI Business Company* is incorporated under The British Virgin Islands` BVI Business Companies Act and unlike the other types of companies presented above, this company may carry out activities both within and outside the island of incorporation (BVI Business Companies Act, 2004);

In the case of the jurisdictions with the territorial-based tax systems the main advantage is that they offer the possibility to set up a company which will not be subject to taxation as long as the activities are conducted only outside the territory of incorporation and the revenues are foreign-sourced. In this case the company benefits from an advantageous tax regime as in the case of the IBC or Exempt Company. This is the case of the companies incorporated under the legislations of Costa Rica and Panama (OECD Costa Rica, 2012; OECD Panama, 2010).

On the other hand Belize, while having the same territorial-based tax system, introduced the IBC legislation as well as the International Limited Liability Company legislation. These two companies are forbidden to conduct business activities within the territory of Belize while benefiting from a total exemption for taxes (Belize – IBC Act, 2000; Belize – ILLC Act, 2011).

The jurisdictions that opted for a global-based tax system have introduced offshore legislation with companies such as the IBC, the LLC, the Exempt Company and other specifically named corporate structures that resemble the characteristics of those mentioned before in order to offer the tax advantages that would attract investors and business activity within their territories.

- *The International Business Company (IBC)* is to be found in the commercial legislations of the following tax havens: Antigua & Barbuda (Antigua & Barbuda – IBC Act, 2005), Dominica (Dominica IBC Act, 1996), St. Lucia (Saint Lucia IBC Act, 2001), St. Vincent & the Grenadines (St. Vincent & the Grenadines IBC Act, 2007), Grenada (Grenada`s International Companies Act, 2008). The main advantage of this entity is the total exemption from any kind of taxation, while being prohibited from conducting any business activity on the territory of incorporation;
- *The Limited Liability Company (LLC)* is incorporated under the provisions of the "Limited Liability Company Act" of the following jurisdictions: Antigua & Barbuda (Antigua & Barbuda ILLC Act, 2007), St. Christopher & Nevis (Nevis Limited Liability Company Ordinance, 2009), St. Vincent & the Grenadines (St. Vincent & the Grenadines LLC Act, 2008). The structure combines the advantage of the shareholders` limited liability (as in the case of a company) with the fiscal transparency of a partnership. When the LLC does not conduct business activities within the territory of incorporation, the entity is totally tax exempt;
- *The Exempt Company* is incorporated under the same legislative act as the local company and it can be found in the legislation of St. Christopher and Nevis (St. Christopher & Nevis Companies Act, 2002).The Exempt company just like the IBC and the LLC benefits from total tax exemption as long as all its transactions are carried out with non-residents, outside the territory of incorporation;

Unlike the common understanding of both the IBC and the LLC, Barbados has adjusted the structures by rising a profit tax that ranges between 2,5% to 1%, although the activities conducted by these entities are international and outside the territory of Barbados (Barbados IBC, 1991;Barbados SRL, 1995). Also, the Nevis Business Corporation resembles the IBC structure, although labelled under a different name (Nevis Business Corporation Ordinance, 2009).

The legislations of Aruba, Curaçao and St. Maarten do not offer any of the offshore structures presented above. Tax exemptions are offered to the companies that conduct certain types of activities and another tax advantage consists in the possibility of a company to opt for a "tax transparent status" (the revenue is not taxed at the level of the entity but only in the hands of the shareholders).

Therefore, it can be concluded that the most prominent offshore corporate structures found in the Caribbean tax havens` legislations are: The International Business Company (IBC), The Limited Liability Company (LLC) and The Exempt Company.

Incorporation, administration, operation and costs of the offshore corporate structures

In terms of incorporation, the following aspects are being analysed: the minimum number of shareholders, the liability of the shareholders towards the company, the minimum authorized share capital, the possibility to appoint nominee shareholders or directors and the requirement of a registered office within the territory of incorporation.

It can be observed that the legislations of the IBC, the LLC as well as the Exempt company require a minimum of one shareholder at the moment of the incorporation of the company. In a LLC the liability of the members towards the company is limited to the contributions declared in the Articles of Association (contributions in cash, kind or services rendered). In the case of the IBC the liability is limited to the value of the shares detained in the company, while exemptions exist in the case of the IBCs incorporated in Bahamas and in St. Vincent & the Grenadines where the liability of the shareholders can be limited either to the shares detained or limited to any guarantee promised to be contributed in the case of the winding up of the company or unlimited. This last situation of three optional types of liability is always met in the case of the Exempt Company. Also, there is no minimum authorized share capital imposed on the three entities.

The possibility to appoint a nominee shareholder or director is available to all three entities as long as these services are rendered by licenced service providers.

At all times the IBC, the LLC and the Exempt company must have a registered office in the territory of incorporation, most of which are offered by licenced service providers.

As regards the administration criteria, aspects such as the minimum number of directors required by law, the appointment of a registered agent and the preparation of the accounting records must be taken into account. Therefore, as a general rule the IBC, the LLC and the Exempt Company require a minimum of one director. In the case of an LLC, when a director is not appointed, all the members are responsible for the management of the entity. Also, all the three entities must have at all times a registered agent in the territory of incorporation and the accounting records of the companies may be kept at any other location different than its registered office.

The operations of the three offshore companies are mostly connected to the international business transactions since the tax incentives provided are bound to the requirement of carrying on business only outside the territory of incorporation, with non-resident persons.

The costs of the incorporation of the three types of companies as well as the annual fees that are to be paid at the Companies` Registries may depend upon the share capital of the company or they may be fixed to a specified amount, as presented in Table no.2 to Table no.14.

An IBC can be set up by paying to the Companies` Registry a fee that ranges from USD 100 to USD 500, usually when the share capital is less than USD 50.000. When the share capital is more than USD 50.000, the incorporation fee is between USD 700 – USD 1000. The annual fees paid by the IBCs are mainly the same as the incorporation fees, following the share capital criteria.

In the case of the LLCs both the incorporation and the annual fees paid to the Companies Registry vary between USD 100 to USD 500, which at a first glance may look similar to those paid by the IBC, with the difference that the fees are fixed, without taking into account the share capital of the entity.

The Exempt company`s incorporation and annual cost structure takes into account the amount of the share capital of the entity and these may range from USD 150 (in Turks & Caicos Islands) to USD 31.120 (in Bermuda).

Hence, both the costs of incorporation and the annual fees owed to the Companies` Registries depend both on the company`s share capital as well as the jurisdiction, as some of them may charge higher fees than the others.

Results

Following the identification of the three offshore corporate structures (the IBC, the LLC and the Exempt Company) and the analysis conducted at the level of incorporation, administration, operation and costs, the first two dimensions of the SWOT analysis can be shaped: the strengths and the weakness of these entities.

In terms of the *strengths* of the offshore entities we can enumerate the following:

- Companies` revenues are not subject to any type of taxation as long as they are foreign-sourced: No corporation tax, capital gains tax, withholding taxes, etc.;
- Incorporation with one shareholder;
- Shareholders` liability limited to: shares or guarantees or any other contributions made (cash, kind or services rendered);
- No minimum authorized share capital;
- Possibility to appoint nominee shareholders or directors;
- Registered office offered by a licenced service provider;
- Registered agent to handle the legal affairs of the company in relation to its obligations towards the state`s authorities;
- No need for more than one director to represent the company;
- The accounting records may be kept at a location different from the registered office;

- Low and fixed incorporation and annual fees as compared to the tax benefits offered;

Therefore, it can be observed the flexibility in both incorporation and administration of the companies to which it is added the lack of taxation of the companies` revenues.

In terms of the *weaknesses* that the companies present, it can be pointed out the following:

- The restriction to conduct business activities only outside the territory of incorporation;
- Managing the company from a distance (given the remoteness of the territories were the companies are incorporated);

Both the strengths and the weaknesses presented are linked to the internal structure of the companies which are based on the commercial and fiscal legislation of the territory where they are incorporated. On the other hand, the opportunities and threats are seen as external factors influencing the entity, such as the territory`s geographical position, legal system`s background, economic development, political system, infrastructure, financial sector, international relations, etc.

The following *opportunities* may be considered for an offshore corporate structure:

- English as an official language of the territory of incorporation with legal acts written in English (easiness to read and understand the laws);
- Well-developed financial sectors with numerous financial institutions and licenced service providers who can set up the company very fast;
- Good communication infrastructures (Dharmapala & Hines, 2009);
- Strategic location (close to both North and South America), which facilitates easy access to new markets in the region;
- Political stability which confers a long run perspective over the company`s business activities (Dharmapala & Hines, 2009);
- The lack of currency exchange controls;
- Stable tax systems;
- Alignment to the international standards on transparency and exchange of information for tax purposes elaborated by the OECD (OECD, 2012).

In terms of *threats*, the following aspects can be brought to light:

- The region`s remoteness (Caribbean Sea);
- The lack of credibility of the entity given the territories‘ reputation as “tax havens” in the light of the numerous attacks during the years from the international organizations in relation to their administrative and tax practices;
- The low number of tax treaties with the other countries which may cause the payments received by these entities to become subject to withholding taxes;

The opportunities and the threats identified shed light on the numerous aspects related to the environment in which the entity operates and which must be considered in the context of a SWOT analysis.

Conclusion

The offshore corporate structures met in the Caribbean companies` legislations present a set of advatageous and attractive characteristics, one of the most important being the lack of taxation of the revenues generated outside the territory of incorporation. The IBC, the LLC and the Exempt Company have been identified as the prominent offshore corporate structures from the Caribbean region and the SWOT analysis conducted on these entities have revealed a set of important characteristics that these structures present. Yet, the weight of some features may be differently assessed in the SWOT framework.

Seen under a four dimensional framework, the offshore corporate structures may be easily understood, as the most relevant characteristics are put forward in order to shape a clear image on these structures. Trends in the region as regards the construction of the offshore companies have been clearly identified since the offshore legislation in one jurisdiction is predominantly similar to the one in another jurisdiction, sometimes with fine differences, as considered important by the territory.

Therefore, the offshore corporate structures, part of the Caribbean offshore world, distinguish themselves by a number of characteristics which provide a full and comprehensive image when put under a SWOT analysis that will place an accent on the most significant and worth to be taken into account features in a managerial or investment decisional process.

Acknowledgement
This paper was co-financed from the European Social Fund, through the Sectorial Operational Programme Human Resources Development 2007-2013, project number POSDRU/159/1.5/S/138907 "Excellence in scientific interdisciplinary research, doctoral and postdoctoral, in the economic, social and medical fields -EXCELIS", coordinator The Bucharest University of Economic Studies.

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List of tables

Table No.1. *The listing of the Caribbean tax havens on a multiple selection criteria*

No.	Tax Havens	Irish (1982)	Hines & Rice (1994)	OECD (2000)	IMF (2000)	FSF (2000)	IMF (2007)	Total
1	Bahamas	1	1	1	1	1	1	6
2	Bermuda	1	1	1	1	1	1	6
3	Cayman Islands	1	1	1	1	1	1	6
4	Panama	1	1	1	1	1	1	6
5	Barbados	1	1	1	1	1	1	6
6	Curacao	1	1	1	1	1	1	6
7	St. Maarten	1	1	1	1	1	1	6
8	British Virgin Islands	1	1	1	1	1		5
9	Turks & Caicos Islands	1	1	1	1	1		5
10	St. Vincent &the Grenadines		1	1	1	1		4
11	Antigua & Barbuda		1	1	1	1		4
12	Belize		1	1	1	1		4
13	St. Christopher& Nevis		1	1	1	1		4
14	Anguilla		1	1	1	1		4
15	St. Lucia		1	1	1	1		4
16	Grenada		1	1	1			3
17	Costa Rica	1			1	1		3
18	Aruba			1	1	1		3
19	Dominica		1	1	1			3

Table No.2. *Incorporation costs and annual fees for companies in Anguilla*

IBC (Anguilla`s IBC Act-Fees, 2006)		
Share capital - USD	Incorporation fee - USD	Annual fee - USD
<= 50.000 USD	250 USD	200 USD
> 50.000 USD	250 USD	700 USD
LLC (Anguilla`s LLC Act-Fees, 2000)		
Share capital - USD	Incorporation fee - USD	Annual fee - USD
N/A	275 USD	250 USD

Table No.3. *Incorporation costs and annual fees for companies in Antigua & Barbuda*

IBC(Antigua & Barbuda – IBC Act, 2005)		
Share capital - USD	Incorporation fee - USD	Annual fee - USD
N/A	300 USD	300 USD

Table No.4.*Incorporation costs and annual fees for companies in Bahamas*

IBC (Bahamas – The IBC Act, 2000)		
Share capital - USD	Incorporation fee - USD	Annual fee - USD
<= 50.000 USD	330 USD	350 USD
> 50.000 USD	1000 USD	1000 USD

Table No.5.*Incorporation costs and annual fees for companies in Barbados*

IBC (Invest Barbados - IBC, 2015)		
Share capital - USD	Incorporation fee - USD	Annual fee - USD
N/A	350 USD	500 USD
ISRL (Invest Barbados - ISRL, 2015)		
Share capital - USD	Incorporation fee - USD	Annual fee - USD
N/A	350 USD	500 USD

Table No.6. *Incorporation costs and annual fees for companies in Belize*

IBC (Belize – IBC Act, 2000)		
Share capital - USD	Incorporation fee - USD	Annual fee - USD
< 50.000 USD	100 USD	100 USD
> 50.000 USD	1.000 USD	1.000 USD
ILLC (Belize – ILLC (Registration) Regulations, 2012)		
Share capital - USD	Incorporation fee - USD	Annual fee - USD
N/A	150 USD	150 USD

Table No.7. *Incorporation costs and annual fees for companies in Bermuda*

Exempt company (Bermuda Companies Act, 2014)		
Share capital - USD	Incorporation fee - USD	Annual fee - USD
0 - 12.000	1.995	1.995
12.001 - 120.000	4.070	4.070
120.001 - 1.200.000	6.275	6.275
1.200.001 - 12.000.000	8.360	8.360
12.000.001 - 100.000.000	10.455	10.455
100.000.001 - 500.000.000	18.670	18.670
> 500.000.001	31.120	31.120

Table No.8. *Incorporation costs and annual fees for companies in Cayman Islands*

Exempt company (Cayman Islands Companies Law, 2013)		
Share capital - USD	Incorporation fee - USD	Annual fee - USD
<50.400	720	840
50.401 - 984.000	1.080	1.200
984.001 - 1.968.000	2.261	2.381
>1.968.001	2.961	3.082

Table No.9. *Incorporation costs and annual fees for companies in Dominica*

IBC (Dominica Companies and Intellectual Property Office, 2015)		
Time of payment	Incorporation fee - USD	Annual fee - USD
N/A	450	-
Until the 30th of June	-	500
30th of June – 31st October	-	550
31st October – 31st December	-	750
After every 3 months	-	250

Table No.10. *Incorporation costs and annual fees for companies Grenada*

IBC (Grenada International Companies (Fees) Regulations, 2001)		
Share capital - USD	Incorporation fee - USD	Annual fee - USD
N/A	223	186

Table No.11. *Incorporation costs and annual fees for companies in St. Lucia*

IBC (St. Lucia International Financial Center, 2015)		
Time of payment	Incorporation fee - USD	Annual fee - USD
January - March	300	300
April - June	225	300
July - September	150	300
October - December	75	300

Table No.12. *Incorporation costs and annual fees for companies in St. Christopher & Nevis*

Exempt Company (St. Christopher & Nevis Companies Act, 2002)		
Type of company	Incorporation fee - USD	Annual fee - USD
Private company	200 USD	200 USD
Public company	600 USD	600 USD
IBC (Nevis Business Corporation Ordinance, 2009)		
Share capital - USD	Incorporation fee - USD	Annual fee - USD
N/A	225	220

LLC (Nevis Limited Liability Company Ordinance, 2009)		
Share capital - USD	Incorporation fee - USD	Annual fee - USD
N/A	225	220

Table No.13. *Incorporation costs and annual fees for companies in St. Vincent & the Grenadines*

IBC (St. Vincent & the Grenadines Financial Services Authority, 2015)		
Share capital - USD	Incorporation fee - USD	Annual fee - USD
N/A	125	100
LLC (St. Vincent & the Grenadines Financial Services Authority, 2015)		
Share capital - USD	Incorporation fee - USD	Annual fee - USD
N/A	125	100

Table No.14. *Incorporation costs and annual fees for companies in Turks & Caicos Islands*

Exempt Company (Turks & Caicos Islands Companies (Fees) (Amendment) Regulations, 2009)		
Share capital - USD	Incorporation fee - USD	Annual fee - USD
< 5.000 USD	150 USD	350 USD
5.000 USD - 50.000 USD	150 USD + 1% of the share capital`s value above 5.000 USD	350 USD
50.000 USD - 100.000 USD	600 USD + 0,5% of the share capital`s value above 50.000 USD	350 USD
100.000 USD - 1.000.000 USD	850 USD + 0,1% of the share capital`s value above 100.000 USD	350 USD
>1.000.000 USD	2.000 USD	350 USD