

BELIZE Jurisdictional Guide



GENERAL INFORMATION

Belize is an independent sovereign country, beautiful by nature, located on the Caribbean coast of Central America. It is bordered by Mexico to the north, Guatemala to the west and south, and by the Caribbean Sea to the east. It has an area of approximately 23,310 sq km, being 280 km at its longest point and 110 km at its widest point.

Belize is approximately two hours by plane from the major US hubs such as Miami, Dallas and Houston.

The population of Belize is ethnically diverse including descendants of the original Mayan culture, English settlers and other Caucasians, Creoles, Garifuna, Chinese, Middle Eastern and East Indians. The climate is subtropical with an average temperature of 26° C.

Belize has a very stable economy and provides confidentiality, privacy and a combination of excellent service, modern corporate and fiscal legislation that affords an attractive environment for the global investor.

Belize offers quality offshore services such as offshore banking, the incorporation of offshore companies or International Business Companies (IBC), formation of Belize Trusts and Foundations, among other services.

In 1990, Belize enacted the International Business Companies (IBC) Act based on the British Virgin Islands Model and the IBC legislation is viewed internationally as one of the most modern and user-friendly.

COUNTRY INFORMATION

Population	324,000
Location	Central America
Language	English & Spanish
Time zone	6 hours behind of GMT
Currency	Belize Dollar (BZ\$)

CORPORATE INFORMATION

Basic Characteristics

Legal Form	International Business Company (IBC)
Legislation	Belize International Business Companies Act, 1990, amended 2000
Regulatory Authority	Belize International Financial Services Commission (IFSC)
Types of Companies	<ul style="list-style-type: none">• International Business Companies• Limited Liability Partnerships• Limited Life Companies• Joint Ventures and Cooperatives• Partnerships• Sole Proprietor Companies• Private Companies• Public Investment Companies
Due Diligence	Certified copy of passport and copy of proof of address for beneficial owners and senior officers

COMPANY INFORMATION

Company Name

Language	Any Language (Official translation may be required to ensure that the name is not restricted)
Name Suffixes and Abbreviations Required	Limited/Ltd., Corporation/Corp., Incorporated/Inc., Sociedad Anonima/S.A.
Name Restrictions	<p>Any name that has already been incorporated in Belize, or is so similar as to cause confusion. Any name which in the opinion of the Registrar is considered undesirable, obscene or offensive.</p> <p>Names such as royal or imperial and any name that suggests the patronage of Belize Government.</p>
Names Requiring Consent or Approval	Bank, building society, savings, loans, insurance, assurance, reinsurance, trust, trustees, Chamber of Commerce, university, municipal or their foreign language equivalents or any name in English or a foreign language that may suggest association with the banking or insurance industries.

Authorized Shares	
Standard Currency	US\$
Permitted Currencies	Any
Minimum Share Issue	No minimum
Classes of Shares Permitted	Registered shares, shares of no par value, preference shares, redeemable shares and shares with or without voting rights
Bearer Shares	Yes (with restrictions) (Bearer share certificates must remain under custody of the Belize Registered Agent or the Belize Registered Agent's Professional Intermediary e.g. bank, lawyer or trustee)

Directors	
Minimum Number	One (physical or legal)
Register of Directors	Yes (must be maintained at the registered office of the IBC)
Local Director Required	No
Publicly Accessible Records	No
Location of Meetings	Anywhere

Shareholders	
Minimum Number	One (physical or legal)
Register of Members*	Yes (must be maintained at the registered office of the IBC)
Local Required	No
Publicly Accessible Records	No
Location of Meetings	Anywhere

Secretary	
Required	No. Optional (Physical or legal. Any nationality)

Local Requirements	
Registered Office/Agent	Yes

Accounts	
Required to Prepare	No (Recommended though)
Audit Required	No
Required to File Accounts	No
Publicly Accessible Accounts	No

Recurring Government Costs	
Annual Tax/License Fee	<ul style="list-style-type: none"> • US\$100 (capital not exceeding US\$50,000) • US\$1,000 (capital higher than US\$50,000) • US\$ 350 (capital divided into no par value shares)

Taxation	
Income Tax / Profit	<p>Nil</p> <ul style="list-style-type: none"> • Dividends, interest, rent, royalties, compensation and/or other amounts paid by the company • Capital Gains realized with respect to any shares or debt obligations of the company

BELIZE INTERNATIONAL TRUSTS

General

The Trust is a legal relationship between two main parties; the Settlor, who is the person setting up the trust, and the Trustee, who is the person in charge of the trust (for the benefit of the Beneficiaries). All assets placed into a trust become the property of the Trust. The International Trust is simply a trust formed under offshore (and tax free) legislation.

Uses and Purposes

Belize International Trusts provide asset protection as the property placed into a trust is legally separate from the settlor (the creator) and no longer makes up part of the settlor's estate; assets in the trust cannot be included in any matters concerning the settlor's estate such as divorce settlements, lawsuits settlements or other claims.

Trusts are widely used for estate, succession and tax planning, for protection against spendthrift habits and for privacy.

The Belize International Trust can be set up as either a revocable or irrevocable trust. The irrevocable trust is more suitable for asset protection since this type of trust cannot be revoked (annulled, reversed, repealed, overturned) or changed at any time.

In contrast, the revocable trust can be changed, reversed or annulled at any time, and does not offer dependable asset protection; the assets put into a revocable trust still technically belong to the settlor (as the settlor can change the details of the trust or cancel the trust at any time) and are subject to rulings and taxation.

Key Features

The Belize Trust Act, as revised in 2000, is the trust law governing International Trusts in Belize. Under the Belize trust law, the trust:

International Trust

- May be used for any legal purposes outside of Belize
- May hold assets in its name, including IBC shares
- Has no auditing, accounting or financial requirements
- Has asset protection provisions; a Belize trust may not be set aside on the basis of claims from creditors or the order of a foreign court on account of divorce, bankruptcy, etc.
- Permits the settlor to create protective trusts in their own favour (by acting as trustee, or being the beneficiary)
- Can be a charitable or a non-charitable trust

Key Benefits

Belize International Trusts benefit from:

International Trust

- Total tax exemptions
- Stamp duty exemptions
- Low annual maintenance fees
- Strong legislation protecting trust interests, (protection from foreign judgment or orders of the court. Such orders are deemed non-enforceable under Belize law)
- Fast trust creation (simple, cost efficient and straightforward)

Legal Protection & Confidentiality

Belize is one of the few if not the only country where immediate protection is available against the so called “proceedings for fraudulent conveyances”. There is no minimum period of time for which the Trust must be established before it cannot be attacked.

Unlike trust legislations in other offshore jurisdictions which simply reduce the period of limitation for initiating proceedings for fraudulent conveyances or transfers, the trust law of Belize has actually repealed the provisions against fraudulent conveyances in relation to a trust.

Such protection is immediate and while it can be set aside for duress, fraud, mistake, undue influence, misrepresentation or incapacity of the Settlor, it cannot be set aside even if made for the avoidance of claims by spouses, heirs and creditors.

The Registrar of International Trusts shall not disclose any information contained in the Register to any person without a written authorisation of the trustee or the trust agent.

Exceptions are written requests made by the Director of the Belize Public Prosecutions Office, the Director of the Belize Financial Intelligence Unit, the Commissioner of Police or other regulatory or enforcement authority in Belize, certifying that such information is reasonably required to facilitate a criminal investigation, prosecution or proceeding, whether in Belize or elsewhere, including an investigation into locating the proceeds of crime and any proceedings for the enforcement of a confiscation or forfeiture order made in Belize or elsewhere.

BELIZE INTERNATIONAL FOUNDATIONS

General

The International Foundations Act of 2010 is the relevant legislation that was enacted to allow the creation and administration of International Foundations in Belize.

A Belize International Foundation is formed when the Founder is not resident in Belize, none of the Beneficiaries of the foundation are resident in Belize and the Foundation Endowment (assets of the foundation) does not include any land situated in Belize or the shares of any company beneficially owning any land situated in Belize other than property for use as an office for the purpose of the administration of the foundation, or where books and records of the foundation are prepared or maintained.

A Foundation may be established for a Charitable Purpose, a Non-Charitable Purpose, for both Charitable & Non-Charitable Purposes or for no purpose, other than the Benefit of a Founder, a Beneficiary or both Founder & Beneficiary.

Key Features & Benefits

Belize International Foundation

- The Foundation can be established with just Charter (Bylaws not mandatory)
- Neither the Foundation Charter nor Bylaws have to be filed or registered on any publicly accessible records or database.
- The Foundation can be established for an indefinite period.
- There is no requirement for any part of the endowment to be paid into the Belize Registry of International Foundations or to any Belize authority.
- Protector(s) may be appointed with powers, rights, duties and responsibilities as may be specified in the foundation charter and/or by-laws.
- The Foundation shall not be subject to any income tax, business tax, withholding tax, asset tax, gift tax, profits tax, capital gains tax, distributions tax, inheritance tax, estate duty or any other like tax based upon or measured by assets or income originating outside of Belize or in connection with matters of administration that may occur in Belize.
- An instrument relating to a transfer of property to or by an international foundation is exempt from the payment of Stamp Duty (unless the instrument relates to a transfer of property situated in Belize, including any interest in land in Belize or in shares in a company incorporated under the Belize Companies Act.
- Founder, Protector, or Council Member may be a Corporate Body.
- Exclusion of foreign law and protection from forced heirship claims.

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NOTE:

The information contained in this publication is accurate as at the date of its publication and is not intended to be exhaustive nor a substitute for proper professional advice. Please contact our company for consultation. We look forward to assessing your individual business plans and requirements and recommending the right solution for your unique needs.