

BELIZE CORPORATIONS

Company Law. International Business Companies Ordinance, 1990.

Incorporation of an IBC. Only licensed Registered Agents may organize IBC's by subscribing to a Memorandum and Articles of Association in Belize. Our company, **ICAZA BELIZE TRUST CORP.**, is the subscriber of our companies.

Annual License Tax. An IBC must pay an Annual License Tax to the government of US\$250.00. The amount of this tax depends on the authorized capital of the company. If the annual license tax is not paid on the corresponding last penalty date (July 31st), the company is stricken off - from the Register. However, it may be subsequently restored by payment of a fine.

Board of Directors. The business and affairs of the company are managed by a Board of Directors that consists of one or more persons who may be individuals or companies. The name(s) of the director(s) are not a matter of public record.

Books, Records and Common Seal. An IBC must have a corporate seal (which may be kept outside or within the territory of Belize) and an imprint thereof must be kept at the IBC's Registered Office in Belize. Seals must be used if the company enters into a contract, which, if entered between natural persons, would be required by law to be in writing and under seal.

An IBC shall keep such accounts and records as the directors consider necessary or adequate in order to reflect the financial position of the company, at the Registered Office of the company in Belize or at such other place outside Belize as the directors determine.

Confirmation of the location of the records, including accounts, must be sent to the Registered Agent.

Powers of Attorney. An IBC may grant general or special Powers-of-Attorney to any person, to act on its behalf and to execute contracts, agreements, deeds and other instruments. These powers are not recorded in the Public Registry.

Certificates of Good Standing. Good Standing Certificates for an IBC can be obtained upon application to the Registrar of Companies.

Register of Shares. There is no public record of shareholders. Every IBC is required to keep one or more Registers of shares and shareholders, and at least one copy thereof must be kept at the Registered Office of the Company in Belize. In order to comply with the law, it is mandatory that the Registered Agent be informed of any changes in the Register of Shares.

Register of Directors. Every company formed in Belize is required to establish and maintain a register of directors. A copy of the Register must be kept at the Registered Office.

Register of Beneficial Owners. Belize companies are required to keep a Register of Beneficial Owners and maintain a copy of the Register at the Registered Office. There is no requirement that it be filed with the government at the Companies Registry.

Tax Identification Number and Annual Tax Return. Every IBC is required to obtain a Tax Identification Number

Important: The content of this memorandum does not constitute legal advice and must not be considered as such. Specific advice must be requested regarding your specific circumstances.

(TIN) regardless of its activity and is required to file an Annual Tax Return. In addition, IBCs would pay taxes depending on their activities and place of business.

Exemptions include:

- **Pure holding companies**, meaning an IBC that only holds equity participation and earns only dividends and capital gains or related incidental income, will be subject to **0% tax**.
- **Holding companies**, meaning an IBC that is not engaged in any active trade or business or relevant activity, will be subject to **0% tax**.

IBCs registered as foreign taxpayers in jurisdictions that do not appear in the European Union list of non-cooperative jurisdictions for tax purposes and provide evidence of such registration may apply for a **Certificate of Tax Exemption**.

Economic Substance. Belize legal entities carrying on relevant activities are required to demonstrate adequate substantial economic presence in Belize. These relevant activities are:

- banking,
- insurance,
- fund management,
- financing and leasing,
- headquarters,
- shipping, and
- distribution and service center.

A holding company engaged or where one or more of its subsidiaries is involved in one of the activities listed above would be considered carrying on relevant activity.

Annually, all companies shall review and assess each of the activities they are carrying on to confirm if they are conducting any relevant activity. After the review, the companies need to file an Economic Substance Report to the Belize competent authority. To file the report, the company must obtain a Tax Identification Number (TIN).

All submissions for Economic Substance reports and obtainment of the TIN should be made through the registered agent.

Redomiciliation. A Belize company may transfer its domicile to a foreign jurisdiction permitting such transfer. A company organized under any foreign jurisdiction may continue its existence as a Belize company upon approval of the necessary Resolution by the Board of Directors or other proper corporate body under the governing provisions of its original jurisdiction. Upon registration of the Articles of Incorporation with the Registrar of Companies, the Registrar will issue a Certificate of Transfer of such a company, which will then continue as a Belize company regardless of provisions to the contrary under the laws of its former jurisdiction.

Amendments. The Memorandum and Articles of Continuation may be amended by either a resolution of directors or of shareholders and the record of the amendment filed with the Registry of Companies.

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