

COMPARISON BVI vs. NEVIS

UNTITLED

STRATEGIC FIDUCIARY ADVICE

Offshore jurisdictions frequently chosen for incorporating companies with the purpose of opening and managing bank accounts.

	BVI	NEVIS
POLITICAL REGIME	British overseas territory.	Independent country.
LEGAL SYSTEM	Common Law.	Common Law.
DISPUTE RESOLUTION	The final appeal lies with the Judicial Committee of the Privy Council, one of the highest-ranking English courts.	Domestic, with no avenue for appeal to any court in the United Kingdom.
TAXATION	BVI is a ‘neutral’ jurisdiction from a tax perspective. There are no income taxes, sales taxes, or wealth taxes. Additionally, there are no exchange controls of any kind.	Nevis is also a ‘neutral’ jurisdiction from a tax perspective. There are no income taxes, sales taxes, or wealth taxes. Additionally, there are no exchange controls of any kind.
DIRECTORS	The names of the current directors of a BVI company can be obtained through a search in the Corporate Affairs Registry, conducted via a Registered Agent, with only the company name. However, additional information such as addresses, dates of birth, and details of historical directors is not publicly available. To enhance privacy, BVI companies can also appoint corporate directors.	At the moment, the director registry is neither public nor semi-public.
SHAREHOLDERS	The shareholder registry is currently neither public nor semi-public.	The shareholder registry is currently neither public nor semi-public.
PUBLICLY ACCESSIBLE REGISTER OF ULTIMATE BENEFICIARIES	It does not exist in BVI. In fact, the BVI government made a firm statement on December 8th, 2023, asserting that a register of ultimate beneficiaries will only be introduced when it becomes a global standard. Furthermore, it will be required, among other things, that there is a legitimate interest from the party requesting the information.	It does not exist in Nevis.

BVI**NEVIS****FINANCIAL
INFORMATION**

While BVI companies are required to prepare annual returns and submit them to their registered agent, these annual returns are not filed with any government agency, are not publicly available, and are straightforward to compile. It is not necessary for them to be prepared by an accountant from BVI or any other jurisdiction.

Financial information can be maintained by the company's directors.

**INFORMATION
EXCHANGE**

BVI is a part of CRS and has subscribed to FATCA with the United States. However, this is only relevant in the case of opening bank accounts in BVI or investing in investment funds domiciled in that jurisdiction.

Nevis is also a part of CRS and has subscribed to FATCA with the United States. Nonetheless, this is only pertinent in the case of opening bank accounts in Nevis or investing in investment funds domiciled there.

**SUCCESSION
ISSUE
RESOLUTION**

There are various possibilities for addressing succession issues within a corporate context. Not only can a joint tenancy arrangement be established (though it's generally not recommended when there are minor heirs or anticipated changes in the family structure), but a regime with different classes of shares for current fund owners and heirs can also be established, or a will can be drafted.

The options are more limited in Nevis. While it is possible to create a joint tenancy, establishing a system of shares with different classes that are automatically redeemed or converted upon the original owners' demise is not possible. This implies that in most cases, a simple Nevis company may not be sufficient on its own to address succession matters, leading many service providers to incorporate a will or trust in a second jurisdiction into the structure.

REPUTATION

BVI has been the number one global corporate domicile for decades, boasting the highest number of incorporated entities worldwide. Currently, there are approximately 450,000 active entities registered there. The jurisdiction has earned numerous global awards, consistently ranking among the top five offshore jurisdictions since Vistra began publishing its ranking in 2010. BVI consistently follows the likes of the United States, Hong Kong, the United Kingdom, and Singapore, with the only other Caribbean jurisdiction appearing on the list being the Bahamas.

Nevis, on the other hand, emerged strongly in the market in 2019/2020 and is steadily building a positive reputation over time.

BVI

NEVIS

MARKET /
SUPPLIERS

Many of the world's largest trust companies, including Citco, Trident, Amicorp, Vistra, Intertrust, among others, and prestigious offshore law firms such as Ogier, Maples & Calder, Walkers, Mourant Ozannes, Appleby, Carey Olsen, etc., have offices in BVI.

With the exception of Trident, both trust service providers and legal firms in Nevis are predominantly local and boast a much better track record.

UNTITLED
SCORE

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7

INCORPORATION
REQUIREMENTS
AND COSTS

The required documentation (Know Your Customer or 'KYC') verifying the identity of all members up to the ultimate beneficiary and the source of funds must be submitted.

For a Company + Corporate Directors + issuance of a power of attorney in favor of shareholders and/or third parties: Approximately US\$2,750 annually.

Incorporation/Set-up: US\$3,000.

The required documentation (Know Your Customer or 'KYC') verifying the identity of all members up to the ultimate beneficiary and the source of funds must be submitted.

For a Company + establishment of a simple revocable trust in BVI, Bahamas, or the Cayman Islands, managed by the clients themselves for succession purposes: US\$3,000.

Incorporation/Set-up: US\$3,750.

Some observations:

- > As we always explain, there are no inherently good or bad jurisdictions, but rather good and bad fiduciary structures based on the objectives, types of assets, and the various tax residences and/or domiciles involved. **In other words, fiduciary structures are not inherently right or wrong. What truly matters is whether they are the most efficient and effective for the specific case under analysis.**
- > If aiming for a higher level of legal security, reducing or deferring tax payments, dealing with beneficiaries or heirs who are incapable or vulnerable, or if there is a risk of family conflicts, a simple company is usually not sufficient. In such cases, considering options like an irrevocable trust, PPLI, or private investment funds is recommended.
- > Between two structures providing the same benefits, we always recommend choosing the simpler and more economical one.
- > Be wary of 'advisors' who offer a single solution for every situation or problem. There are usually multiple solutions, and having only one option may indicate a lack of independence.
- > It's good to respect professional boundaries. Taking financial recommendations from lawyers or accountants might not be ideal, just as following legal, tax, or fiduciary advice from financial advisors or bankers could be equally problematic.