

# *Nerine Trust*

## *Company Re-domiciliation*

In a changing world, with internationally mobile clients often having investments and business interests in a number of countries and therefore having to contend with complex and varying legislation in those countries. Changes in fiscal legislation can have a significant effect on trust or corporate asset holding structures.

A recent example of such measures is the legislation introduced by the Portuguese government imposing substantial increases in property related taxes on companies incorporated in countries listed in the legislation, such countries comprising in the main international centres offering fiscal advantages to companies incorporated in those centres.

The impact of these measures and the ramifications for the beneficial owners of those companies is a complex subject, with each case to be examined with regard to the overall circumstances.

One solution available for some clients is to consider the “re-domiciliation” of the company from the present country of incorporation to another country not specified as being subject to the new taxes.

Re-domiciliation involves the company moving its legal existence from one country to another. For example, a company incorporated in the British Virgin Islands (“BVI”) would notify its “discontinuance” to the Registrar of Companies in BVI and take the necessary steps to “continue” in a country such as New Zealand or Delaware, in the USA.

After complying with the legal requirements in both countries, the company would be removed from the Register of Companies in the BVI and continue its legal existence as a company registered in the destination jurisdiction ( New Zealand or Delaware).

Re-domiciliation is in itself a complex process. The re-domiciliation or migration of companies legislation varies in its requirements from one country to another and some countries (including the United Kingdom) have no such legislation.

Through our network of associates and correspondents, we are able to offer a comprehensive service in the management of the re-domiciliation of companies between a large number of jurisdictions and have experience of re-domiciliation of companies to and from a diverse range of countries.