

British Virgin Islands Economic Substance Reporting Requirements

British Virgin Islands ("BVI") 'legal entities' are required to report their status on an annual basis pursuant to the Economic Substance (Companies and Limited Partnerships) Act, 2018 (as amended) and the Rules on Economic Substance (together the "Economic Substance Regime").

Each BVI company or limited partnership must provide its registered agent (the "Registered Agent") with the prescribed particulars under the Economic Substance Regime on an annual basis. The Registered Agent must provide such particulars to the BVI's International Tax Authority ("ITA") within six months of the end of the relevant reporting period. Reporting is made by the Registered Agent through the Beneficial Ownership Secure Search System which has been set up by the ITA to facilitate secure reporting.

The information required and the annual reporting deadline, will depend on whether a 'relevant activity' is being carried out, where the entity is 'tax resident' (if anywhere) and the end of the annual period for that entity.

Entities that are not in good standing, or are in the process of solvent or insolvent liquidation, are still subject to the Economic Substance Regime, and must report their status each year.

All entities that have not yet done so must establish:

- (a) where the entity is tax resident for the purposes of the legislation;
- (b) whether the entity is conducting one or more relevant activities (see below);
- (c) the level of economic substance requirements that apply to the entity as a result (if any);
- (d) how the entity can demonstrate that it is meeting the relevant requirements (where applicable); and
- (e) what information must be reported.

Your usual Maples Group contact will be able to assist you in making these determinations.

What is a Relevant Activity?

The Economic Substance Regime applies 'economic substance requirements' to the following categories of activity:

- [Banking](#)
- [Insurance](#)
- [Shipping](#)
- [Fund management](#)
- [Financing and leasing](#)
- [Headquarters](#)
- [Distribution and service centres](#)
- [Holding company](#)
- [Intellectual property](#)

Please click on any of the relevant activities listed above to view the relevant client update.

For details on what it means to be subject to the economic substance requirements of the Economic Substance Regime, as well as for information on the potential consequences of breaching these requirements, please contact your usual Maples Group team member.

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