BRIS GROUP

DOMINICA

INTERNATIONAL BUSINESS COMPANY (IBC)

CLIENT GUIDE 2026

Formation, taxation, accounting, registered agent and annual compliance

Professional company formation and ongoing corporate administration

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COMPANY FORMATION OVERVIEW

Dominica International Business Company (IBC) at a Glance

A Dominica **International Business Company (IBC)** is incorporated under the **International Business Companies Act 1996, as amended**. The structure remains available for international ownership and business, but an important historical tax change must be understood: the former blanket IBC tax exemption was phased out by the 2019 amendments and no longer applies in 2026.

Topic	Current legal / practical position
Foreign ownership	The IBC framework permits international ownership; shareholders and directors may be non-residents, subject to due diligence and applicable restrictions.
Shareholders	A company may be formed with a single shareholder.
Directors	One or more directors may be appointed in accordance with the IBC Act and the company's constitutional documents.
Registered agent/office	An IBC must maintain a registered agent and registered office in Dominica under the statutory framework.
Share capital	The IBC Act provides flexible share-capital structures; the appropriate authorised/issued capital is established in the incorporation documents.
Corporate income tax	The current Inland Revenue Division rate for companies is **25% of chargeable/net income**.
Old IBC exemption	The special section 109 exemption for qualifying pre-2019 IBCs ceased no later than **30 June 2021**. It must not be advertised as a current 2026 benefit.
Tax filing	Dominica IRD states that every corporation must file an income-tax return; company financial statements accompany the filing.

Key Benefits for International Clients

- International ownership and management flexibility under a dedicated IBC statute.
- Single-shareholder and compact private-company structures are possible.
- Registered-agent model provides local statutory administration.
- Flexible share and corporate-governance provisions for international trading, consulting, holding and investment structures, subject to licensing rules.
- Dominica has no general capital gains tax according to current Government small-business tax guidance, although the character and source of a particular gain should be reviewed.
- 100% profit repatriation can be available in approved incentive sectors; this is distinct from ordinary IBC taxation.
- Qualifying businesses physically operating in Dominica may separately apply for fiscal incentives/tax holidays under the Fiscal Incentives framework.
- English-language common-law Caribbean jurisdiction and Eastern Caribbean legal/regulatory environment.

Critical 2026 Tax Position

Dominica IBCs are NOT automatically 0% tax today

The historic IBC tax exemption is no longer a current benefit. Act No. 2 of 2019 amended section 109 so that the exemption for companies incorporated on or before 31 December 2018 would end, and Act No. 5 of 2019 changed the final date to **30 June 2021**. Therefore, a new or continuing IBC in 2026 should **not** be marketed as automatically exempt from Dominica corporate income tax merely because it conducts business outside Dominica.

Dominica's Inland Revenue Division currently publishes a **25% corporate income-tax rate on net/chargeable profits**. Tax treatment of foreign-source income, residence and any available statutory incentive should be confirmed for the specific company rather than inferred from the former IBC exemption.

Important Distinction: Offshore Business vs Tax Exemption

Foreign clients and foreign customers do not recreate the old exemption

The fact that an IBC has non-resident owners, non-resident directors, overseas customers and no commercial activity with Dominica does **not by itself revive the former section 109 exemption**. Any claim that the company owes no Dominica tax must have a separate current basis under the Income Tax Act, an approved incentive or other applicable law.

Formation Requirements

Topic	Current legal / practical position
Company name	Must comply with the IBC Act and Registrar requirements and include an approved corporate suffix/designation.
Constitution	Memorandum and Articles/by-laws or equivalent statutory constitutional documents govern the IBC.
Shareholder(s)	One or more shareholders; international ownership is permitted subject to AML/KYC.
Director(s)	One or more directors under the statutory and constitutional framework.
Registered agent	A licensed/qualified registered agent in Dominica is required.

Topic	Current legal / practical position
Registered office	Must be maintained in Dominica through the registered-agent arrangement.
Business activity	Regulated activities such as banking, insurance, securities or other licensed business require separate authorisation.
Beneficial ownership	Full beneficial-owner information is required for regulatory/AML compliance even where information is not generally presented as a public shareholder register.

Share Capital

Dominica IBCs use a flexible share-capital structure under the IBC Act. The incorporation documents specify the authorised share structure, classes and rights. There is no reason to artificially over-capitalise an ordinary international company; the capital should reflect the intended business and the registered agent's current formation practice.

Paid-up capital

The incorporation documents should clearly distinguish authorised shares, issued shares and the consideration actually paid or payable. The precise capital structure should be confirmed with the registered agent before incorporation, particularly where a bank, licence or commercial counterparty requires evidence of paid capital.

Documents Required from the Client

- Passport/government-issued identification and recent proof of residential address for shareholders, directors and ultimate beneficial owners.
- For corporate shareholders: incorporation, constitutional, management and full ownership-chain documents.
- Three proposed company names and detailed business activity.
- Proposed ownership percentages, share classes and initial share issue.
- Proposed director(s), officers and signing powers.
- Source-of-funds/source-of-wealth evidence required by the registered agent's AML procedures.
- Countries of operation, expected turnover, customers/suppliers, currencies and banking profile.
- Details of any regulated activity or business physically carried out in Dominica.

Corporate Income Tax

Current published company rate: 25%

Dominica's Inland Revenue Division states that corporate income tax is charged at **25% on net/chargeable profits**. The IRD also states that companies are required to make instalment payments during the financial year.

The old IBC marketing statement '0% corporate tax for offshore income' is therefore not appropriate as a general 2026 statement. Where a particular company may have exempt income, an incentive licence or another specific tax treatment, that position should be documented separately.

Tax Return & Financial Statements

The Inland Revenue Division states that **every corporation** must file an income-tax return, whether or not a profit is made, subject to the limited statutory exception where the taxpayer's business activity is solely from a source exempt under the Income Tax Act.

Financial statements go to the tax authority with the tax return

IRD's current corporate-income-tax guidance states that company returns are to be filed within **3 months after the end of the financial year** and that the **company's financial statement is to be included on filing**. Therefore, this is not a jurisdiction where the accounts should be described as being kept only with the registered agent.

Accounting & Records

The company should maintain complete accounting and underlying transaction records sufficient to prepare its financial statements, corporate tax return and any regulatory/AML information requested by the registered agent or competent authorities. Records should accurately support income, expenditure, assets, liabilities, shareholder funding and related-party transactions.

Where the company conducts international business, records should also support the source and nature of income and any position taken under the Income Tax Act or an applicable incentive regime.

Withholding Tax

Dominica's Inland Revenue Division publishes withholding-tax rules for payments to non-residents, including dividends, interest/discounts, royalties, management charges, commissions/fees, rents and other income payments. The payer is responsible for deduction and remittance where the statutory rules apply.

The applicable rate depends on the payment and current law/treaty position, so the rate should be checked before a distribution or cross-border payment is made.

VAT & Local Operations

Dominica's standard VAT framework applies to taxable local supplies according to the Value Added Tax Act and current thresholds/rules. An IBC that begins conducting business physically in Dominica, employs staff, imports goods or makes taxable local supplies can therefore have VAT, payroll, customs, licence and other domestic obligations in addition to corporate income tax.

Fiscal Incentives - Separate from IBC Status

Dominica offers fiscal incentives to qualifying businesses in specified sectors. Government guidance refers to potential tax holidays and duty/VAT concessions for qualifying manufacturing, agro-processing, ICT, tourism, renewable-energy and other approved activities.

These incentives are application-based

Fiscal incentives are **not an automatic IBC benefit**. The 2019 Fiscal Incentives amendments emphasise qualifying enterprise activity physically carried out in Dominica. Any incentive must be separately applied for, approved and documented.

Annual Compliance Checklist

- Maintain the registered agent and registered office in Dominica.
- Pay the applicable annual IBC/registry licence or renewal fee on time.
- Maintain current shareholder, director, officer and share records.
- Maintain full beneficial-owner and AML/KYC information with the registered agent as required.
- Maintain proper accounting and transaction records.
- Prepare annual financial statements.
- File the Dominica corporate income-tax return and accompanying financial statements as required.
- Make corporate income-tax instalments and final payments where due.
- Review withholding tax before dividends, interest, royalties, management fees and other relevant non-resident payments.
- Review VAT, payroll, customs and licence requirements if business is carried on in Dominica.
- Maintain any sector-specific licence or approved fiscal-incentive conditions.
- Update the registered agent/Registrar promptly when statutory particulars change.

Why Dominica May Still Be Attractive

Topic	Current legal / practical position
International structure	Dedicated IBC framework for internationally owned private companies.
Foreign ownership	Suitable for non-resident shareholders and international management structures.
Corporate flexibility	Flexible shares, governance and private-company administration.
Registered-agent model	Local statutory administration can be coordinated through a professional agent.
Capital gains	Government guidance states there is no general capital gains tax, subject to transaction-specific analysis.
Incentive programmes	Qualifying businesses investing/operating in Dominica may separately access fiscal incentives.
Caribbean jurisdiction	English-speaking Commonwealth jurisdiction within the Eastern Caribbean legal environment.

How BRIS Group Supports You

Pre-formation review - Review ownership, business activity, tax expectations and whether Dominica is suitable for the client's intended use.

IBC formation - Coordinate name approval, incorporation, registered agent/office and initial corporate records.

KYC / UBO - Coordinate shareholder, director and ultimate-beneficial-owner due diligence.

Tax & accounting - Coordinate accounting, financial statements, corporate tax and withholding-tax support.

Annual compliance - Coordinate annual government/agent renewal, corporate records and required filings.

Incentives - Coordinate local advice where the proposed activity may qualify for a Dominica fiscal incentive.

Documents - Arrange registry documents, certificates, certified copies and apostille/legalisation where available/required.

Professional Fees & Quotations

Tailored quotation

This brochure is an informational guide to Dominica IBC incorporation and maintenance and is not a fee quotation. BRIS Group professional fees, registered agent/registered office fees, government renewal fees, accounting, financial statements, corporate tax/withholding work, certified documents, apostille/legalisation and optional services are quoted separately. Clients may request a tailored quotation based on ownership, activity and annual transaction volume.

A Note on Older Dominica IBC Tax Information

Older websites and brochures may still state that a Dominica IBC enjoys a long-term or blanket exemption from income tax, withholding tax and other taxes. That information reflects the **former section 109 regime**. The 2019 legislation phased out that exemption, and Act No. 5 of 2019 changed the final statutory date to **30 June 2021**.

Do not use the old '20-year tax exemption' as a current benefit

For a 2026 client brochure, Dominica should be presented using the current Income Tax Act/IRD position. The IRD currently publishes a **25% corporate tax rate** and requires corporate returns with financial statements. Any exemption or incentive must have a separate current statutory basis.

Important Legal Notes & Official Sources

This brochure is a general commercial guide and does not constitute Dominica legal, tax, accounting, regulatory or investment advice. **Dominica IBC status does not itself provide a blanket 0% corporate tax exemption in 2026.**

Primary official sources reviewed: International Business Companies Act 1996; International Business Companies (Amendment) Act 2019 (Act No. 2 of 2019); International Business Companies (Amendment) (No. 2) Act 2019 (Act No. 5 of 2019); Dominica Inland Revenue Division corporate income-tax, withholding-tax and filing guidance; Government of Dominica fiscal-incentive guidance.

Information reviewed: August 2026. Tax, annual government fees, registered-agent requirements, beneficial ownership and filing obligations will be reconfirmed before incorporation and each annual renewal.

PREPARED BY BRIS GROUP

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Professional incorporation and corporate administration for international clients.