



## **Gibraltar Companies Ordinance**

### **Law**

The Gibraltar Companies Ordinance is based on the Companies Act 1929 of the United Kingdom. Amendments have been made from time to time in keeping with the development of Gibraltar as a finance centre.

### **Types of Companies**

There are four possible types of company; a company limited by shares, a company limited by guarantee having a share capital, a company limited by guarantee without a share capital and an unlimited company. Only companies having a share capital can be exempt companies.

### **Incorporation**

Company formation can be undertaken very quickly, unless more complex memorandums and articles are required. Stamp duty on share capital creation or subsequent increase is £10.

### **Shareholders**

Gibraltar law requires a minimum of one shareholder for a private company limited by shares, and at least seven shareholders for a public company.

### **Directors**

A Gibraltar company can have a sole director. There is no concept of nominee directors.

### **Registered Offices**

Every company must have a registered office in Gibraltar at which the statutory books of the company must be kept.

### **Filing of Accounts**

All limited companies (except those which are non-profit making) are required to file accounts at Companies House in respect of each financial year commencing 1 April 2000. This requirement follows the provisions of the EU fourth and seventh company law directives. There are, however, significant exemptions afforded to both small and medium sized companies.





Small companies are only required to file an abridged balance sheet. There is no need in the case of such companies to produce a profit and loss account or auditor's report.

\* Small companies must satisfy at least two of the following conditions:

- Net turnover must not exceed £4.8m
- Balance sheet total must not exceed £2.4m
- The average number of persons employed by the company in each year must not exceed 50

Medium-sized companies do have to file a profit and loss account and auditor's report in addition to a full balance sheet, but the information in the profit and loss account may be abridged.

\* Medium-sized companies must satisfy at least two of the following conditions:

- Net turnover must not exceed £19.2m
- Balance sheet total must not exceed £9.6m
- The average number of persons employed by the company in each year must not exceed 250

Companies undertaking business with residents of Gibraltar have to prepare accounts for submission to the tax authorities, but these accounts are not available to the public.

### **Public Information**

Each company is required to submit an annual return to the Registrar of Companies which contains details of the shareholders, directors and the capital of the company. The information available at the Registry is open to public inspection.

Companies House can be contacted on telephone number (+350) 78193 from 8.30 am to 4 pm Gibraltar time (7.30 am to 3 pm UK time), via its website [www.companieshouse.gi](http://www.companieshouse.gi), or by e-mailing [mail@companieshouse.gi](mailto:mail@companieshouse.gi).

### **Annual General Meeting**

The company must hold an annual general meeting of the shareholders and file an annual return containing details of the directors, shareholders and certain other details including capital structure.





## Taxation

Companies and individuals are subject to income tax, levied under the Income Tax Act 2010. The standard rate of corporation tax was lowered from 22% to 10% with effect from 1 January 2011, coinciding with the abolition of the tax-exempt companies regime. A higher rate of 20% applies to utilities. There are no capital gains taxes, gift taxes, wealth taxes or estate duty in Gibraltar. No VAT is payable in Gibraltar.

