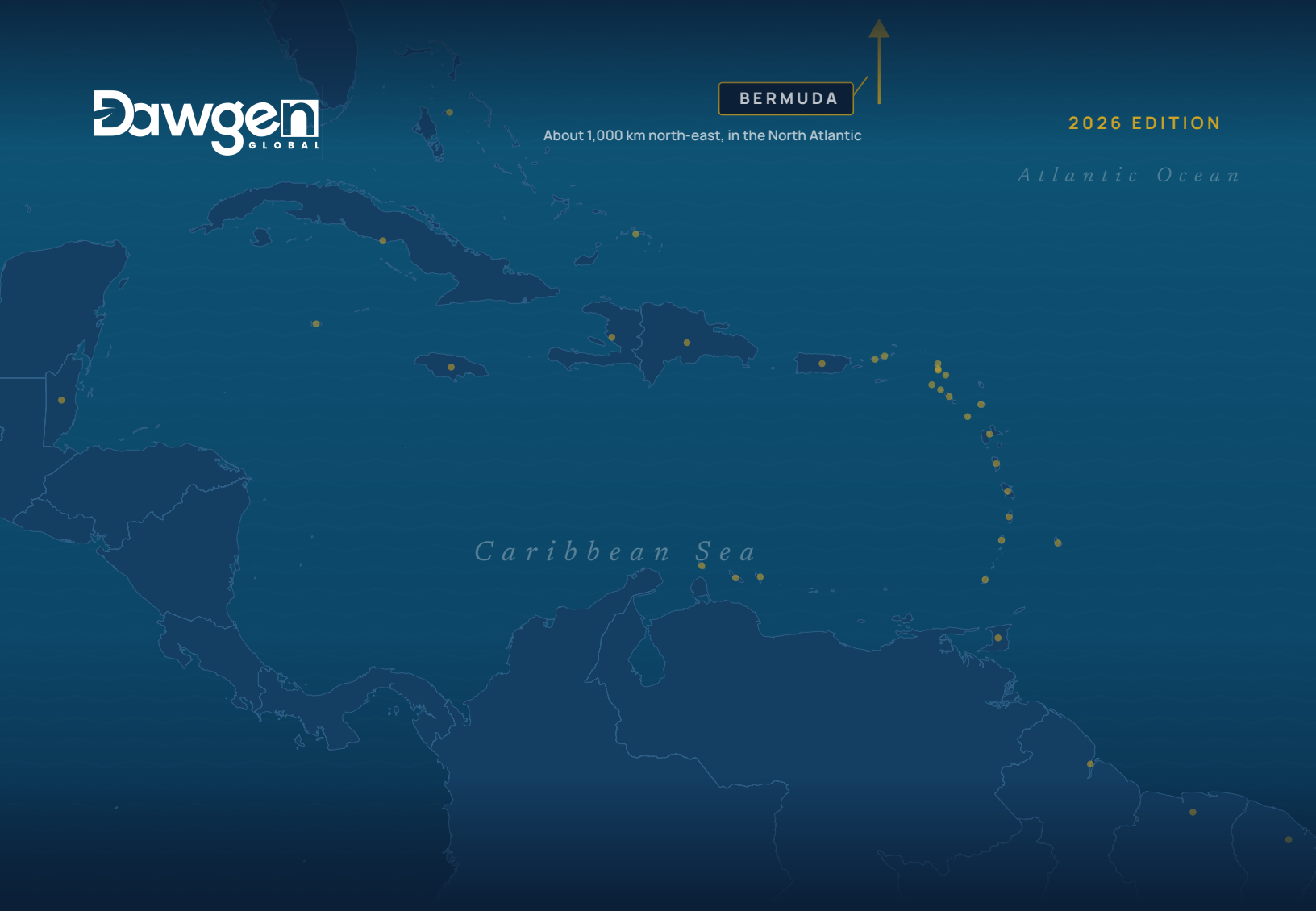
Dawgen GLOBAL



2026 EDITION

CARIBBEAN SERVICE DESK · NORTH ATLANTIC

Doing Business in Bermuda

A practical guide to establishing, operating and growing a business in Bermuda

CONTENTS

01	Bermuda at a glance	3
02	Why Bermuda	4
03	Choosing a business structure	5
04	Setting up: step by step	6
05	Tax at a glance	7
06	Employing people	8
07	Banking, currency and property	9
08	Incentives, trade and customs	10
09	Regulators and compliance calendar	11
10	Your first 90 days: checklist	12
11	How Dawgen Global helps	13

FOREWORD

Bermuda is one of the world's leading centres for insurance, reinsurance and international business, with a well-regarded regulator, a sophisticated professional community and a long record of stable government.

Investors choose Bermuda for good reason: an English-speaking, common-law British Overseas Territory in the North Atlantic, a short flight from the US East Coast, with a deep pool of insurance, finance and legal expertise. Opportunity sits alongside complexity. Ownership rules, the new corporate income tax, payroll tax, immigration and licensing all need careful handling from the first day.

This guide sets out what you need to know in plain language: how to choose a structure, how the set-up process works, what taxes apply, how to employ people, and which incentives may be available. It is written for investors, entrepreneurs and regional and international groups considering Bermuda.

We serve clients in Bermuda through Dawgen Global's Caribbean Service Desk, managed from our headquarters in Kingston, and we are ready to help you turn a plan into a well-run, compliant business.

Dr. Dawkins Brown, Ph.D., MCMI, ACFE

Executive Chairman, Dawgen Global

How to use this guide

This guide gives a practical overview of establishing and running a business in Bermuda. It is general information, current to October 2026, and is not a substitute for advice on your circumstances. Rates and rules change; speak to us before you act.

OVERVIEW

01 Bermuda at a glance

A British Overseas Territory in the North Atlantic, about 1,000 km east of North Carolina and not in the Caribbean Sea, built on international insurance, finance and tourism.

CAPITAL
Hamilton
Commercial, financial and government centre

POPULATION
About 64,000
Small, highly connected island community

LANGUAGE
English
Official language of business and law

CURRENCY
Bermuda dollar (BMD)
Pegged at par with the US dollar

LEGAL SYSTEM
English common law
Final appeal to the Privy Council, London

TIME ZONE
UTC−4
UTC−3 in summer (daylight saving)

CORPORATE INCOME TAX
15%
Only for groups with revenue of €750 million or more

VAT OR SALES TAX
None
Revenue comes mainly from payroll tax and customs duty

STATUS
British Overseas Territory
Self-governing; UK handles defence and foreign affairs

Leading sectors

Insurance and reinsurance · Insurance-linked securities · Asset management and funds · Trusts and private wealth · Digital assets and fintech · Tourism and hospitality · Ship and aircraft registry · Professional services · Construction and real estate

Gateways

L.F. Wade International Airport has direct flights to the US East Coast, Canada and London. Hamilton is the main cargo port, and the Royal Naval Dockyard receives cruise ships.

Public holidays

About ten public holidays a year, including Bermuda Day in May, National Heroes Day in June and the two-day Cup Match holiday (Emancipation Day and Mary Prince Day) in late July or early August.

INVESTMENT CLIMATE

02 Why Bermuda

A respected regulator, deep insurance and finance expertise and a familiar legal system make Bermuda a natural base for international business.

Strategic location

Bermuda lies about two hours' flight from New York and within easy reach of Toronto and London. Businesses serve North American and European markets from a time zone one hour ahead of the US East Coast.

Specialist talent

The island has a concentrated community of underwriters, actuaries, accountants, lawyers and fund professionals. Specialist skills not available locally can be brought in through work permits and dedicated routes for international business.

Familiar legal framework

Company, contract and trust law follow English common law, with final appeal to the Privy Council. The Companies Act 1981 and specialist insurance, fund and digital asset laws are well known to international investors.

A changing tax landscape

For decades Bermuda levied no tax on profits. In response to the OECD global minimum tax, the Corporate Income Tax Act 2023 introduced a 15% tax for large multinational groups from 2025, supported by the Tax Credits Act 2025. Other businesses remain free of income tax, and the government is reviewing wider tax reform.

The Bermuda Stock Exchange lists funds, debt and insurance-linked securities, as well as local equities.

Where the opportunities are

Sector	Examples of opportunity
Insurance	Reinsurance, captives, insurance-linked securities, long-term and specialty insurance
Asset management	Funds, investment managers, trusts and family offices
Digital economy	Licensed digital asset businesses, fintech and technology services
Tourism	Hotels, residences, restaurants, attractions and supply chains for food and services
Energy	Renewable generation, energy efficiency and storage

Bermuda Business Development Agency

The Bermuda Business Development Agency (BDA) promotes Bermuda as an international business centre. It helps investors with introductions to government, regulators and service providers.

LEGAL VEHICLES

03 Choosing a business structure

Bermuda law distinguishes between local businesses and international, or exempted, businesses. The right choice depends on ownership, where customers are, regulation and exit plans.

Vehicle	Key features	Typical use	Main obligations
Local company	Separate legal entity with limited liability; at least 60% Bermudian ownership and control; may trade freely in Bermuda	Businesses serving the Bermuda market	Annual fee to the Registrar; beneficial ownership; payroll tax
Exempted company	May be wholly foreign-owned; does business mainly outside Bermuda; needs a resident director, secretary or representative	Insurers, funds, holding and international operating companies	Annual fee; economic substance declaration; CIT if in scope
Permit (overseas) company	Foreign company granted a permit to operate in or from Bermuda; not a separate Bermuda entity	Branches of overseas insurers and international groups	Permit conditions; annual fee; regulatory filings
Limited liability company	Members' liability limited; flexible governance under the LLC Act 2016	Joint ventures and structures for US investors	Annual fee; beneficial ownership
Partnership	General, limited or exempted partnership; may elect separate legal personality	Funds, private equity and professional practices	Registration; annual fee
Segregated accounts company	Assets and liabilities ring-fenced in separate accounts or cells	Captive insurance, rent-a-captive and ILS	BMA registration and supervision

Local ownership

A company trading in Bermuda must generally be at least 60% owned and controlled by Bermudians. Exempted companies may apply to the Minister of Finance for a licence under section 114B of the Companies Act 1981 to do local business where it is in Bermuda's economic interest. Regulated activities also need a BMA licence.

Beneficial ownership

Companies, LLCs and partnerships must keep up-to-date information on the individuals who ultimately own or control them, file it with the Registrar of Companies and report changes. Failure to comply is an offence.

GETTING STARTED

04 Setting up: step by step

Companies are registered online with the Registrar of Companies, usually through a Bermuda law firm or licensed corporate service provider. Incorporation is quick once approvals are in place; bank accounts and licences usually take longer.

1 **Plan the structure and name** — WEEK 1

Choose a local or exempted vehicle, shareholding and directors, and reserve the proposed name with the Registrar of Companies.

2 **Obtain BMA consent** — WEEK 1–2

The Bermuda Monetary Authority vets beneficial owners and consents to the issue and transfer of shares, under exchange control rules, except where general permission applies.

3 **Incorporate with the Registrar** — WEEK 1–2

File the memorandum of association and registered office details online; the Registrar issues the certificate of incorporation.

4 **Open a bank account** — WEEK 2–6

Banks apply full know-your-customer checks on the company, directors and beneficial owners. Allow extra time where owners are overseas.

5 **Register for taxes and contributions** — WEEK 2–4

Register as an employer for payroll tax with the Office of the Tax Commissioner and for social insurance, and with the Corporate Income Tax Agency if the group is in scope.

6 **Obtain licences and permits** — VARIES

Apply for a BMA licence for regulated activities, a section 114B licence where needed, planning approvals and work permits for foreign staff.

7 **Set up accounting and compliance** — BEFORE TRADING

Put in place bookkeeping, payroll, financial reporting, a filing calendar, an economic substance review, a privacy officer under PIPA and anti-money laundering controls where required.

Documents you will usually need

Certified passport and proof of address for each director, shareholder and beneficial owner; bank and professional references; personal declaration forms for the BMA; a Bermuda registered office; and, for a permit company, certified constitutional documents and a certificate of good standing from its home registry.

TAXATION

05 Tax at a glance

Bermuda has no tax on income, profits, dividends or capital gains outside the corporate income tax for large multinational groups. Government revenue comes mainly from payroll tax, customs duty and fees.

Business taxes	
Corporate income tax	15% for Bermuda entities of multinational groups with revenue of €750 million or more, for years from 1 January 2025; nil for others
Payroll tax (employer)	0% to 9.75% of payroll by employer size and class; 9.5% where payroll exceeds $1 million
VAT or sales tax	None
Customs duty	Most commonly 25% of the value of imports, with lower rates on many essentials
Stamp duty	Sliding scale from 2.1% to 7.35% on property conveyances
Land tax	Annual, a percentage of annual rental value: 9.5% commercial; graduated for homes
Foreign currency purchase tax	1.25% on foreign currency bought by residents

Individuals	
Personal income tax	None
Payroll tax (employee)	0.25% on the first $48,000, rising by band to 12.5% on pay from $500,000 to $1 million; no tax above $1 million

Withholding tax (non-residents)	Rate*
Dividends	Nil
Interest	Nil
Royalties and fees	Nil

*Bermuda levies no withholding tax. Its 1986 tax convention with the US covers insurance enterprises only, and it exchanges tax information under bilateral agreements and the multilateral OECD convention.

Recent changes

CIT instalment and return rules took effect in 2025, and the Tax Credits Act 2025 introduced credits for qualifying substance and community donations. The 2026/27 budget cut employer payroll tax rates and middle-band employee rates from 1 April 2026, raised the dividend deductible to $20,000 and reduced duty on essential goods. The 1% rate for employers with payroll under $200,000 was restored from the fourth quarter of 2026.

PEOPLE

06 Employing people

The Employment Act 2000 sets minimum standards. Employers must pay payroll tax quarterly and social insurance monthly, provide health insurance and, for Bermudians and residents, a pension plan.

Minimum standards

- **Minimum wage:** $17.13 an hour from 1 September 2025, reviewed every two years
- **Hours:** standard 40-hour week, with overtime rules for longer hours
- **Vacation:** two weeks' paid leave after a year's service
- **Sick leave:** eight paid days a year after a year's service
- **Maternity:** 13 weeks' leave, partly paid, for qualifying employees
- **Dismissal:** fair reason and procedure required; notice depends on the pay interval and the contract
- **Severance:** after a year's service, 2 weeks' pay per year for the first 10 years and 3 weeks' pay for each later year, up to 26 weeks

Statutory payroll contributions

Contribution	Employee	Employer
Payroll tax	0.25% to 12.5%	0% to 9.75%
Social insurance	$39.25 a week	$39.25 a week
Occupational pension	5%	5%
Health insurance	Up to half	At least half

Occupational pension applies to Bermudians, their spouses and permanent residents, not work permit holders. Payroll tax is due by the 15th of the month after each quarter.

Bringing in foreign staff

Work permits

Foreign nationals need a work permit from the Department of Immigration, applied for by the employer, who must usually advertise the post locally first.

International business routes

Global work permits and other dedicated categories help international businesses bring in senior staff and new-business founders.

Residence routes

The Work From Bermuda Certificate suits remote workers employed overseas. Economic Investment and Residential Certificates serve qualifying investors.

HR essentials from day one

Give every employee a written statement of employment, keep accurate time, pay and leave records, register each employee for social insurance within 30 days, and adopt a staff handbook covering conduct, grievances, data protection and health and safety. Most disputes we see start with missing paperwork, not bad intentions.

MONEY AND ASSETS

07 Banking, currency and property

Banking and finance

Bermuda has a small number of licensed banks alongside a large insurance, fund and trust sector, all supervised by the Bermuda Monetary Authority (BMA).

- **Exchange control:** administered by the BMA; exempted companies are treated as non-resident and may hold accounts in any currency
- **Fixed currency:** the Bermuda dollar is pegged at par with the US dollar
- **Foreign currency purchase tax** of 1.25% applies to residents buying foreign currency from local banks
- **Capital markets:** the Bermuda Stock Exchange lists funds, debt, insurance-linked securities and equities
- **Compliance:** expect thorough anti-money laundering and know-your-customer checks

Financial reporting

Companies may report under IFRS, US GAAP or other recognised standards. An audit is required unless all shareholders and directors agree to waive it; regulated entities must be audited.

Land and property

Non-Bermudians need a government licence to buy property, generally limited to houses and condominiums above set annual rental values. Exempted companies cannot generally own land beyond leasing business premises.

Typical costs on a property purchase	
Stamp duty	2.1% to 7.35% on a sliding scale, often shared between the parties
Licence fee	Payable by non-Bermudian buyers as a percentage of the price
Legal fees	Agreed with the attorneys for each party
Land tax	Annual, a percentage of annual rental value

Before you build

Development needs planning permission and building approval from the Department of Planning. Larger projects may need environmental assessment or a Special Development Order.

GROWTH LEVERS

08 Incentives, trade and customs

With no general income tax, Bermuda's incentives work mainly through payroll tax relief, duty concessions, tax credits and residence routes for investors.

Key incentive regimes

Regime	What it offers
Payroll tax relief	0% employer rate for qualifying start-ups for four quarters and on qualifying new hires
Economic Empowerment Zones	0% employer payroll tax for nine quarters and reduced land tax in designated areas
Tax Credits Act 2025	Credits against CIT or payroll tax for qualifying insurance substance, utilities investment and large charitable donations
Hotels Concessions Act	Duty and tax relief for approved hotel development and refurbishment
Investor residence	Economic Investment and Residential Certificates for qualifying investments of $2.5 million or more

Eligibility and conditions apply to each regime. We can assess which incentives fit your project and prepare the applications.

Market access

- **Insurance recognition:** Bermuda's regulatory regime is recognised by the EU and US authorities, easing cross-border business
- **US tax convention:** relief for qualifying Bermuda insurers on US business profits
- **Tax transparency:** CRS, FATCA and country-by-country reporting support international standing
- **CARICOM:** Bermuda is an associate member but does not take part in the single market

Customs

The Customs Department handles imports and exports. Importers declare goods electronically and pay duty under the Customs Tariff before release, most commonly at 25%, with lower rates for many essentials and relief for some approved projects. Residents have a $300 duty-free allowance on goods they bring with them.

COMPLIANCE

09 Regulators and compliance calendar

Who regulates what

Body	Role
Registrar of Companies	Registration, annual fees, beneficial ownership, economic substance
Office of the Tax Commissioner	Payroll tax, land tax and other local taxes
Corporate Income Tax Agency	Corporate income tax and tax credits
Customs Department	Imports, exports and duties
Bermuda Monetary Authority	Banking, insurance, investment, funds, trusts, digital assets and exchange control
Financial Intelligence Agency	Suspicious activity reporting
Department of Social Insurance	Social insurance contributions
Pension Commission	Occupational pension plans
Department of Immigration	Work permits and residence
Office of the Privacy Commissioner	Personal Information Protection Act (PIPA)

Key filing dates

When	What
15 January, April, July and October	Payroll tax return and payment for the previous quarter
Each month	Social insurance and pension contributions
31 January	Annual government fee to the Registrar of Companies
30 June	Economic substance declaration (six months after year-end)
31 August and 15 December	CIT instalments, 50% and 90% of the expected liability, for in-scope groups
31 October	CIT return and final payment for the previous year (10 months after year-end)

Dates shown are for a company with a December year-end. Late filing and payment attract penalties and interest, which build quickly.

Anti-money laundering

Financial institutions and designated businesses, including real estate agents, lawyers, accountants and corporate service providers, must meet anti-money laundering obligations under their supervisors and report suspicious activity to the Financial Intelligence Agency.

ACTION PLAN

10 Your first 90 days: checklist

Use this checklist to track the essential steps from decision to first trading day.

Days 1–30: establish

- [ ] Agree business plan, structure and ownership
- [ ] Confirm local or exempted status
- [ ] Reserve the company name
- [ ] Gather KYC documents for directors and owners
- [ ] Obtain BMA consent for the shareholders
- [ ] Incorporate with the Registrar of Companies
- [ ] Record beneficial ownership information
- [ ] Apply to open business bank accounts

Days 31–60: register and license

- [ ] Register for payroll tax and social insurance
- [ ] Register with CITA if the group is in scope
- [ ] Apply for BMA or section 114B licences
- [ ] Apply for work permits for foreign staff
- [ ] Assess economic substance requirements
- [ ] Assess eligibility for incentives
- [ ] Lease premises and arrange insurance cover

Days 61–90: operate

- [ ] Set up the accounting system and chart of accounts
- [ ] Set up payroll, health and pension cover
- [ ] Issue written employment terms
- [ ] Build the tax and filing calendar
- [ ] Appoint a privacy officer and adopt AML policies
- [ ] Agree year-end and audit arrangements

Ongoing

- [ ] Quarterly payroll tax returns
- [ ] Monthly social insurance and pensions
- [ ] Annual fee and economic substance declaration
- [ ] CIT instalments and return, if in scope
- [ ] Renew licences and permits on time

YOUR PARTNER

11 How Dawgen Global helps

One Dawgen Global team supports you through our Caribbean Service Desk, managed from our headquarters in Kingston.

Market entry and structuring

Choice of vehicle, group and tax structuring, feasibility studies and business plans.

Incorporation and corporate secretarial

Company formation support, statutory registers, annual fees and beneficial ownership filings.

Tax advisory and compliance

Payroll tax, corporate income tax, tax credits and economic substance, through our Caribbean Tax Service Desk.

Accounting and payroll outsourcing

Bookkeeping, management accounts, payroll and a Virtual CFO.

Audit and assurance

Statutory audits, reviews and special-purpose reporting for lenders and parent companies.

HR, immigration and legal support

Employment contracts, HR policies, work permits and legal process support, with our panel of attorneys.

Risk and compliance

AML programmes, PIPA compliance, internal audit and governance.

Technology and cyber

Systems selection, digital transformation, cybersecurity and AI governance.

Incentive applications

Payroll tax relief, tax credit and licence assessments and applications.

Start with a conversation

Tell us your plans for Bermuda, and we will set out the steps, timeline and costs. Some regulated services are performed by affiliated firms; we will advise you of the arrangements when you make a request. Fees are tailored to each client's circumstances and set out in an engagement letter. Email **bermuda@dawgen.com** or **info@dawgen.global**, or call (876) 926-5210.

Talk to the Bermuda Caribbean Service Desk

Contact

bermuda@dawgen.com

Dawgen Global, Dawgen Towers
47-49 Trinidad Terrace, Kingston 5, Jamaica
(876) 926-5210 · (876) 630-2011
(876) 929-3670 · (876) 929-3870
US toll free 855-354-2447
info@dawgen.global · dawgen.global

Key official sources

- Registrar of Companies (registrarofcompanies.gov.bm)
- Bermuda Monetary Authority (bma.bm)
- Corporate Income Tax Agency (cita.bm)
- Office of the Tax Commissioner (gov.bm)
- Department of Immigration (gov.bm)
- Department of Social Insurance (gov.bm)
- Bermuda Business Development Agency (bda.bm)
- Office of the Privacy Commissioner (privacy.bm)



This publication contains general information only, current to October 2026, and is not professional advice. Tax rates, thresholds and procedures change frequently; confirm the current position with Dawgen Global or the relevant authority before acting. Some regulated services are performed by affiliated firms; we will advise you of the arrangements when you make a request.
© 2026 Dawgen Global Caribbean Limited. All rights reserved. Maps: Dawgen Global.