

ALERT
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NEW FEES FOR PRIVATE TRUST COMPANIES IN THE BRITISH VIRGIN ISLANDS

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To complement the recent innovative changes to the trust legislation of the British Overseas Territory of the Virgin Islands (the "**British Virgin Islands**"), the Cabinet of the British Virgin Islands, acting on the advice of the Financial Services Commission, has increased the fees payable by a private trust company ("**PTC**"). In March 2013, the Cabinet increased the fees to incorporate a PTC as follows:

INCORPORATION FEE FOR A PTC		
No. of Shares	Previous Fee	New Fee
Maximum of 50,000	\$750.00	\$1,250.00
Over 50,000	1,500.00	\$2,500.00

On 12 June 2013, the Cabinet also increased the annual fees for the same categories of PTC to the same new amount, so that the fees payable at incorporation would remain payable annually unless the PTC amends its memorandum to change to authorized level of shares that would require it to pay a different fee as follows:

ANNUAL FEE FOR A PTC		
No. of Shares	Previous Fee	New Fee
Maximum of 50,000	\$750.00	\$1,250.00
Over 50,000	1,500.00	\$2,500.00

A PTC is normally incorporated by high net worth individuals to provide trust services to specified trusts or groups of trusts without the need to obtain a trust license from the Financial Services Commission. Ordinarily, a company cannot act as a trustee without obtaining a trust license, but a PTC is exempt from this requirement. It is the perfect vehicle to take advantage of all the advancements in trust law in the British Virgin Islands, such as the VISTA Trusts.

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If you would like more information about trusts in the British Virgin Islands, you may contact Jamal S. Smith.

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