

# British Virgin Islands

The British Virgin Islands (BVI) offer a seamless approach for establishing captives given its long tenure at the forefront of corporate domiciliations and domiciliation of insurers, particularly captives.

BVI also has a cadre of professionals who understand and have expertise in assisting with the formation and operation of a captive.

BVI licenses the following categories of captives:

- Category C: Insurance business that does not fall under Category E
- Category D: Reinsurance business only
- Category E: Related party business only, or pure captives
- Category F: Captives that underwrite related party business at a maximum in order to qualify as an insurer under the laws of a foreign jurisdiction, such as captives that are formed to utilise Section 831(b) of the US Internal Revenue Code that have elected to be taxed as a US corporation under Section 953(d)
- Segregated portfolio company: A captive that is set up as a segregated portfolio company and has the ability to establish segregated portfolios that are independent of each other and underwrite insurance for the owners

The BVI Financial Services Commission also licenses all types of captives, including but not limited to, single parent or pure, group, agency, rent-a-captive and segregated portfolio captives provided they are legitimate businesses and meet the requirements of the relevant legislation.

Capital requirements in BVI have been set at USD 100,000 for property and casualty insurance business and USD 200,000 for life and health insurance business.

There is a minimum solvency margin requirement, which is based on the net written premium of the captive, with the lowest minimum being USD 100,000 if net written premiums are USD 500,000 or less. There is no corporate income tax in BVI.

More information on captive insurance in BVI can be found at [www.bvifsc.vg](http://www.bvifsc.vg).

