

Isle of Man – A great locations for international business

By Steven Beevers, Deputy Head of Isle of Man Finance

The Isle of Man may be located in the Irish Sea at the centre of the British Isles, but it benefits from the temperate climate of the Gulf Stream which means that it is the furthest north that Palm trees grow. You will find them lining the road from the airport and in gardens throughout the Island. This luscious landscape combined with an excellent economic package and many high 'quality of life' factors all contribute to the Islands' attraction a leading international finance centre.

The Island's natural and business attractions and its growing and vibrant economy is a winning combination, and personal income tax liability is capped at £100,000 introduced in 2006 is encouraging both wealthy entrepreneurs and City high fliers to live and work there.

A standard zero rate of corporate income tax now applies to the vast majority of Isle of Man companies. Banks have had tax on their trading profit cut to 10 per cent and all other income zero-rated. At the same time, company law has been thoroughly revised to provide a streamlined 'corporate vehicle' geared to the needs of fast moving global business.

The Isle of Man film industry is one of many niche sectors attracting investors from around the world and box-office hits such as 'Stormbreaker' and 'Miss Potter' have recently been filmed there. Most of the leading ship groupings are represented and some of the biggest and most expensive super-yachts are registered with the Island's expanding ship registry – recently voted the 'best in the world' by a distinguished peer panel of international shipping organisations. A new aircraft registry is expected to spur on further growth in high net worth new business providing a one-stop-shop for private wealth management. The Island is already a centre of excellence for new technology business – in fact, e-business and space commerce is proving so successful that it now has its own unit within the Government Treasury.

The Island's proximity to the City of London (just one hour flight time) is another important factor in the Isle of Man's success. Local laws firms have opened commercial offices in London to provide services to their growing client base. Assisting companies to gain a listing on London's Alternative Investment Market is just one of the rapidly expanding areas of business. The Island is already a jurisdiction of choice for many leading fund managers, life and captive insurers. On top of this the Isle of Man is one of Europe's fastest growing economies – currently approaching 8 per cent - and a Triple A credit rating from both Standard & Poor's and Moody's.

Some say it's the Island's rich Viking heritage that makes it so determined to succeed; others cite the unique and open relationship between Government and Industry and the ability to embrace new ideas. All in all, it's not surprising the Isle of Man has established a profile as one of the most robust, innovative and attractive locations in which to conduct international business.