

# Isle of Man

A world class opportunity  
for the Global Asset  
Management Industry



**Isle of Man Funds**  
Giving you Freedom to Flourish

## **A World Class Opportunity for the Global Asset Management Industry**

The past few years have seen seismic changes to the financial world. Now, as the dust settles, these upheavals are proving the catalyst in creating opportunities for those innovative enough to reconsider their business models and think "out of the box".

Recent Press reports have focused on the moves of certain asset management industry players to Switzerland, but there is an alternative much closer to London (both geographically and culturally) that offers a real alternative.

One that:

### **Provides significant financial benefits**

- has a low personal tax regime, with a personal tax cap of £100,000 pa
- has zero rated corporate tax (for most businesses)
- has no capital gains or inheritance taxes

### **Has clear business benefits**

- offers "state of the art" IT hosting and communications infrastructure
- has a highly trained working population

### **Offers a truly great lifestyle**

- is one of the most beautiful places in the British Isles
- is 221 square miles in size, population of only 80,000
- has world-class health, education and social welfare systems
- has unemployment levels of below 3%
- has affordable housing prices comparable with Northern England
- has no restrictions on home ownership
- has low crime and pollution, with nine out of ten residents (93%) reported to be satisfied with it as a place to live
- is less than 70 minutes flying time from London (with over 30 flights a day to destinations in the UK and Europe)

### **Is internationally recognised and respected**

- has a AAA Standard & Poor's Rating and Moody's Sovereign Rating
- was recently white listed by the OECD
- substantially meets qualifying FATF (Financial Action Task Force) principles and recommendations
- is regarded by the IMF as a well regulated jurisdiction adhering to international standards of regulatory behaviour

**A unique proposition for the Global Asset Management Industry**

### **Has a stable political environment**

- has strong financial reserves (circa £1.1billion) with no Government debt and an economy that has not entered recession
- is politically, socially and economically stable
- is a long established common law jurisdiction (with the oldest continuous parliament in the world)
- a well established and growing funds industry with AUM of US\$33bn

### **Offers the highest standard of professional services firms**

- has over 30 law firms (including a number of major international firms)
- has over 25 accountancy practices, including all the major global names
- has over 25 international banks with a real operating presence, not just a nameplate
- is a major location for a number of the world's leading insurers

### **Benefits from a pro-active independent government positioned for growth**

- has a Government which offers financial assistance to those seeking to establish funds businesses on the island

### **You call it the **Isle of Man**, but more and more asset managers are calling it **home**.**

A number of asset managers have, in recent years, established themselves in the Isle of Man. In some cases, the principals chose to live in the Isle of Man, no doubt attracted by many of the factors listed above.

In other cases, the principals have chosen to continue living in London or elsewhere but have established significant parts of their business in the Isle of Man. This proposition allows for the asset manager to stay in London and stay close to Institutional money but crucially allows the remaining parts (Administration and Operations) of the business to be located in the Isle of Man. Commonly the Isle of Man corporation carrying out those operations delegates back to the London asset manager all the strategic management and the Isle of Man entity is zero rated for Isle of Man corporation tax purposes, provided it:

- Opens an island based office and places its "mind and management" (the intellectual capital of the company) in the island office
- Locates its transactional server on the island
- Transmits its electronic trade instructions via its' transactional servers (also located in the Isle of Man)

This proposition allows asset managers to remain in London whilst taking advantage of a lower cost business base in a tax neutral environment.

For further information please contact:

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**A unique proposition for the future of fund management**