

Gibraltar Corporate Structures

Overview

Gibraltar offers a range of corporate structures that are rooted in English common law and closely aligned with UK statutory frameworks.

The most common vehicle is the private company limited by shares, which is widely used for trading, holding, and investment purposes. Other options include private companies limited by guarantee, trusts, public companies, limited partnerships, limited liability partnerships, foundations and protected cell companies. This fact sheet focuses on private limited companies, trusts, foundations and limited partnerships.

Private Companies limited by shares

A private company limited by shares is the most commonly used corporate vehicle in Gibraltar. Key features include:

- Low minimum share capital requirements (a single share is sufficient).
- Requirement for at least one director (corporate directors are permitted).
- A registered office and company secretary in Gibraltar.
- Flexibility in constitutional documents and shareholder arrangements.

The incorporation process can normally be completed within several days. Companies are formed by submitting the memorandum and articles of association, details of the directors, secretary, shareholders, and share capital to Companies House, Gibraltar. In addition, companies are required to file details of their ultimate beneficial owners ("UBOs") with the Register of Ultimate Beneficial Owners.

Companies are required to prepare financial statement in accordance with Gibraltar GAAP or IFRS. Small companies (meeting at least two of the following: turnover $\leq$ £10.2m, balance sheet $\leq$ £5.1m, $\leq$ 50 employees) may be exempt from audit. Larger companies must have their accounts audited by a Gibraltar auditor. Accounts must be filed with Companies House within 9 months of the company's financial year-end. Failure to comply with filing deadlines attracts financial penalties and, in serious cases, may lead to striking off by Companies House.

A private company must file an annual return at Companies House within 30 days of the anniversary of incorporation each year, setting out details of directors, shareholders, and the registered office.

Trusts in Gibraltar

Gibraltar trusts are governed primarily by the Trustees Act 1895, supplemented by the Trusts (Private International Law) Act 2015 and anti-money laundering legislation. They are commonly used for wealth preservation, succession planning, and asset protection. Key features include:

- A Gibraltar trust is not a separate legal entity but a legal relationship in which a trustee holds assets for the benefit of one or more beneficiaries or for a specified purpose.
- Trusts can be established by deed or by will.
- a Gibraltar trust may be discretionary, fixed interest, purpose (for non-charitable purposes trusts set-up under the Purpose Trusts Act 2015), or charitable.
- Trusts are recognised under Gibraltar and English common law principles, making them well-established for international structuring.
- Professional trustees must be licensed in Gibraltar by the Gibraltar Financial Services Commission (“GFSC”).

There is no requirement to register an ordinary private trust in Gibraltar. However, where a trust is administered by a professional trustee, the trustee must comply with licensing, common reporting standard and AML obligations. Certain types of trusts (e.g. charitable or purpose trusts) may be registered with the Registry of Charitable Trusts. In addition, Gibraltar has implemented beneficial ownership disclosure requirements for trusts under its AML framework.

Trustees must keep adequate accounting records of trust assets, income, and distributions for at least 5 years after the end of the business relationship or after the trust has terminated. These records are not publicly filed. However, where a licensed professional trustee is involved, the GFSC may require annual accounts and reports to be prepared. Charitable trusts that are registered have additional reporting obligations.

There is no general requirement for a private trust to file accounts or annual returns with a public registry, although trustees are under strict duties to maintain records, report to beneficiaries, and comply with AML reporting requirements.

Gibraltar Foundations

A foundation is a civil law concept adapted into Gibraltar legislation under the Private Foundations Act 2017. It is increasingly used for wealth structuring, succession planning, and charitable or philanthropic purposes. Key features include:

- No share capital; the foundation is endowed with assets by a founder.
- Legal personality separate from its founder, council, and beneficiaries.
- Must have a Council of Members to administer its assets and carry out its purposes.
- Must have a registered office in Gibraltar and a Qualified Person (licensed in Gibraltar) to act as its secretary and ensure regulatory compliance.
- Beneficiaries may have rights specified in the foundation charter or regulations.

The foundation is created by registering its charter (constitutional document) with Companies House. The charter contains core information about the foundation, but details of the founder do not need to be made public. The names of the councillors and the secretary are, however, filed with Companies House.

Foundations are required to maintain proper books of account that explain their transactions and disclose the foundation's financial position. Records must be retained for at least 6 years. Unlike Gibraltar private companies, foundations are not required to file accounts publicly with Companies House. However, the Registrar and regulators may request accounts for inspection, and, if the foundation carries on a regulated activity, enhanced reporting and audit obligations may apply.

Foundations must also file an annual return with Companies House confirming basic information (such as the councillors, secretary, and registered office).

Gibraltar Limited Partnerships

Gibraltar Limited Partnerships ("LPs") are governed by the Limited Partnerships Act 1927 and are commonly used for investment structures, private equity, venture capital, and asset-holding arrangements. Key features include:

- Comprise at least one general partner (with unlimited liability) and one or more limited partners (whose liability is limited to their capital contribution).
- No minimum capital requirement.
- Must have a registered office in Gibraltar.
- The general partner is responsible for management, while limited partners must not take part in day-to-day management.

An LP is formed by filing a statement of partnership with Companies House, Gibraltar. This statement sets out the LP's name, nature of business, names of partners, and term of the partnership (if any). Any changes must be notified to Companies House.

Gibraltar Limited Partnerships (Continued)

LPs are required to keep proper accounts showing sums received and expended, assets and liabilities, and the partnership's financial position. Accounts must be retained for at least 5 years. There is no statutory requirement for an LP to file accounts publicly at Companies House. However, where an LP is a regulated fund, or where a corporate general partner is used, enhanced reporting and audit obligations may apply.

An LP must file an annual return with Companies House confirming details of the partners and compliance with statutory requirements.

Register of Ultimate Beneficial Owners

Gibraltar has implemented a central Register of Ultimate Beneficial Owners to ensure transparency and compliance with international anti-money laundering and counter-terrorist financing standards. The regime is established under the Proceeds of Crime Act 2015 and the Register of Ultimate Beneficial Owners, Nominators and Appointors Regulations 2017.

The register is maintained by the Registrar of Ultimate Beneficial Owners, which is separate from Companies House. All Gibraltar companies, limited partnerships, and foundations are required to provide details of their UBOs at incorporation or registration, and to keep this information up to date. A UBO is generally an individual who ultimately owns or controls more than 25% of the shares, voting rights, or ownership interest, or who otherwise exercises control over the entity.

UBO information must be filed with the register within 30 days of incorporation and updated within 30 days of any change. The information is not available to the general public; instead, it is accessible to competent authorities, regulators, and certain obliged entities (such as banks, law firms and fiduciary providers) for the purposes of due diligence.

Entities must also maintain their own internal register of beneficial owners, ensuring accuracy and consistency with the central register. Failure to comply with UBO filing obligations may lead to financial penalties or, in serious cases, enforcement action against the company or its officers.

The Gibraltar UBO Register provides an effective balance between corporate confidentiality and international transparency requirements, supporting Gibraltar's reputation as a well-regulated and compliant jurisdiction.

Gibraltar Taxation

Gibraltar applies a territorial system of taxation, meaning that only income which accrues in or is derived from Gibraltar is subject to tax. Income arising wholly outside Gibraltar is not taxable. This principle, combined with the absence of capital gains tax, inheritance tax, wealth tax or VAT, makes Gibraltar a competitive jurisdiction for both business and private wealth structuring.

Private companies are taxed at a flat rate of 15% on profits that accrue in or are derived from Gibraltar. Dividends paid to non-residents are not subject to withholding tax, and interest payments to non-residents are also exempt. Companies must file annual tax returns with the Gibraltar Income Tax Office together with financial statements, ensuring compliance with local reporting requirements.

Trusts established in Gibraltar are generally not taxable provided the settlor and beneficiaries are non-resident and the trust assets are located outside Gibraltar. Where a trust derives income from Gibraltar sources, such income will be subject to tax at the standard rate of 15%. In practice, most Gibraltar trusts are managed as tax-neutral structures, although professional trustees are subject to regulatory and compliance oversight.

Limited partnerships are treated as tax transparent under Gibraltar law. The partnership itself does not pay tax; instead, tax liability falls on the individual partners. Non-resident partners are not subject to Gibraltar tax on profits generated outside the jurisdiction, while Gibraltar-source profits are taxable at the level of the relevant partner.

Foundations in Gibraltar are subject to the same corporate tax principles as companies. A foundation that earns income in Gibraltar will be taxed at 15%, but income derived wholly outside Gibraltar is not taxable. Distributions to non-resident beneficiaries are not subject to withholding tax, allowing foundations to operate as tax-neutral vehicles for succession planning and asset protection.

How AZJ Legal Can Help

AZJ Legal is a specialist corporate and commercial law firm with offices in London and Gibraltar. The firm advises clients ranging from investment managers and family offices to private investors and entrepreneurs seeking to establish or restructure business operations in Gibraltar.

Our team combines deep knowledge of Gibraltar corporate law with experience in UK and international structures, enabling us to provide seamless cross-border advice. We assist clients with:

- incorporation and structuring of Gibraltar companies and partnerships.
- advice on governance, shareholder agreements, and nominee arrangements.
- ongoing compliance with filing, reporting, and regulatory obligations.
- tax planning and structuring to optimise Gibraltar's territorial regime.
- cross-border investments, re-domiciliation, and succession planning.

AZJ Legal's approach is tailored and client-focused. We work closely with senior management, entrepreneurs, and investors to provide clear, practical advice that anticipates both legal and commercial challenges. By combining technical excellence with industry insight, we ensure that Gibraltar structures are not only compliant but also aligned with our clients' broader strategic objectives.