CompanyFormationWiki
The free encyclopedia of company formation
companyformationwiki.com

Company formation in the Isle of Man

From CompanyFormationWiki, the free encyclopedia of company formation · Last updated 25 November 2026

Company formation in the Isle of Man



Flag

Common form	Company limited by shares (Companies Act 2006 or 1931)
Registry	Isle of Man Companies Registry
Minimum capital	None
Directors	2006 Act: 1 director; 1931 Act: 2 directors and a secretary
Local director	A 2006 Act company needs a registered agent in the Isle of Man
Corporate tax	0% standard; 10% for banking and large retail; 20% for land and property income
VAT / sales tax	20% (shared VAT area with the UK)
Typical timeline	Usually 1–3 working days
Tax treaties	Domestic rates and treaty list [5]
Currency	Pound sterling (GBP)

In short: To set up a company in the Isle of Man, most founders form a company limited by shares, registered with the Isle of Man Companies Registry. Minimum capital: none. Corporate tax: 0% standard; 10% for banking and large retail; 20% for land and property income. Registration: usually 1–3 working days (as of November 2026).

Short guide. Tax figures come from PwC Worldwide Tax Summaries (reviewed 24 September 2026); company-law details summarise official guidance and can change. Confirm requirements with the Isle of Man Companies Registry before filing.

The Isle of Man, a Crown Dependency, offers two company regimes, under the Companies Acts of 1931 and 2006. Most companies pay 0% income tax; unlike Jersey and Guernsey, the island shares a VAT system with the UK, at 20%.

Business structures

Most founders in the Isle of Man form a company limited by shares, registered with the Isle of Man Companies Registry. Other forms are listed below.

- **Company limited by shares** – the usual company form for private businesses

Requirements

Minimum share capital in the Isle of Man (2026): none. Directors required: 2006 Act: 1 director; 1931 Act: 2 directors and a secretary. Local resident director: a 2006 Act company needs a registered agent in the Isle of Man.

- A company name that is available, checked with the registry.
- Share capital: none.
- Directors: 2006 Act: 1 director; 1931 Act: 2 directors and a secretary.
- Local residency: a 2006 Act company needs a registered agent in the Isle of Man.
- A registered office address in the Isle of Man.
- Articles of association; standard templates are often available.

Registration process

Typical time to register a company in the Isle of Man (2026): usually 1–3 working days. The usual steps are:

1. Choose the company form and check that the name is available.

2. Prepare and sign the articles of association.
3. File the registration with the Isle of Man Companies Registry.
4. Receive the company's registration number, and pay in the share capital where required.
5. Register for corporate tax and VAT or sales tax with the Income Tax Division.

Taxation

The corporate tax rate in the Isle of Man in 2026 is 0% standard; 10% for banking and large retail; 20% for land and property income. Standard VAT or sales tax: 20% (shared VAT area with the UK).

Tax	Rate and notes
Corporate income tax	0% standard; 10% for banking and large retail; 20% for land and property income
VAT / indirect tax	20% (shared VAT area with the UK)
Withholding tax on dividends to non-resident companies	0%

Ongoing compliance

Annual compliance in the Isle of Man: Companies file annual financial statements and tax returns with the Income Tax Division, and keep their details up to date with the Isle of Man Companies Registry.

Double tax treaties

The Isle of Man has a network of double tax treaties. A double tax treaty decides which country may tax cross-border income and usually caps the withholding tax the paying country can charge.

Domestic withholding tax on payments to non-resident companies

Dividends	Interest	Royalties
0%	0%	0%

The reduced rate for each partner country is set by the treaty concerned; PwC's withholding tax summary for the Isle of Man lists them.

Domestic rates from the PwC Worldwide Tax Summaries withholding tax quick chart (November 2026). Treaty benefits require proof of tax residence and are subject to anti-abuse rules.

Frequently asked questions

How long does it take to register a company in the Isle of Man?

Typical registration time in the Isle of Man: usually 1–3 working days (as of November 2026), once all documents are ready. Opening a bank account and tax registrations can take longer.

What is the minimum share capital for a company in the Isle of Man?

Minimum share capital in the Isle of Man: none (as of November 2026).

What is the corporate tax rate in the Isle of Man in 2026?

The corporate tax rate in the Isle of Man in 2026 is 0% standard; 10% for banking and large retail; 20% for land and property income. See the Taxation section for reduced rates and other taxes.

Can a foreigner own 100% of a company in the Isle of Man?

Yes, for most activities, though some sectors restrict foreign ownership or require approval. Local director rule in the Isle of Man: a 2006 Act company needs a registered agent in the Isle of Man.

What withholding tax applies to dividends paid from the Isle of Man?

The Isle of Man charges no withholding tax on dividends paid to non-resident companies under domestic law. See the Double tax treaties section.

Official registries and resources

The official websites of the Isle of Man Companies Registry and the Income Tax Division have not yet been verified by our editors, so they are not linked here. Use the names above to find them, and beware of unofficial look-alike sites.

Figures as of November 2026. Rates, thresholds and procedures change; confirm with the official registry, the tax authority or a local adviser before filing.

See also

- Comparison of company formation by country
- Company formation in the United Kingdom
- Company formation in Germany
- Company formation in Poland
- Company formation in Ireland
- All countries

References

Entries marked **Official** are the registry, government and tax authority sources for this country; footnote numbers in the infobox point to them.

1. Isle of Man: Corporate – Taxes on corporate income (reviewed 24 September 2026) . PwC Worldwide Tax Summaries. Accessed November 2026.
2. Quick charts: Corporate income tax (CIT) rates . PwC Worldwide Tax Summaries. Accessed November 2026.
3. Quick charts: Value-added tax (VAT) rates . PwC Worldwide Tax Summaries. Accessed November 2026.
4. Quick charts: Withholding tax (WHT) rates . PwC Worldwide Tax Summaries. Accessed November 2026.
5. Isle of Man: Corporate – Withholding taxes . PwC Worldwide Tax Summaries. Accessed November 2026.

Source: https://companyformationwiki.com/company-formation/isle-of-man/
Version: last updated 25 November 2026. Check the online version for later changes.

© 2026 CompanyFormationWiki. CompanyFormationWiki is a free encyclopedia of company formation, business structures and international tax across 222 jurisdictions. General information, not legal or tax advice. Confirm with the official registry, the tax authority or a qualified adviser before acting.