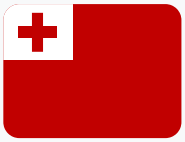
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Company formation in Tonga

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Company formation in Tonga



Flag



Coat of arms

Common form	Company (Companies Act 1995)
Registry	Business Registries Office (Ministry of Trade and Economic Development)
Minimum capital	No statutory minimum
Directors	1 director
Local director	Foreign investors need registration; some activities are reserved for Tongans
Corporate tax	25%
VAT / sales tax	Consumption tax 15%
Typical timeline	Often 1–3 weeks
Tax treaties	Domestic rates and treaty list [2]
Currency	Tongan pa‘anga (TOP)

In short: To set up a company in Tonga, most founders form a company, registered with the Business Registries Office (Ministry of Trade and Economic Development). Minimum capital: no statutory minimum. Corporate tax: 25%. Registration: often 1–3 weeks (as of November 2026).

Short guide. Tax figures come from the sources listed under References; company-law details summarise official guidance and can change. Confirm requirements with the Business Registries Office (Ministry of Trade and Economic Development) before filing.

Companies in **Tonga** are registered with the **Business Registries Office**, and foreign investors must register under the Foreign Investment Act. Corporate tax is 25% and consumption tax 15%.

Business structures

Most founders in Tonga form a company, registered with the Business Registries Office (Ministry of Trade and Economic Development). Other forms are listed below.

- **Company** – the usual company form for private businesses

Requirements

Minimum share capital in Tonga (2026): no statutory minimum. Directors required: 1 director. Local resident director: foreign investors need registration; some activities are reserved for Tongans.

- A company name that is available, checked with the registry.
- Share capital: no statutory minimum.
- Directors: 1 director.
- Local residency: foreign investors need registration; some activities are reserved for Tongans.
- A registered office address in Tonga.
- Articles of association; standard templates are often available.

Registration process

Typical time to register a company in Tonga (2026): often 1–3 weeks. 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 Business Registries Office (Ministry of Trade and Economic Development).
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 Ministry of Revenue and Customs.

Taxation

The corporate tax rate in Tonga in 2026 is 25%. Standard VAT or sales tax: consumption tax 15%.

Tax	Rate and notes
Corporate income tax	25%
VAT / indirect tax	Consumption tax 15%
Withholding tax on dividends to non-resident companies	Depends on the payer and recipient; see the Double tax treaties section

Ongoing compliance

Annual compliance in Tonga: Companies file annual financial statements and tax returns with the Ministry of Revenue and Customs, and keep their details up to date with the Business Registries Office.

Double tax treaties

Tonga has no comprehensive double tax treaties in force for most countries; its international tax agreements mainly cover the exchange of information.

Domestic withholding tax on payments to non-resident companies

Domestic withholding rates on dividends, interest and royalties could not be confirmed from a current source for this short guide; confirm them with the Ministry of Revenue and Customs.

The reduced rate for each partner country is set by the treaty concerned; confirm it with the tax authority.

Domestic rates from the sources listed under References. 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 Tonga?

Typical registration time in Tonga: often 1–3 weeks (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 Tonga?

Minimum share capital in Tonga: no statutory minimum (as of November 2026).

What is the corporate tax rate in Tonga in 2026?

The corporate tax rate in Tonga in 2026 is 25%. See the Taxation section for reduced rates and other taxes.

Can a foreigner own 100% of a company in Tonga?

Yes, for most activities, though some sectors restrict foreign ownership or require approval. Local director rule in Tonga: foreign investors need registration; some activities are reserved for Tongans.

Official registries and resources

The official websites of the Business Registries Office (Ministry of Trade and Economic Development) and the Ministry of Revenue and Customs 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 Singapore
- Company formation in Hong Kong
- Company formation in Japan
- Company formation in India
- 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. Country tax rates (January 2026 update, compiled from PwC and KPMG) . Damodaran Online, NYU Stern. Accessed November 2026.
2. VAT, GST and sales tax rates by country . VATCalc. Accessed November 2026.

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