

A Brief Guide to the Advantages of Ship Registration in: Cyprus, Guernsey, Isle of Man, Madeira (Portugal), and Malta

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Introduction

Selecting the appropriate jurisdiction for ship registration is a critical decision for ship owners, as this decision impacts on; tax liabilities, operational flexibility, and regulatory compliance.

Dixcart Air Marine, with its extensive experience and global presence, offers comprehensive services to guide clients through the ship registration process in various jurisdictions. From pre-structuring advice to ongoing administration and management, Dixcart ensures a smooth and efficient process for their clients.

Ship registration is complex and while this guide includes relevant and useful information, you will also need to speak to one of our experts: advice@dixcart.com

Ship Registration Services Provided by Dixcart Air Marine

Dixcart Air Marine offers comprehensive support for vessel importation into the EU, ensuring efficient customs clearance procedures. Our expertise extends to establishing ownership structures and facilitating registration in the preferred jurisdiction, complemented by additional services to maintain compliance.

Dixcart's corporate structuring assistance includes; accounting, secretarial, and ongoing corporate services, including directorships and filing essential returns.

Services Available from Dixcart

- Coordination and registration of the ship
- Assistance with the importation of the vessel into the EU, including any necessary customs arrangements
- Expertise on the relevant holding structure in the jurisdiction of choice
- Advice regarding a variety of tax incentives that may be applicable, including advice on VAT and corporate tax
- Administration and management of day-to-day operations, including accounting and secretarial services, monitoring costs, budgets and cash flow in relation to assets, and any statutory requirements
- Additional services, such as directorships or the provision of corporate office holders
- Assistance with crewing, including payroll and crew contracts

Choosing the Right Jurisdiction

Different jurisdictions offer unique advantages for ship registration, ranging from tax incentives to the regulatory framework. Research, planning, and professional advice are crucial in selecting the jurisdiction that best aligns with the owner's objectives.

Dixcart provides professional advisers and clients with the necessary expertise to make informed decisions and maximise the benefits of ship registration. We offer direct experience and expertise in ship registration across the following jurisdictions, where Dixcart has offices; Cyprus, Guernsey, Isle of Man, Madeira (Portugal), and Malta.

Ship Registration in Cyprus- Features and Advantages

Cyprus has emerged as an attractive jurisdiction for ship registration, offering competitive advantages such as favourable tax provisions, low registration fees, and a growing shipping registry with international recognition. The Cyprus shipping registry has made significant strides in enhancing the quality of its fleet and related services.

Cyprus is now on the Paris and Tokyo MoU's whitelist. Its benefits include VAT exemption on international transport outside the EU, income tax exemption for crew, and a competitive corporate tax rate. Cyprus offers a compliant tonnage tax system, protection for financiers, and adherence to maritime conventions. With competitive costs, Cyprus ship registration is an attractive choice in the industry.

Cyprus offers tax exemptions to international transport services, including VAT exemptions for operations outside the EU, and tax-free crew income on Cypriot vessels. Introduced in 2010, Cyprus operates under a tonnage tax system, aligned with EU standards and calculated based on net tonnage. This system replaces corporate tax, allowing mixed activities within groups.

Tax advantages also include exemptions for; dividend income, foreign profits, and withholding tax on income repatriation. Competitive registration costs further boost Cyprus' appeal as a maritime hub.

If you would like further information regarding Ship Registration in Cyprus, please contact advice.cyprus@dixcart.com

Ship Registration in Guernsey- Features and Advantages

Guernsey's reputable ship registry, coupled with its membership of the Red Ensign Group, ensures stability, tax efficiency, and regulatory compliance for registered ships. With streamlined administrative processes and access to a respected flag, Guernsey provides an attractive environment for ship owners looking for reliability and professionalism.

Guernsey's rich maritime history continues with specialist services available to the marine industry. The registry accommodates vessels up to 150 gross tonnages, including pleasure yachts, with potential future tonnage increases. Commercial vessels of up to 24 meters in load line length can register, provided they comply with safety regulations. Efficient payroll solutions are also available, which comply with the Maritime Labour Convention, 2006.

If you would like further information regarding Ship Registration in Guernsey, please contact advice.guernsey@dixcart.com

Ship Registration in Madeira (Portugal)- Features and Advantages

Madeira, as part of Portugal, offers a credible option for ship registration with EU compliance, VAT advantages, and tax incentives for ship owning companies. With its competitive advantages and strategic location, Madeira provides a valuable opportunity for ship owners seeking efficiency and flexibility in their operations.

The International Shipping Register of Madeira (MAR) was established in 1989 as part of the Madeira International Business Centre ("MIBC") "package" of taxation benefits. Vessels registered with MAR carry the Portuguese flag and are subject to the International Treaties and Conventions entered by Portugal. MAR is recognised for its high standards, EU credibility, and inclusion in the Paris MOU whitelist, ensuring reliable maritime operations.

Ship-owners registering vessels in MAR face no nationality restrictions and do not need a head office in Madeira; it is sufficient to have local legal representation with adequate powers. With just 30% of safe manning required to be "European", flexible crew arrangements are allowed, with possible derogation if justified. Crew wages are exempt from income tax and social security charges in Portugal.

Additionally, MAR offers a flexible mortgage system, letting parties select the governing legal system for mortgage terms. Competitive registration fees, no annual tonnage taxes, and temporary registration options, such as bareboat chartering, are also available.

Shipping companies licensed in MAR enjoy a reduced 5% corporate tax rate until 2027. They also receive automatic VAT registration. Additionally, they benefit from exemptions on withholding taxes and capital gains tax under certain conditions. MAR also enables access to all Portuguese Double Taxation Treaties and Investment Protection Treaties, further enhancing tax advantages.

If you would like further information regarding Ship Registration in Madeira, please contact advice.portugal@dixcart.com

Ship Registration in Malta- Features and Advantages

Malta boasts the largest shipping register in Europe, offering a wide range of benefits for registered ships. From preferential treatment in ports to adherence to international conventions, Malta provides a comprehensive framework for ship owners seeking reliability and regulatory compliance. Additionally, Malta offers various tax incentives and exemptions, making it an attractive jurisdiction for ship registration.

The Malta registry is on the Paris MOU and Tokyo MOU whitelists, with no trading restrictions for vessels under the Maltese flag. The Maltese Shipping Tonnage Tax System provides tax dependent on tonnage, with exemptions for shipping activities. Ship management activities are now included in the tonnage tax system, exempting income derived from such activities.

Under the Malta Tonnage Tax System, taxation is determined by the size of vessels owned by a specific ship-owner or manager involved in maritime transport, following Maritime Guidelines. Unlike standard corporate tax rules, shipping operations are subject to an annual tax that includes a registration fee and annual tonnage charge, which decreases as the vessel ages. Fees depend on the vessel's size, with younger ships receiving discounts and those aged 25-30 years incurring the highest charges.

If you would like further information regarding Ship Registration in Malta, please contact advice.malta@dixcart.com

Conclusion and Contact Details

Selecting the right jurisdiction and professional adviser, such as Dixcart, for ship registration is essential for maximising benefits and ensuring compliance with regulatory requirements.

Dixcart Air Marine, with its expertise and global presence, offers tailored solutions to meet the unique needs of ship owners. Whether attracted to; Cyprus, Guernsey, Isle of Man, Madeira (Portugal), or Malta, ship owners can rely on Dixcart to provide expert guidance and practical solutions throughout the registration process.

If you would like further information regarding [Ship Registration](#), and aren't sure on which jurisdiction, please contact advice@dixcart.com for assistance.