



BERMUDA

EXEMPTED UNDERTAKINGS TAX PROTECTION ACT 1966

1966 : 41

[preamble and words of enactment omitted]

Interpretation

1 In this Act—

“exempted undertaking” means—

- (a) an exempted company within section 127 of the Companies Act 1981 [title 17 item 5]; or
- (b) an exempted partnership within section 2 of the Exempted Partnerships Act 1992 [title 17 item 26]; or
- (c) an exempted unit trust scheme; or
- (d) an exempted LLC within section 21 of the Limited Liability Company Act 2016;

“exempted unit trust scheme” means an arrangement made for the purpose, or having the effect, of providing, for persons having funds available for investment, facilities whereby those persons may participate as beneficiaries under a non-resident trust in profits or income arising from the acquisition, holding, management or disposal of any property whatsoever;

“Minister” means the Minister of Finance.

“non-resident trust” means a trust of which the trustee has been designated under the Exchange Control Regulations 1973 [title 16 item 1(a)] as not resident in Bermuda;

[section 1 amended by 1992 : 66 effective 8 August 1992; amended by 2016 : 40 s. 258 effective 1 October 2016]

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Minister may give assurance

2 (1) The Minister is hereby authorized to enter into an arrangement with any exempted undertaking that shall make application to the Accountant-General therefor, whereby such undertakings may be given an assurance that, in the event of there being enacted in Bermuda any legislation imposing tax computed on profits or income or computed on any capital asset, gain or appreciation, then the imposition of any such tax shall not be applicable to such undertakings or to any of its operations.

(1A) Any such assurance as is referred to in subsection (1) issued—

- (a) prior to 1 January 2024, is subject to the application of the Corporate Income Tax 2023 and the imposition of any tax pursuant thereto; and
- (b) after 1 January 2024 shall not apply to the imposition of any tax pursuant to the Corporate Income Tax 2023.

(2) Any such arrangement as is referred to in subsection (1) may include an assurance that the aforesaid taxes, and any tax in the nature of estate duty or inheritance tax, shall not be applicable to the shares, LLC interest, debentures or other obligations of such undertaking.

(3) Any such assurance as aforesaid may be for any period not extending beyond 31 March 2035 and may be in such form as the Minister may determine.

[Section 2 subsection (3) amended by 2011 : 12 s. 2 effective 25 March 2011; subsection (2) amended by 2016 : 40 s. 258 effective 1 October 2016; Section 2 subsection (1A) inserted by 2023 : 35 s. 51 effective 1 January 2025]

Application to residents of Bermuda

3 In the event of the enactment of any legislation in Bermuda imposing any tax referred to in this Act, then nothing contained herein shall be construed so as to prevent the application of any such tax to such persons ordinarily resident in Bermuda to whom it is appropriate that such tax should be applied.

Repeal

4 *[omitted]*

[Assent Date: 29 March 1966]

[Amended by:

1970 : 270
1971 : 83
1973 : 103
1987 : 17
1988 : 20

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1992 : 66
2011 : 12
2016 : 40
2023 : 35]