



Issue 34, April 2019



WELCOME!

We are excited to bring you this edition of the Liberian Corporate Registry Newsletter!

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Updates From The Liberian CORPORATE REGISTRY

THE QUESTION ON "ECONOMIC SUBSTANCE"

The key words "economic substance" have been in circulation ever since the EU published their blacklist of in tax matters non-compliant jurisdictions. In response, many low corporation tax countries introduced a new Act, which requires non-resident entities to show substantial economic presence and activity in their jurisdictions. In short, the corporations must show physical premises and that they have an adequate level of employees and expenditure in the jurisdiction.

As Liberian non-resident entities are not authorized to conduct business within Liberia, they are not able to claim tax residency in the country. Economic substance typically applies to offshore entities that claim tax residency in the relevant jurisdiction.

Furthermore, Liberia became a member of the BEPS (Base Erosion and Profit Shifting) Inclusive Framework in the year 2016. This [published list](#) allows interested jurisdictions, such as Liberia, to work with the OECD and G20 members to ensure that profits are taxed where economic activities generating profits are performed and where value is created. As a member, Liberia is required to develop a monitoring process for the four minimum standards, as well as put the review mechanisms in place for other elements of the BEPS package.

For more information on how a Liberian entity can help please contact us at corporate@liscr.com



#177148211

THE LIBERIAN REGISTRY

is recognized by the USCG
with **QUALSHIP 21**
for 2019-2020



LIBERIAN REGISTRY
ALL FLAGS ARE NOT ALIKE

LIBERIAN FLAG ADDED TO QUALSHIP 21

The Liberian flag has been included in the United States Coast Guard's (USCG) QUALSHIP 21 (QS21) roster for 2019-2020. QS21 recognizes vessels and flag states which have successfully met specified safety and quality requirements and regulations when calling at ports in the United States.

Click [here](#) for more information including the *official Press Release*.



CHECK THE BOX

The Registry is often asked whether for United States income tax purposes, a Liberian limited liability company (LLC) may elect to be treated as an entity other than a corporation (that is, as a partnership or 'disregarded entity') so that it can take advantage of the passthrough of business gains and losses permitted by the US Tax Code. The short answer is: yes! A Liberian LLC is not considered a *per se* corporation and is therefore eligible to check the box, and specify non-corporation when completing Form 8832.

It has further been confirmed in IRS private letter rulings that if a foreign entity qualifies as a *per se* corporation, it can be converted to a new type of entity (under the laws of that same foreign country) which would then be eligible to "check the box" and change its classification for US tax purposes under 301.7701-3.

If a Liberian corporation converts to a Liberian LLC, it would no longer be a *per se* corporation, and thus would be eligible to elect its status for US tax purposes.

Click [here](#) to find more information about our LLC structure.

LIBERIAN CORPORATE REGISTRY

May 12-15, 2019 in
Nassau, Bahamas

STEPCARIBBEANCONFERENCE.COM

The Liberian Corporate Registry is a
proud sponsor of the 20th Annual
STEP Caribbean Conference.

Please stop by our booth.



MEET THE LIBERIAN CORPORATE REGISTRY!

We are happy to announce that the Liberian Corporate Registry is a proud sponsor of the 20th Annual STEP Caribbean Conference this year!

The event will be held in Nassau, Bahamas from May 12th - 15th 2019 under the theme "Mind the Gap: Future-Proofing IFCs". For more information on the STEP Caribbean Conference please visit:
www.stepcaribbeanconference.com

Please stop by our booth and say hello to our team!



LOOKING FOR A 'NEW' JURISDICTION? BRING YOUR NEXT INCORPORATION REQUEST TO US!

With 70 years of experience, Liberia is one of the oldest offshore jurisdictions. However, due to economic and political challenges of the 1990's, Liberia's status as a preferred jurisdiction fell to the wayside. Fortunately, Liberia has overcome many of the economic and political problems, which have blighted its past. The increasing international recognition of Liberia's dramatic turnaround is evident – most significantly by the June 2017 confirmation of Liberia's membership in OECD's Inclusive Framework on BEPS.

Recent attacks on the high profile offshore financial centers by the OECD and certain leaders of the G20 have driven professional service providers to seek out new jurisdictions. Many have discovered Liberia, a 'new' jurisdiction, with over a half-century record of accomplishment of providing professional services to the world's financial and investment communities.

Liberian corporations are at the core of well-established private and public investments in all major financial sectors resulting in a significant percentage of global business activity conducted through Liberian entities. Liberia is also home to the world's second-largest ship registry, with a current fleet of over 4,100 vessels of around 150 million gross tons.

For all of your future corporate needs, choose LIBERIA!

See also our supporting article [Why Liberia Now?](#)

BLOG



Follow our blog for exciting news and developments.

You can subscribe to the blog's news feed here:

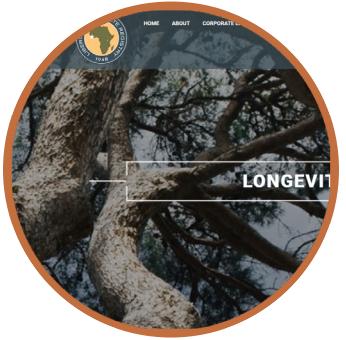
[RSS Link](#)

eCORP



Take a look at the Corporate Registry's state-of-the-art web-based client interface

WEBSITE



Take a look at the Corporate Registry's state-of-the-art web-based client interface

CONTACT DETAILS

FEEL FREE TO CONTACT US USING THE FOLLOWING EMAIL ADDRESSES BELOW:

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