Moving to the Cayman Islands

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Boasting an enviable lifestyle, modern infrastructure and a highly sophisticated financial services industry and all within a short flight of Miami and other US cities, the Cayman Islands check all the boxes for individuals seeking to relocate to a tax-neutral jurisdiction. As a result, the Cayman Islands have evolved into an increasingly popular place of residence for retirees, senior executives and high-net-worth individuals from around the world.

For residency by investment, there are five main options to consider, each of which is summarised below.

The first two categories, which require an investment in real estate, are the most common and straightforward routes to residency. However, for applicants who either have business interests in Cayman or are looking to establish or relocate their existing business, other options are available which do not require investment in real estate (these being options 3-5 listed below).

The application process for each option is relatively straightforward (subject to compiling the requisite documentation) and applications will generally be processed in a matter of months.

Benefits of Moving to the Cayman Islands

- Its convenient location allows for direct flights to the USA, UK and Canada
- The jurisdiction's judicial system is based on that of England, with final appeal to the Judicial Committee of the Privy Council (JCPC) in London. It also offers modern and flexible trust law based on English common law
- A quality education system with private and public schools offering a choice of British and American curricula
- Economically and politically stable English-speaking British overseas territory with modern infrastructure and high standards of living
- There are no income, profit or capital gains taxes
- Modern healthcare infrastructure with four hospitals and numerous speciality clinics

1. Residency certificate for persons of independent means

Eligibility requires the following:

Income | applicants must demonstrate a continuous source of annual income of at least US$147,000[1] (not sourced from employment in Cayman), or alternatively that they have a minimum deposit of US$488,000 in a Cayman licensed institution (i.e. a Cayman bank).

Investment | applicants are required to invest a minimum of US$1.22 million in the Cayman Islands (of which at least US$610,000 must be in developed real estate).

Once approved, applicants together with their spouse/civil partner and any dependant children, have the right to reside in Cayman for a renewable period of 25 years, but do not have the right to work in Cayman.[2]

The government fees are as follows:

US$610	for the initial application;
US$60,975	payable upon grant of the certificate; and
US$3,660	per annum for each accompanying dependant.

2. Certificate of permanent residence for persons of independent means

Eligibility requires the following:

Income | applicants must demonstrate sufficient financial resources to maintain themselves and their dependants.

Investment | applicants must invest a minimum of US$2.44 million in developed real estate.

This category differs from the residency certificate (described as option 1 above) in that the holder will eventually hold full permanent residence in the Cayman Islands. A Certificate of Permanent Residence for Persons of Independent Means is initially issued for a period of ten years, without the right to work (although this may be varied). No more than one year before the end of the ten-year period, holders may apply for the Certificate to be renewed indefinitely. After continuing to hold the Certificate that has been renewed indefinitely for a period of at least one year, the holder may apply for a certificate of naturalisation or registration under the British Nationality Act, 1981 (subject to meeting the applicable residency and absence requirements), and thereby become a British Overseas Territories Citizen ("BOTC") and obtain a BOTC (Cayman Islands) passport. Then, after having been a BOTC and having been legally and ordinarily resident in the Islands for at least twenty years, or for at least ten years after the receipt of the certificate of naturalisation or registration, the holder can apply for the right to be Caymanian. A BOTC may also apply for registration as a British Citizen.

The government fees are as follows:

US$610	for the initial application;
US$243,900	payable upon grant of the certificate; and
US$3,660	per annum for each accompanying dependant.

[1] Amounts are converted to USD as the applicable requirements and government fees are imposed in Cayman Islands dollars (US$1=CI$0.82).

*Financial requirements listed in this memorandum apply to Grand Cayman, lesser amounts are applicable to persons wishing to reside in Little Cayman or Cayman Brac.

[2] They can however be authorised to work through the grant of a work permit.

3. Certificate of direct investment

Eligibility requires the following:

Investment | applicants must invest a minimum of US$1.22 million in an "employment generating business" in Cayman. The business may be a new or existing venture but generally at least 30% of the total number of employees must be Caymanian. The applicant must also have 'substantial management control' of the business.

Background | the applicant must also show a substantial business track record or an entrepreneurial background, including specific professional, technical and other knowledge relevant and necessary to carry on the pertinent business.

Approved applicants have the right to reside in Cayman for a renewable period of 25 years and to work in the business that they invested in. The applicants' dependants may also reside in Cayman, however will not ordinarily have work rights.[3] Furthermore, holders of this certificate must in fact be physically present in Cayman for a minimum of 90 days per calendar year.

The government fees are as follows:

US$1,220	for the initial application;
US$60,975	payable upon grant of the certificate;
US$3,660	per annum for each accompanying dependant; and an

Annual fee equivalent to that paid by a work permit holder in the same occupation (such fees vary but are often in the range of US$20,000-30,000)

4. Residency certificate (substantial business presence)

Eligibility requires the following:

Ownership | applicants must own at least 10% of an approved category of business which has a substantial presence in Cayman. Approved categories include fund administration, brokerage services, investment banking, financial trading, family office, hedge fund incubation and various other similar categories.

or

Employment | applicants must be employed in a senior management capacity[4] within an approved category of business.

Approved applicants will have the right to reside in Cayman together with their spouse/civil partner and any dependant children for a renewable period of 25 years. Furthermore, holders of this certificate must be physically present in Cayman for a minimum of 90 days per calendar year.

The government fees are as follows:

US$1,220	for the initial application;
US$15,245	payable upon grant of the certificate;
US$3,660	per annum for each accompanying dependant; and an

Annual fee equivalent to that paid by a work permit holder in the same occupation varies.

5. Establishing a business in the Special Economic Zone (SEZ)

For individuals relocating a specific business to Cayman, work and residency permits can be obtained as the employee of a licensed SEZ business. The types of businesses that can be licensed in the SEZ include: (1) commodities & derivatives; (2) science & technology; (3) media; (4) internet; and (5) maritime & aviation.

Employees of licensed SEZ businesses may be granted work and residency permits for up to five years at a time (which can be processed in as little as five days). Their dependants will also be granted the right to reside in Cayman. Economic zone work permits are US$1,500 per applicant.

More information about Cayman's SEZ (referred to as "Cayman Enterprise City") is available at this link.

[3] They can however be authorised to work through the grant of a work permit.

[4] Senior management capacity means that the person will be employed in an occupation which attracts an annual work permit fee of US$25,520 or above, or US$6,100 if the business is operating from within Cayman Brac providing Human Resource, Accounting, Administrative, IT, or other back-office support to businesses in Cayman Brac and elsewhere.

Conyers can provide you with advice and assistance that is tailored to your specific needs and objective on private wealth and estate planning, immigration and residency options.

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