

Setting up a Dominican Republic subsidiary is necessary before you take any other action. You need the subsidiary infrastructure for everything from running payroll to paying your new employees. However, it takes most companies weeks or months to establish a subsidiary, which can significantly impact their desired start time.

Globalization Partners strives to make global expansions simple as a global PEO. When you opt for Dominican Republic subsidiary outsourcing with us, you won't need to establish your own subsidiary — you can use ours. This change will help you start working in as little as a day or two, and you won't need to learn any Dominican Republic subsidiary laws.

## **How to Set up a Dominican Republic Subsidiary**

Many companies choose to set up a Dominican Republic subsidiary because of the country's social, political, and economic stability. Its strategic location in the Caribbean, as well as a strong transportation and telecommunications infrastructure, will allow you to connect with other countries in Latin America and the Caribbean. You'll also have access to a competitive and qualified workforce that can help build your company.

When it comes to setting up a Dominican Republic subsidiary, you need to decide what type of company is best for your needs. Most entrepreneurs prefer to establish a limited liability company (LLC) or Sociedad de Responsabilidad Limitada (S.R.L.). This structure provides the most benefits and ease of incorporation, but you can also choose to establish a simplified limited company, public limited company, branch, or representative office.

The Dominican Republic subsidiary setup process includes the following steps:

- Drafting and filing a registration request with the Dominican Trademark Office to obtain a trade name for your company
- Drafting by-laws and other incorporation documents
- Paying 1% incorporation taxes on the company's registered capital
- Preparing a business register application and filing it with your company incorporation documents
- Preparing and filing a request to obtain a Tax Identification Number

- Enrolling employees in the social security program and with the ministry of labor
- And more

## **Dominican Republic Subsidiary Laws**

LLCs in the Dominican Republic require a minimum share capital of only \$2,300 to incorporate. The setup process requires at least one director, who must be an individual, as well as two shareholders of any nationality. Shareholders can be individuals or corporate bodies and do not have to live in the Dominican Republic.

As an LLC, you'll need to submit annual financial statements to the local tax authorities. While you don't need to appoint a statutory auditor, you must have your accounts annually audited each year.

## **Benefits of Going Through the Dominican Republic Subsidiary Setup Process**

Incorporating in the Dominican Republic will give you several benefits, the biggest being that you can work in the country legally. LLCs also protect the parent company and shareholders, since shareholders are limited in liability based on how much they contribute. You can also run your subsidiary somewhat independently of your parent company.

Globalization Partners can help you take advantage of even more benefits through Dominican Republic subsidiary outsourcing. We'll help you work in as little as a day or two through our existing infrastructure. Our team will handle payroll, hiring, compensation, and benefits all on your behalf. Since we act as the Employer of Record, we'll handle Dominican Republic subsidiary laws, so you can manage your day-to-day activities.

## **What You'll Need to Succeed**

Companies beginning the Dominican Republic subsidiary setup process can benefit from a clear plan of action. If you don't have a Dominican Republic subsidiary law expert in your company, you'll need to find someone who can help you avoid fines or delays. Employing the

services of a lawyer, accountant, or other expert will ensure that you stay compliant.

It's also a good idea to collaborate with other members of your team during the planning phase. Talk to your accounting department to determine exactly how much money you'll need for your subsidiary. Then, talk with other company executives to decide who will handle what tasks.

### **Count on Us for Your Expansion**

Globalization Partners can handle all aspects of your expansion for you, so you can spend your time growing your bottom line. [Contact us today](#) to learn more about Dominican Republic subsidiary outsourcing.