

Choosing Oman as the next location for your company is a great move that will help you form important business relationships in the Middle East. However, the next few weeks and months of an expansion are some of the most challenging. You have to learn how to set up an Oman subsidiary, follow Oman subsidiary laws, and continue to run your company back at home.

Globalization Partners can help make your expansion easier through Oman subsidiary outsourcing. As a global PEO, we have subsidiaries all over the world that we can use to help you start working in Oman faster. We take care of hiring talented employees, running your payroll, and sourcing benefits and compensation, so your only focus can be on growing your company across borders.

How to Set Up an Oman Subsidiary

Setting up an Oman subsidiary needs to start by answering some questions about your company. We recommend starting with the location of your physical office. Different regions or areas in Oman may have their own subsidiary laws that can impact your incorporation. That's why it's always a good idea to research these areas before incorporating.

A subsidiary can take the form of several different structures depending on your business goals and needs. Oman subsidiary laws will allow you to incorporate as a limited liability company (LLC), joint stock company, branch, commercial agency, or commercial representative office. Many companies choose to incorporate as an LLC because of the benefits it offers both the subsidiary and the parent company.

The steps to set up an Oman subsidiary include the following:

- Paying your initial capital deposit at the bank
- Registering with the Ministry of Commerce and Industry for the Commercial Registry
- Notifying the Finance Ministry of your incorporation and tax obligations
- Registering employees for social insurance
- Making a company seal
- Posting your registration procedures

Oman Subsidiary Laws

Whatever type of subsidiary you choose, you must follow all of Oman's subsidiary laws. The regulations and laws vary by entity, so you need to research the applicable laws after you set up your Oman subsidiary. LLCs require at least one Omani partner with a minimum of 30% shareholding. However, companies owned 100% by GCC shareholders do not need a local Omani partner.

Each shareholder has limited liability based on the capital they've invested. You'll need at least two shareholders but no more than 40 to set up your Oman subsidiary as an LLC. However, LLCs do not have a minimum share capital requirement to worry about, which can help your company shorten the process and the requirements.

Benefits of Setting Up an Oman Subsidiary

Once you learn how to set your Oman subsidiary up and complete the process, your company will be ready to start working in the country. Your parent company will incur limited liability from the subsidiary, protecting it from any costly litigation. Plus, your subsidiary can create its own company culture and regulations based on Oman's overall culture.

However, incorporating as an LLC in Oman can take weeks or months, setting companies back and causing talented job candidates to look for other open positions. Globalization Partners offers Oman subsidiary outsourcing to help companies work productively in Oman from the start. We take on all the risk as an Employer of Record, and we'll use our existing subsidiary to help you start working in a few days.

Other Important Considerations

Since the Oman subsidiary setup process can take a significant amount of time, we recommend setting aside the time and money you need to incorporate successfully. Always research the costs of each step of the process ahead of time and work with your accounting department to budget the right amount for the total cost. Then, you should free up your schedule to travel back and forth to Oman. Alternatively, you can work with another company

executive who will oversee your expansion.

Let Globalization Partners Help With Your Expansion

If you're looking for an easier way to expand to Oman than setting up your own subsidiary, Globalization Partners can help. Our Oman subsidiary outsourcing services will help you save time and avoid the stress of compliance. Contact us today to learn more and begin this much easier process.