

The first and most difficult step of an expansion is establishing a subsidiary. You have to incorporate in Seychelles before you can start operating, including setting up your payroll, hiring employees, and giving out compensation and benefits. However, the incorporation process can take a significant amount of time and limit the work you have time for with your parent company.

Globalization Partners is a global PEO that can change how you expand to a foreign country. You won't have to set a subsidiary up when you work with us. Instead, we'll use our existing subsidiary and Employer of Record solution to make an expansion easier from the start and take the stress of compliance off your shoulders and onto our own.

## **How to Set up a Seychelles Subsidiary**

Before you start figuring out how to set up a Seychelles subsidiary, it can help to decide on some important factors. Your location within Seychelles matters, as different cities or regions have their own Seychelles subsidiary laws. We recommend researching your desired location before settling on a physical office space to see how easy or difficult an expansion would be there.

A subsidiary in Seychelles can take on many forms, including an offshore company, special license company, limited liability company (LLC), or branch office. Each structure has its own rules and regulations that will impact what level of work you can do in Seychelles. Many companies choose to incorporate as an LLC since it benefits both the subsidiary and the parent company.

Setting up your Seychelles subsidiary as an LLC will include the following steps:

- Filing information about the parent company, including a copy of the certificate of incorporation with the Companies Register
- Drafting articles of association and filing them
- Providing information about the subsidiary's directors and company secretary
- Receiving a receipt after paying registration fees
- Opening a local bank account to pay employees

## Seychelles Subsidiary Laws

Seychelles' subsidiary laws depend on the entity chosen. LLCs require a minimum of \$1 in paid-up capital as well as certain executives, including:

- Two shareholders who can be corporations and non-residents
- Two individual resident directors
- One resident company secretary

Every subsidiary in Seychelles must pay corporate income tax of 33% on its earnings. Once you set up your Seychelles subsidiary as an LLC, you can trade in all sectors with residents and non-residents as long as you get the right license for regulated industries.

## Benefits of the Seychelles Subsidiary Setup Process

Although it can take weeks or months to set up your Seychelles subsidiary, the process will allow you to start working in the country. LLCs also benefit the parent company, as it will have limited liability from the subsidiary and won't have to worry about any costly litigation or other issues. The subsidiary is also free to operate separately from the parent company and institute a company culture that matches Seychelles' culture.

Globalization Partners offers these benefits and more through Seychelles subsidiary outsourcing. We can use our Employer of Record platform to help you start working in Seychelles in just a few days. We'll also take on all compliance, so you can run your company without worrying about Seychelles subsidiary laws. Your employees will have a better hiring experience as a result, and you can be productive from day one.

## What Companies Need to Establish a Subsidiary

If you decide to set up a subsidiary on your own, you should set aside the time and money you'll require to succeed. You'll need to understand all of Seychelles' subsidiary laws to stay compliant. If you don't already have someone in your company who's well-versed in these laws, you should either choose someone within your company to learn them or work with a

consultant or lawyer.

We also recommend clearing your schedule for the month-long or longer period you'll need for the Seychelles subsidiary setup process. If you don't have the time to help with incorporation, work with another company executive who can travel back and forth to Seychelles. Certain steps of the process also involve fees, so you should work with your finance department ahead of time to set aside the funds for a successful incorporation.

### **Globalization Partners Can Help**

Globalization Partners will work to help make your expansion a breeze through Seychelles subsidiary outsourcing. Contact us today to learn more.