

Bermuda's Corporate Income Tax – The Basics

Who pays

Multinational Enterprise Groups (MNEs) with consolidated annual revenue of at least €750 million.

Tax rate

15% for in-scope MNEs in Bermuda.

Effective date

January 1, 2025, allowing MNEs sufficient time to transition to the new tax regime.

Why the Gov't introduced it

In 2025 the Organisation for Economic Cooperation and Development's (OECD) Pillar II rules will take effect, implementing a mandatory 15% Global Minimum Tax (GMT) on MNEs' profits around the world. Bermuda's CIT ensures that taxes on profits generated in Bermuda will be paid to Bermuda rather than another jurisdiction under the GMT.

Revenue impact

The corporate income tax will generate additional revenue for the Government that may be used to reduce the cost of living and doing business in Bermuda, improve infrastructure and otherwise support the competitive position of Bermuda as a place to live and work.