

Q2 2007

BAHRAIN MAKES STRIDES AS AN ALTERNATIVE TO DUBAI

The Gulf kingdom of Bahrain is stepping out from the shadows cast by its neighbour Dubai. The Gulf's first financial centre, Bahrain boasts a vibrant local economy with no corporate taxes, and is also located next to the region's largest market, Saudi Arabia. Foreign investors can now set up an offshore company in Bahrain without the need for a 51% local shareholder. For more information on Healy Consultants' Bahrain Company Formation services, please follow [this link](#).

CHINA TO UNIFY TAX RATE AT 25% FROM JANUARY 1, 2008

China is set to unify corporate tax rates across the country from January 1, 2008. Under the new Corporate Income Tax Law, the standard tax rate both foreign and domestic companies will be 25%. At present, foreign investors in China's special economic zones and other industrial parks enjoy tax rates as low as 10% while domestic businesses pay 33%. Although the new law will abolish the two-year full tax exemption and three-year partial tax exemption which foreign manufacturers currently enjoy, many analysts think China's abundant human resources, improving infrastructure and huge local market will continue to see investment pour in.

HONG KONG STILL THE WORLD'S FREEST ECONOMY.....

Hong Kong has again been ranked the world's freest economy in the *2007 Index of Economic Freedom* published by the US-based Heritage Foundation. Asia Pacific fares well, with Singapore in second place, Australia third and New Zealand fifth. Other notable jurisdictions ranking well include Ireland in seventh and Luxembourg in eighth. However, the United Arab Emirates (UAE) fared less well, ranking at 74th. To view the survey results, click [here](#).

..... BUT IS THE CITY'S REPUTATION GOING UP IN SMOKE?

In its *2007 Worldwide Quality of Living Survey*, published recently by Mercer Human Resources, Hong Kong ranked at 117th best city in the world in which to live, trailing the Asia Pacific's highest-ranked city, Singapore, by a whopping 67 places. The decline in Hong Kong's quality of living has been attributed to worsening air pollution in the Special Administrative Region, and the problem has also spilled over into business confidence – Merrill Lynch recently cut share ratings of three office property companies in the city due to concerns that professionals would start leaving the city to escape the smog. "The air quality in Hong Kong is now regularly so poor that the long-term competitiveness of this city state is, in our minds, in some doubt," said one official at Merrill Lynch.

SINGAPORE THE EASIEST PLACE TO DO BUSINESS

Singapore has been ranked as the easiest place in the world to do business, according to the *Doing Business* survey by the World Bank. Taking into account factors such as the ease of starting a business, dealing with licenses, employing workers, registering property and getting credit, Singapore outscored New Zealand, the US, Canada and Hong Kong. To view the results, click [here](#).

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DEMAND FOR INDIA COMPANY FORMATION GROWS

An Indian company is an excellent way for foreign investors to tap the opportunities of the booming Indian domestic market. Through Healy Consultants' affiliate office in India, the process of setting up a business in the country has been streamlined so that our Clients do not need to visit India at any stage to complete incorporation or open an India corporate bank account. Healy Consultants can also advise on the tax incentives available to foreign investors in India, as well as provide accounting and tax services. For more information, visit [this webpage](#).

HUNGARY? INVESTORS GET A TASTE OF NEW EUROPE

Foreign investors looking to set up a holding company in Europe in now have a new jurisdiction to consider. The Hungarian Resident Company (HRC) benefits from a maximum corporate income tax rate of just 16%, and there are no withholding taxes or capital gains tax. Hungary is a fully-fledged member of the European Union (EU), is not considered an 'offshore' tax haven, and details of beneficial ownership are not available for public viewing. For more information on the advantages of setting up a company in Hungary, [contact us](#).

MADEIRA OFFSHORE COMPANY AN EXCELLENT OPTION

Companies incorporated in the International Business Centre (IBC) Zone of the Portuguese island of Madeira can avail of a wide range of tax advantages. All companies licensed to operate in the IBC Zone prior to 31 December 2000 enjoy 100% tax exemption until 31 December 2011. Companies licensed after this date enjoy a preferential tax rate. A Madeira offshore company can also take advantage of Portugal's network of double taxation treaties. [Contact us](#) for more information on Madeira company incorporation.

BROADCAST LICENCE SUCCESS FOR CLIENT

Healy Consultants achieved a company first in Q1 when an application for a Singapore broadcasting license on behalf of one of our Clients was approved by the Media Development Authority (MDA). Healy Consultants had prepared the application, including a detailed business plan, on behalf of our happy Client, who will now launch an Arabic-language satellite TV channel based in Singapore. To review other testimonials from some of Healy Consultants' satisfied Clients, please visit [this webpage](#).

HEALY CONSULTANTS TAKES AN ALTERNATIVE VIEW

The role of alternative investments was the theme of an article written by Healy Consultants and published on a financial publication website. The article, entitled *The Good Alternative*, highlighted the range of investment options open to international entrepreneurs and investors. To view the article, click [here](#).