BERMUDA

CORPORATE INCOME TAX (ADMINISTRATIVE) AMENDMENT REGULATIONS 2026

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The Minister of Finance, in exercise of the powers conferred by section 52 of the Corporate Income Tax Act 2023 and section 24 of the Corporate Income Tax Agency Act 2024 makes the following Regulations:

Citation

1 These Regulations, which amend the Corporate Income Tax (Administrative) Regulations 2025 (the "principal Regulations") may be cited as the Corporate Income Tax (Administrative) Amendment Regulations 2026.

Amends regulation 2

2 Regulation 2 of the principal Regulations is amended—

(a) by numbering the existing provision as paragraph (1);

(b) by inserting after paragraph (1) the following new paragraph (2)—

"(2) A reference to a "return" in these Regulations is a reference to the form prescribed by the Agency under these Regulations.

Amends regulation 6

3 Regulation 6 of the principal Regulations is amended in the marginal note by deleting after the word "register" the comma and the words "date convention".

Amends regulation 8

4 Regulation 8 of the principal Regulations is amended—

(a) in paragraph 2(c)(iii) by deleting after the words "the request for cancellation" the first time it appears, the full stop and substituting a comma;

(b) in paragraph 3(b) by revoking subparagraph (iii) and substituting the following new subparagraph (iii)—

"(iii) notwithstanding subparagraph (ii), other Bermuda Tax Resident Entities or Bermuda Permanent Establishments of the Bermuda Constituent Entity Group or In Scope MNE Group shall remain following the cancellation of the registration of the Bermuda Constituent Entity.".

Amends regulation 10

5 Regulation 10 of the principal Regulations is amended by inserting after paragraph (4) the following new paragraph (5)—

"(5) Adjusted tax payments of a Bermuda Constituent Entity Group for a fiscal year shall be applied to offset the following amounts incurred by the Bermuda Constituent Entity Group for the fiscal year, where applicable, in the following order—

(a) tax;

(b) interest in respect of underpayments of instalments, as determined in accordance with regulation 16;

(c) interest on underpayments, as determined in accordance with regulation 19;

(d) penalties assessed by the Agency, in the order in which such penalties have been assessed.”.

Amends regulation 10A

6 Regulation 10A of the principal Regulations is amended—

(a) by revoking paragraph (3) and substituting the following new paragraph (3)—

“(3) Where information or documentation is required to be filed pursuant to this regulation with respect to an instalment and such information or documentation is, in the opinion of the Agency, incomplete or incorrect, then such filing shall be deemed not to have been made prior to the date on which the information or documentation is correctly and fully submitted on behalf of the Bermuda Constituent Entity Group, and where paragraph (4) applies and where the information or documentation is correctly and fully submitted within 14 days of being notified by the Agency, then the filing shall be deemed to have been made on the date of the Agency notification.”.

(b) in paragraph (6) (a) by deleting after the word “due” the words “prior to” and substituting the words “on or before”;

(c) by inserting after paragraph (6) the following new paragraphs—

“(7) The Filing Bermuda Constituent Entity of a Bermuda Constituent Entity Group may amend, in the manner and form to be prescribed by the Agency, an original form previously filed pursuant to paragraph (1).

(8) For the purposes of paragraph (3), an amended form filed pursuant to paragraph (7) shall be regarded as having been filed—

(a) on the date on which the original form was previously filed, where—

(i) the amended form is filed prior to the date on which the Filing Bermuda Constituent Entity receives a notification from the Agency pursuant to paragraph (4) with respect to the original form; or

(ii) the amended form is filed on or after the date on which the Filing Bermuda Constituent Entity receives a notification from the Agency pursuant to paragraph (4) with respect to the original form, where the original form was not, in the opinion of the Agency, incomplete or incorrect; or

(b) in all other cases, the date on which the amended form was filed.

(9) The form specified in paragraph (1) may not be filed (or amended) with respect to an instalment for a fiscal year after the earlier of—

(a) the date on which the Bermuda Constituent Entity Group's return is filed for the fiscal year to which the instalment relates; or

(b) the original due date for the Bermuda Constituent Entity Group's return for the fiscal year to which the instalment relates.".

Amends regulation 11

7 Regulation 11 of the principal Regulations is amended—

(a) in paragraph (2) by deleting after the word "prescribe" the full-stop and by inserting after the word "prescribe" the following words "subject to any requirements imposed by the Agency to verify the existence of the account and the identity of the account owner" ;

(b) by revoking paragraph (5) and substituting the following new paragraph (5)—

"(5) Any amounts of tax due shall be rounded to the nearest cent, with amounts ending in 5 being rounded up to the nearest cent. "; and

(c) by inserting after paragraph (6) the following new paragraph (7)—

"(7) Notwithstanding any other provisions of these Regulations or the CIT Act, where the amount of tax due, determined in accordance with paragraph (5), for a fiscal year is less than $1, the amount shall be nil.".

Amends regulation 12

8 Regulation 12 of the principal Regulations is amended—

(a) by revoking paragraph (2) and substituting the following new paragraph (2)—

"(2) Where a Bermuda Constituent Entity Group—

(a) has a fiscal year which is more than 32 weeks but less than 52 weeks in length; or

(b) comprises exclusively one or more entities—

(i) which are treated as Bermuda Constituent Entities for a portion of the fiscal year which is less than 52 weeks in length; and

(ii) at least one of which is treated as a Bermuda Constituent Entity for a portion of the fiscal year which is more than 32 weeks in length, there shall be no requirement to pay the second instalment. ";

(b) by revoking paragraph (3) and substituting the following new paragraph (3)—

"(3) Where a Bermuda Constituent Entity Group—

(a) has a fiscal year which is 32 weeks or less in length; or

(b) comprises exclusively one or more entities which are treated as Bermuda Constituent Entities for a portion of the fiscal year which is 32 weeks or less in length,

there shall be no requirement to pay the first or second instalment.";

(c) in paragraph (5)—

(i) by deleting the word "overpayments" and substituting the words "tax payments";

(ii) by deleting after the word "Regulations" the following words "to set-off any payment obligation".

Amends regulation 13

9 Regulation 13 of the principal Regulations is amended—

(a) in paragraph 2(b) by deleting after the words "payment due" the words "prior to" and substituting the words "on or before";

(b) in paragraph (3)(b)(i)—

(i) by revoking subparagraph (A) and substituting the following new subparagraph (A)—

"(A) the amount specified in section 20(a) of the CIT Act was computed by reference to the net income or loss determined for the Bermuda Constituent Entity in preparing the profit and loss statement in the consolidated financial statements of the ultimate parent entity or the financial statements of the Bermuda Constituent Entity prepared in accordance with an approved accounting standard, applying section 21(1)(a) and (b) of the CIT Act to the former and latter respectively;";

(ii) in subparagraph (C) by deleting after the words and figure "full fiscal year;" the word "and";

(iii) in subparagraph (D) by deleting after the word "subparagraphs" the words and figures "(A), (B), and (C)" and substituting the words and figures "(A), (B), (C) and (E)".

Amends regulation 14

10 Regulation 14 of the principal Regulations is amended—

(a) in paragraph 2(b) by deleting after the words "payment due" the words "prior to" and substituting the words "on or before";

(b) in paragraph (3)(b)(i)—

(i) by revoking subparagraph (A) and substituting the following new subparagraph (A)—

"(A) the amount specified in section 20 (a) of the CIT Act was computed by reference to the net income or loss determined for the Bermuda Constituent Entity in preparing the profit and loss statement in the consolidated financial statements of the ultimate parent entity or the financial statements of the Bermuda Constituent Entity prepared in accordance with an approved accounting standard, applying section 21(1)(a) and (b) of the CIT Act to the former and latter respectively;";

(ii) in subparagraph (C) by deleting after the words and figure "full fiscal year;" the word "and";

(iii) in subparagraph (D) by deleting after the word "subparagraphs" the words and figures "(A), (B), and (C)" and substituting the words and figures "(A), (B), (C) and (E)".

Amends regulation 15

11 Regulation 15 of the principal Regulations is amended by revoking paragraph (1) and substituting the following new paragraph(1)—

"(1) At the election of a Filing Bermuda Constituent Entity (in the form and manner prescribed by the Agency), any portion of a tax payment attributable to—

(a) the first instalment or second instalment, or both, made with respect to the Bermuda Constituent Entity Group for the fiscal year; or

(b) any overpayment applied to the fiscal year pursuant to regulation 21(2)(a),

may be reallocated to another Bermuda Constituent Entity Group within the same In Scope MNE Group.".

Amends regulation 16

12 Regulation 16 of the principal Regulations is amended—

(a) by revoking paragraph (1) and substituting the following new paragraph (1)—

"(1) An underpayment arises in relation to an instalment where the required instalment exceeds the aggregate tax payments applied to the relevant instalment on or before the due date of the relevant instalment.";

(b) in paragraph 2—

(i) by revoking paragraph (a) and substituting the following new paragraph (a)—

"(a) beginning on the day succeeding the due date of the relevant instalment as provided under this Part; and".

(ii) by revoking paragraph (b)(i) and substituting the following new paragraph (b)(i)—

"(b) ending on the earlier of—

(i) the date on which a tax payment is applied to the underpayment, or a portion of the said underpayment;".

(c) by inserting after paragraph (3) the following new paragraphs—

"(4) For the purposes of paragraphs (1) and (2), tax payments for the fiscal year shall be applied—

(a) to the required first instalment for the fiscal year, where applicable, with any excess tax payments applied to the required second instalment for the fiscal year, where applicable; and

(b) in the order established by reference to the payment application dates determined in accordance with paragraph (5), such that the tax payments with the earlier application dates are applied prior to the tax payments with later application dates.

(5) For the purposes of paragraph (4)(b), the date on which a tax payment is applied for a fiscal year of the Bermuda Constituent Entity Group shall, in the case of—

(a) an overpayment allocated to the fiscal year from a prior fiscal year of the Bermuda Constituent Entity Group pursuant to regulation 21(2)(a), be the later of—

(i) the original due date for the Bermuda Constituent Entity Group's return for the prior fiscal year; or

(ii) the date on which the Bermuda Constituent Entity Group's return was filed for the prior fiscal year;

(b) an instalment payment made on behalf of the Bermuda Constituent Entity Group for the fiscal year, be the date on which the payment was credited to an account designated by the Agency for the deposit of tax payments;

(c) an instalment payment allocated to the Bermuda Constituent Entity Group from another Bermuda Constituent Entity Group pursuant to regulation 15(1)(a), be the date on which the original instalment payment was credited to an account designated by the Agency for the deposit of tax payments;

(d) a previously applied overpayment allocated to the Bermuda Constituent Entity Group from another Bermuda Constituent Entity Group pursuant to regulation 15(1)(b), be the later of—

(i) the original due date for the Bermuda Constituent Entity Group's return for the prior fiscal year; or

(ii) the date on which the Bermuda Constituent Entity Group's return was filed for the prior fiscal year;

(e) any other payment made on behalf of the Bermuda Constituent Entity Group on account of the tax for the fiscal year, be the date on which the payment was credited to an account designated by the Agency for the deposit of the tax payments.".

Amends regulation 18

13 Regulation 18 of the principal Regulations is amended by revoking paragraph (1) and substituting the following new paragraph (1)—

"(1) An underpayment arises in relation to a fiscal year where the sum of the tax for the fiscal year and interest in respect of underpayments (or non-payments) of instalments determined pursuant to regulation 16 for the fiscal year, exceeds the adjusted tax payments applied to the fiscal year of the Bermuda Constituent Entity Group on or prior to the original due date for its return for the fiscal year.".

Amends regulation 19

14 Regulation 19 of the principal Regulations is amended—

(a) by revoking paragraph (2) and substituting the following new paragraph (2)—

"(2) If notice and demand is made for payment of any underpayment, interest shall not be imposed under this regulation for the period after the date of the notice and demand to the extent that the underpayment is satisfied by the application of an adjusted tax payment within 21 days after the date of the notice and demand, and the Agency shall have no obligation to make such notice and demand.";

(b) in paragraph (3) by deleting the word "regulation" and substituting the word "Part";

(c) by revoking paragraph (4) and substituting the following new paragraph (4)—

"(4) The interest rates on any underpayment shall, for any calendar year, commencing with the year 2025, be fixed at the start of the calendar year as the sum of—

(a) 4% per annum; and

(b) the one year US dollar risk free spot rate published by the Bermuda Monetary Authority with respect to the calendar quarter immediately preceding the start of the calendar year, rounded to the nearest 0.5%.";

(d) in paragraph (5) by deleting after the word "compounded" the word "monthly" and substituting the word "daily";

(e) by revoking paragraph (6) and substituting the following new paragraph (6)—

"(6) For the purposes of paragraph (1) and regulation 18(1)(b), the date on which an adjusted tax payment is applied to the fiscal year of a Bermuda Constituent Entity Group shall, in the case of—

(a) an overpayment allocated to the fiscal year from a prior fiscal year of the Bermuda Constituent Entity Group pursuant to regulation 21(2)(a), be the later of—

(i) the original due date for the Bermuda Constituent Entity Group's return for the prior fiscal year; or

(ii) the date on which the Bermuda Constituent Entity Group's return was filed for the prior fiscal year;

(b) an overpayment allocated to the Bermuda Constituent Entity Group from another Bermuda Constituent Entity Group pursuant to regulation 21(2)(b), be the later of—

(i) the original due date for the Bermuda Constituent Entity Group's return for the fiscal year; or

(ii) the date on which the Bermuda Constituent Entity Group's return was filed for the fiscal year;

(c) total distributable tax credit benefits for the fiscal year, be the original due date for the Bermuda Constituent Entity Group's return for the fiscal year;

(d) an instalment payment made on behalf of the Bermuda Constituent Entity Group for the fiscal year, be the date on which the payment was credited to an account designated by the Agency for the deposit of tax payments;

(e) an instalment payment allocated to the Bermuda Constituent Entity Group from another Bermuda Constituent Entity Group pursuant to regulation 15(1)(a), be the date on which the original instalment payment was credited to an account designated by the Agency for the deposit of tax payments;

(f) a previously applied overpayment allocated to the Bermuda Constituent Entity Group from another Bermuda Constituent Entity Group pursuant to regulation 15(1)(b), be the later of—

(i) the original due date for the Bermuda Constituent Entity Group's return for the prior fiscal year; or

(ii) the date on which the Bermuda Constituent Entity Group's return was filed for the prior fiscal year;

(g) any other payments made on behalf of the Bermuda Constituent Entity Group on account of amounts specified in regulation 18(1)(a), be the date on which the payment was credited to an account designated by the Agency for the deposit of tax payments.".

(f) by revoking paragraphs (7) and (8).

Amends regulation 20

15 Regulation 20 of the principal Regulations is amended—

(a) in paragraph (2)—

(i) by inserting before the words "The period" the following words "Subject to the application of paragraph (7),";

(ii) by deleting the figure "90" and substituting the figure "120";

(b) in paragraph (4)(a) by revoking subparagraph (ii) and substituting the following new subparagraph (ii)—

"(ii) on the date the amended return is filed, where the overpayment arises with respect to an amended return filed after the original due date for the return; and";

(c) by revoking paragraph (6) and substituting the following new paragraph (6)—

"(6) Notwithstanding paragraph (2), where—

(a) the Filing Bermuda Constituent Entity elects to credit an overpayment for the fiscal year—

(i) to another fiscal year pursuant to regulation 21(2)(a); or

(ii) to another Bermuda Constituent Entity Group pursuant to regulation 21(2)(b); or

(b) the return for the fiscal year is filed after the original due date for the return,

no interest shall be allowed pursuant to these Regulations on the overpayment for the fiscal year.";

(d) by inserting after paragraph (6) the following new paragraph (7)—

"(7) The period of 120 days referenced in paragraph (2) with respect to a fiscal year shall be extended, where the Agency has—

(a) made a correction to the Bermuda Constituent Entity Group's return pursuant to regulation 26 for the fiscal year, by 90 days;

(b) issued a notice of inquiry to the Filing Bermuda Constituent Entity for the fiscal year, by the number of days during the period—

(i) beginning on the date on which the notice of inquiry is issued by the Agency in accordance with regulation 29; and

(ii) ending on the date on which the notice of final closure of inquiry is issued by the Agency in accordance with regulation 30(1)(b); and

(c) made an assessment in accordance with regulation 31 for the fiscal year, by the number of days during the period—

(i) beginning on the date on which the notice of proposed assessment is issued by the Agency in accordance with regulation 32(1); and

(ii) ending on the date on which the notice of proposed assessment is converted to a final notice of assessment in accordance with regulation 32(4).".

Amends regulation 21

16 Regulation 21 of the principal Regulations is amended—

(a) in paragraph (2)—

(i) by deleting before the words "an overpayment" the word "if" and substituting the words "Subject to paragraph (4), if";

(ii) in paragraph (a) by deleting before the word "apply" the word "to";

(iii) in paragraph (b) by deleting after the word "Group" the words "in accordance with regulation 15";

(b) by revoking paragraph (3);

(c) by inserting after paragraph (2) the following new paragraphs—

"(3) Interest accrued on an overpayment in accordance with regulation 22—

(a) shall not be applied or re-allocated in accordance with paragraphs (2)(a) or (b); and

(b) shall, where paragraph (1) does not apply to set-off the interest against an underpayment or penalty, be refunded to the Filing Bermuda Constituent Entity in accordance with paragraph (2)(c).

(4) An overpayment for a fiscal year shall not be applied or re-allocated in accordance with paragraphs (2)(a) or (b) to the extent that the overpayment is attributable to a tax payment made after the original due date for the Bermuda Constituent Entity Group's return for the fiscal year.

(5) Notwithstanding, any other provision of this regulation, where—

(a) the Agency is required to incur bank charges or other costs in relation to the payment of a refund pursuant to paragraphs (2)(c) or (3)(b), the amount of the refund shall be reduced by the amount of the charges or costs;

(b) the amount equal to the amount of an overpayment for a fiscal year plus any interest accrued with respect to the overpayment less any reduction required pursuant to paragraph (a), is less than $10, the amount shall be nil.".

Amends regulation 22

17 Regulation 22 of the principal Regulations is amended—

(a) by revoking paragraph (2) and substituting the following new paragraph (2)—

"(2) The interest rates on any overpayment shall be fixed for each calendar year, commencing with the year 2025, as the one year US dollar risk free spot rate published by the Bermuda Monetary Authority with respect to the calendar quarter immediately preceding the start of the calendar year, rounded to the nearest 0.5%.";

(b) in paragraph (3) by deleting the word "annually" and substituting the word "daily".

Amends regulation 26

18 Regulation 26 (5) of the principal Regulations is amended by inserting after the words "whose return it is gives notice" the following words ",in such form and manner as the Agency may prescribe,".

Amends regulation 31

19 Regulation 31 (2) of the principal Regulations is amended by deleting after the word "Part" the figure "III" and substituting the figure "3".

Amends regulation 32

20 Regulation 32 (3) of the principal Regulations is amended by inserting after the words "make submissions to the Agency" the following words ",in such form and manner as the Agency may prescribe,".

Made this 13th day of August 2026

Acting Minister of Finance

[Operative Date: 14 August 2026]