



## MINISTER FOR FINANCE & ECONOMIC DEVELOPMENT'S SPEAKING NOTES

### DETAILS OF REVENUE MEASURES FOR 2026 and 2027

Honourable Members of Finance Committee, Governments do not introduce revenue measures lightly. Governments, by nature, prefer to create the conditions for growth and opportunity rather than to impose additional financial obligations.

However, responsible fiscal management requires us to face realities head-on and make measured, sometimes difficult, choices to protect the Country's long-term financial health.

In recent years, Honourable Members, the Country has faced growing fiscal pressures - from rising global inflation, increased costs of critical infrastructure needs, and the expansion of public service demands.

It is against this backdrop that the Government has carefully reviewed the balance between revenues and expenditures, and determined that targeted, well-designed revenue adjustments are necessary to ensure the continued delivery of essential services and the sustainability of our public finances.

Honourable Members, before finalising the new revenue measures, the Government engaged in discussions with stakeholders, especially those in the financial services industry. We listened carefully to their feedback and made adjustments where appropriate to ensure that the measures are realistic, proportionate, and do not compromise Cayman's competitiveness as a leading international financial centre.

This collaborative approach reflects our ongoing commitment to partnership, transparency, and maintaining confidence in our fiscal and regulatory environment.

Honourable Members, for the upcoming Budget, the Government has introduced new revenue measures in 2026 and 2027. These measures are carefully designed to strengthen our fiscal position, maintain compliance with the Framework of Fiscal Responsibility and reduce the risk of future deficits as global economic pressures and local demands continue to rise.

Honourable Members, details of the revenue measures are as follows:

1. **Bank and Trust Licenses** increases will yield an additional \$1.9 million in 2026 and \$3.25 million in 2027:
  - a. licensees with assets between US\$1 billion and US\$3 billion, the annual fee increases from \$1,000,000 to \$1,200,000 in 2026 and to \$1,500,000 in 2027; and
  - b. licensees with assets exceeding US\$3 billion, the annual fee increases from \$1,000,000 to \$1,500,000 in 2026 and to \$1,750,000 in 2027;
2. **Insurance Licence Fees** will increase to yield an additional \$0.7 million starting in 2026:
  - a. Domestic Insurance license fees will increase from \$9,500 to \$10,450; and
  - b. Captive Insurance license fees will increase from \$10,500 to \$11,550; and
  - c. Reinsurance license fees will increase from \$13,500 to \$14,850.
3. **Exempt Companies (under the Trade and Business License Act)**, fees will be increased to yield an additional \$1.17 million in 2026 and 2027, with the annual fee increasing from \$800 to \$12,500.

4. **Annual operational licence fees for accounting firms** will yield an additional \$3.48 million in 2026 and 2027, with:
  - a. the License Fee for firms with 6–10 accountants being removed – this fee was previously \$20,000;
  - b. Licences Fees for firms with 11–15 accountants will increase from \$40,000 to \$50,000;
  - c. for firms with 16–20 accountants, the licence fee will increase from \$60,000 to \$75,000;
  - d. for firms with 61–70 accountants, the fee will increase from \$200,000 to \$500,000;
  - e. for firms with 71–80 accountants, the annual operational licence fee will increase from \$400,000 to \$600,000;
  - f. for firms with 81–90 accountants, the fee will increase from \$400,000 to \$700,000;
  - g. for firms with 91–100 accountants, the fee will increase from \$400,000 to \$800,000;
  - h. for firms with 101–110 accountants, the fee will increase from \$400,000 to \$900,000; and
  - i. for firms with 111 and more accountants, the annual operational licence fee will increase from \$400,000 to \$1,200,000.

5. **Special Economic Zone Trade Certificate Fees** will increase to yield an additional \$0.3 million in 2026 and 2027, with:
  - a. the initial application fee increasing from \$123 to \$500;
  - b. the Annual Renewal Fee increasing from \$492 to \$750; and
  - c. Amendment Fees increasing from \$50 to \$250.
6. **Fund Annual Return (FAR) Filing Fees** will increase to yield an additional \$11.1 million in 2026 and 2027, with:
  - a. Mutual Funds fees increasing from \$300 to \$450; and
  - b. Private Funds fees increasing from \$150 to \$225.
7. The introduction of an annual \$100 fee for **Exempted Limited Partnership and Corporate Service Providers Fees** is estimated to yield an additional \$4.1 million per year.
8. The introduction of a **Virtual Assets (Service Providers) Fee** is estimated to yield an additional \$0.3 million per year; and
9. Increases to **Registration and Annual Company Fees** are estimated to yield an additional \$20.3 million commencing in 2027 with:
  - a. Registration fees increasing by \$100;
  - b. Annual fees for Exempt Companies increasing by \$200; and
  - c. Annual fees for Other Companies increasing by \$100.

Honourable Members, with respect to new revenue measures related to the **Legal Profession** – these measures are estimated to yield an additional \$10.2 million in 2026 and \$6.3 million in 2027. These increases are expected from the following sources:

**10. Practising Certificate Fees:**

- a. for in-house counsel, will increase from \$1,000 to \$2,500;
- b. for law firms with non-Caymanian affiliates, Practising Certificate Fees will increase from \$2,500 to \$7,500; and
- c. for law firms with Caymanian affiliates, fees will increase from \$2,000 to \$2,500.

**11. The one-time Admission Fee for non-Caymanian Attorneys** will increase from \$2,000 to \$10,000.

**12. Law Firm Operational Licence Fees:**

- a. for firms with 1-10 attorneys, licence fees will be nil;
- b. for firms with 11–15 attorneys, licence fees will increase from \$40,000 to \$50,000;
- c. for firms with 16–20 attorneys, licence fees will increase from \$60,000 to \$75,000;
- d. for firms with 21–25 attorneys, licence fees will be \$200,000;
- e. for firms with 26–30 attorneys, licence fees will be \$250,000;
- f. for firms with 31–40 attorneys, licence fees will be \$300,000;
- g. for firms with 41–50 attorneys, licence fees will be \$350,000;
- h. for firms with 51–60 attorneys, licence fees will be \$400,000;

- i. for firms with 61–70 attorneys, licence fees will increase from \$400,000 to \$500,000;
- j. for firms with 71–80 attorneys, licence fees will increase from \$400,000 to \$600,000;
- k. for firms with 81–90 attorneys, licence fees will increase from \$400,000 to \$700,000;
- l. for firms with 91–100 attorneys, licence fees will increase from \$400,000 to \$800,000;
- m. for firms with 101–110 attorneys, licence fees will increase from \$400,000 to \$900,000; and
- n. for firms with 111 and more attorneys, the operational licence fees will increase from \$400,000 to \$1,200,000

13. Increases in **Court Fees** are estimated to yield an additional \$0.1 million per year; and

14. Increases in the Court's **Website Recovery Fees**, are estimated to yield an additional \$0.1 million per year.

Honourable Members, with respect to the new revenue measures related to **Immigration** – these measures are estimated to yield an additional \$15.4 million in 2026 and \$17.1 million in 2027. These increases are expected from the following sources:

15. In relation to **Work Permit–related Fees**:

- a. Most administrative and amendment fees for work permit grants, continuation, and dependent additions will increase by 150% to 400%, with the **standard work permit administration fee** increasing from \$100 to \$500;

- b. **Temporary work permit fees** will increase by 150% to 200%, depending upon the income band; and
- c. **New annual and express work permit fees** are going to be introduced, ranging from \$100 to \$300, based on the level of the main permit fee.

16. In relation to **Permanent Residency and Caymanian Status Fees**:

- a. There will be new or increased fees for permanent residency holders, including:
  - i. new **dependent fees**, which will increase from \$500 to \$750 per dependent per year; and
  - ii. the **annual declaration filing fees for permanent residency holders**, increasing from \$100 to \$500.
- b. **Right to be Caymanian** applications and grants are also going to increase:
  - i. The grant fee for the Right to be Caymanian by **marriage**, will increase from \$1,000 to \$3,000;
  - ii. The grant fee for the Right to be Caymanian by **naturalisation** will increase from \$1,000 to \$5,000; and
  - iii. The fee for the Right to be Caymanian granted **by the Governor in Cabinet** will increase from \$1,000 to \$5,000.

17. In relation to **Residency Certificates**:

- a. The issuance fee for a **Residency Certificate for Persons of Independent Means** will increase from \$20,000 to \$50,000;
- b. The Issue fee for a **Certificate of Permanent Residence for Persons of Independent Means** will increase from \$100,000 to \$200,000; and

- c. The application fee for **Direct Investment Certificates** will increase from \$20,000 to \$50,000.

18. **Other Immigration Administrative Fees** will also increase:

- a. Routine items such as document copies, duplicate certificates, and re-entry permits will increase by 100% to 150%; and
- b. Business Visitor Permit fees will increase by 250% to 600%, depending upon the category.

19. There will be an introduction of an annual **Work Permit Fee** for work permit holders that is estimated to generate additional revenue of \$1.5 million.

20. Honourable Members, there are plans to increase **Special Economic Zone Fees**, which are estimated to yield an additional \$7.0 million per year.

21. Honourable Members, with respect to the new revenue measures related to **Stamp Duty on Land Transfers** – these measures are estimated to yield an additional \$11.7 million in 2026 and \$11.2 million in 2027. These increases are expected from the **Stamp Duty** rate on the sale of property of \$2.0 million and above, increasing to 10%.

22. Honourable Members, the new revenue measures related to **Local Companies Control Licensing Fees for Realtors and Developers** are estimated to yield an additional \$260,000 in 2026 and 2027:

- a. Real Estate licences increasing from \$12,500 to \$15,000; and
- b. Property Developer licences increasing from \$12,500 to \$20,000.

NB. In respect of LCCLs, a decision has also been taken to place a moratorium on the issuance of new licenses in these categories.

23. New revenue measures related to **Liquor Licences Fees** are estimated to yield an additional \$1.6 million in 2026. These measures involve:

- a. Fees for Distributors are increasing from \$4,800 to \$25,000;
- b. Liquor Licence fees for Hotels:
  - i. with 50 beds or fewer, fees are increasing from \$2,000 to \$5,000
  - ii. with 51–100 beds, fees are increasing from \$4,800 to \$10,000
  - iii. hotels with 101–199 beds, fees are increasing from \$4,800 to \$15,000
  - iv. with 200–299 beds, liquor licensing fees are increasing from \$4,800 to \$17,500;
  - v. hotels with 300–399 beds, fees are increasing from \$4,800 to \$20,000; and
  - vi. hotels with 400+ beds, liquor licensing fees are increasing from \$4,800 to \$25,000.
- c. Liquor Licence fees for Restaurants, will increase for:
  - i. those with fewer than 50 seats, from \$1,500 to \$3,000;
  - ii. for restaurants with 50–99 seats, liquor licencing fees are increasing from \$1,500 to \$5,000;
  - iii. 100–199 seats, fees are increasing from \$1,500 to \$8,000;
  - iv. 200–299 seats, fees are increasing from \$1,500 to \$10,000; and
  - v. restaurants with 300–500+ seats, liquor licence fees are increasing from \$1,500 to \$15,000.

24. **Traders Licences** will increase to yield an additional \$1.1 million in 2026 and 2027. These measures involve:

- a. the licence fee for property developers with 15 or fewer employees, will increase from \$750 to \$10,000;
- b. the licence fee for property developers with 16 or more employees, will increase from \$750 to \$20,000;

- c. the licence fee for real estate agencies with non-Caymanian agents, will increase from \$750 to \$10,000;
- d. the licence fee for self-employed Local Companies Control License (LCCL) holders will increase from \$750 to \$10,000; and
- e. the Traders Licence fee for Accountants, including auditors, actuaries, bookkeepers and statisticians, will increase from \$2,000 to \$2,500.

25. Finally, Honourable Members, Motor Vehicle Drivers Licences, Motor Vehicle Charges and private and rental vehicle licences for Non-Caymanians will be increased to yield an additional \$9.6 million in 2026 and 2027. These measures involve:

- a. For Driver Licence Fees for Heavy equipment and special vehicles for Non-Caymanians:
  - i. A 3-year licence will increase from \$120 to \$750;
  - ii. A 5-year licence will increase from \$200 to \$1,250; and
  - iii. A 10-year licence will increase from \$400 to \$2,500.
- b. For Driver Licence Fees for Motorcars and trucks up to 3 tons for Non-Caymanians:
  - i. A 3-year licence will increase from \$75 to \$600;
  - ii. A 5-year licence will increase from \$125 to \$1,000; and
  - iii. A 10-year licence will increase from \$250 to \$2,000.
- c. For Driver Licence Fees for Motorcycles (both under and over 125cc) for Non-Caymanians:
  - i. A 3-year licence will increase from \$75 to \$600; and
  - ii. A 5-year licence will increase from \$125 to \$1,000.
- d. For Driver Licence Fees for Trucks over 3 tons and buses (up to 25 passengers) for Non-Caymanians:

- i. A 3-year licence will increase from \$120 to \$750;
- ii. A 5-year licence will increase from \$200 to \$1,250; and
- iii. A 10-year licence will increase from \$400 to \$2,500.

e. **Vehicle Licence Fees for Non-Caymanian Owned Private vehicles:**

- i. For Cars up to 2,500cc, the licence fee will increase from \$180 to \$200; and
- ii. For Cars over 2,500cc, the licence fee will increase from \$200 to \$225.

f. **Vehicle Licence Fees for Non-Caymanian Owned Rental vehicles:**

- i. for Cars up to 2,500cc, the fee will increase from \$365 to \$400;
- ii. for Cars over 2,500cc, the fee will increase from \$400 to \$500; and
- iii. for Rental trucks (4,001–8,500 lbs), the fee will increase from \$500 to \$600.

g. **Vehicle Licence Fees for Non-Caymanian Owned Trucks and trailers:**

- i. for trailers up to 2,000 lbs, the fees will increase from \$50 to \$75;
- ii. for trailers 10,001–66,000 lbs, the fees will increase from \$420 to \$430; and
- iii. for Trade plate holders, the vehicle licence fees will increase from \$1,408 to \$1,600.

Honourable Members, the vast majority of the new revenue measures that I just outlined are not intended to put further burden on the ordinary Caymanian. They are primarily concentrated in areas where the economic activity and capacity to absorb such costs are strongest - in particular, within the large, internationally focused segments of our economy. In addition, with respect to some of the fee increases mentioned in the commerce space, there is ongoing stakeholder consultation so they are not hard and fast and are therefore subject to adjustment, either up or down.

At the same time, Honourable Members, these new revenues are sustainable and ensure that the needs of our people are being met – that the Government

continues to invest in the infrastructure, healthcare, education, housing, and public safety services that directly benefit our people.

Honourable Members, these decisions are not about raising revenue for its own sake; they are about maintaining balance - between growth and responsibility, between opportunity and sustainability. The Government remains firmly committed to fiscal prudence, transparency, and fairness in everything we do.

Thank you, Honourable Members.