

# The Faroe Islands International Ship Register

is an open register that offers numerable benefits to shipowners. Our objective is to achieve a quality register with a competitive edge.

FAS registration costs \* based on an exchange rate of 7,5

• Registration fee

0	Vessels below	1000 GT	EUR 6.666
0	Vessels	1000 - 2999 GT	EUR 10.000
0	Vessels	3000 - 9999 GT	EUR 13.333
0	Vessels	10000 GT and above	EUR 16.666

# • Certificate of Nationality

0	Vessels below	1000 GT	EUR	400
0	Vessels	1000 - 2999 GT	EUR	666
0	Vessels	3000 - 9999 GT	EUR	1.333
0	Vessels	10000 GT and above	EUR	2.666

## • **Tonnage Certificate** – EUR 0,27 per GT

#### Annual fee

Basic fee EUR 2.000 + additional fee based on size and age of ship (basic fee + (GT x GT factor)) x agefactor

Gross Tonnage GT				
From To		GT factor		
100	3000	1,3		
3001	7500	1		
7501	24000	0,7		
24001	30000	0,5		
30001	45000	0,4		
45001	-	0,3		

Age fee			
Ye	ars	Age factor	
0	4	1,00	
5	9	1,05	
10 14		1,10	
15	19	1,15	
20	24	1,20	
25	25 29 1,50		
30	49	1,75	
50 - 2,00			

### Example – in EUR

Gross Tonnage GT	Sun - 700	Dawn - 1850	Sky - 8500	Star - 25000
Age of vessel	8 years	15 years	1 year	3 years
Registration Fee	6.666	10.000	13.333	16.666
Annual Fee	2.227,5	2668,8	2793,3	3.666,6
Certificate of Nationality	400,-	666,6	1.333,3	2.666,6
Tonnage Certificate	186,6	493,3	2.266,6	6.666.6
Total amount	9480,8	13.828,8	19.726,6	29.666,6

Numbers as of Aug. 2022



Company registration	Private company (Sp/f)	Private limited company (P/F)	
Share captial	EUR 6.666	EUR 66.666	
Registration fee	EUR 333.33	EUR 466.66	
+ add EUR 0,5 per thousand of the share captial	max. EUR 3.333	max. EUR 3.333	
Annual fee	EUR 93,32	EUR 160	

The established company may be fully owned by non-Faroese but must have an address on the Faroe Islands.

#### **Taxes**

**Tonnage Tax Scheme (TTS)** – enrolment binding for 3 years

The taxable income is based on the vessel's net tonnage and is calculated as follows:

0	Up to 1000 NT	EUR 0,8 per 100 NT per day
0	From 1001-10000 NT	EUR 0,5 per 100 NT per day
0	From 10001-25000 NT	EUR 0,4 per 100 NT per day
0	25001 NT and upwards	EUR 0,1 per 100 NT per day

Activities closely linked to ship operations may also be included in the TTS.

Vessels, flying a foreign flag and bareboat chartered to a Faroese company, can register their charter party with the Faroese Tax Authorities (TAKS). According to the Faroese Tax Legislation these vessels are entitled to the refund of the 35% personal taxes levied on crew members.

Bareboat chartered vessels may register in FAS and thereby gain access to all of the advantages and rights provided Faroese vessels.

A company that registers a vessel on the Faroe Islands can choose either to enter the Tonnage Tax Scheme (TTS) or to enter the company tax scheme. In the Faroe Islands the company tax rate is 18%.



## *Example – in EUR:*

Net Tonnage	Sun - 700	Dawn – 1,850	Sky – 8,500	Star – 25,000
Up to 1000 NT	5,6	8	8	8
From 1001-10000 NT		4,8	40	48
From 10001-25000 NT				60
25001 NT and upwards				
Taxable income a day	5,6	12,8	48	116
Taxable income a year (365 days)	2.044	4.672	17.520	42.340
Tax 18% due	368	840	3.153,6	7.621.2

# **Personal Taxes**

All crew members on FAS registered vessels pay a 35% flat rate tax and the shipping company will receive a 100% refund of taxes paid from the Faroese Tax Authorities (TAKS). This process of refund takes place in the beginning of each month – usually the 3rd banking day.

### **Social Security Expenses**

Seafarers with residence on the Faroe Islands and the Nordic countries pay full social security expenses as well as the shipping company pays an equal amount. **Non-residents pay no social security expenses at all, neither does the shipping company.** 

•	Pension Fund	3.00 %
•	Maternity Fund	0.86 %
•	Unemployment Fund	1.00 %

The Faroese crew member and the shipping company pay one share each. The rates above refer to the gross income.

Shipowner expenses			Crew member wages	
Crew FO	Crew WW	In DKK	Crew FO	Crew WW
-2666,66	-2666,66	Gross income	-2666,66	-2666,66
933,33	933,33	Personal tax 35%	-933,33	-933,33
-60,00	0	Pension fund 3,00	-60,00	0
-18,93	0	Maternity fund 0,86	-18,93	0
-33,33	0	Unemployment fund 1,00	-33,33	0
-1.845,60	-1.733,33	Net results	1.621,06	1.733,33



# **Manning**

The minimum number of officers and crew is decided by the Faroese Maritime Authority (FMA). The FMA issues all officers documents in accordance with the STCW Convention.

The cost for a Recognition Certificate: EUR 100

There are no requirements for work- and/or residency permit.

There are collective agreements between organizations of seafarers and the ship owners' association.