

CAYMAN ISLANDS



**Trade and Business Licensing Act
(2021 Revision)**

**TRADE AND BUSINESS LICENSING
(MICRO AND SMALL BUSINESS
INCENTIVES) REGULATIONS, 2025**

(SL 58 of 2025)

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Arrangement of Regulations

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AND SMALL BUSINESS INCENTIVES)
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(SL 58 of 2025)**

In exercise of the powers conferred by section 40(2)(c) of the Trade and Business Licensing Act (2021 Revision), the Cabinet makes the following Regulations —

Citation

1. These Regulations may be cited as the Trade and Business Licensing (Micro and Small Business Incentives) Regulations, 2025.

Definitions and interpretation

2. (1) In these Regulations —
“**electronic**” means relating to technology having electrical, magnetic, optical, electromagnetic, or similar capabilities, whether digital, analogue or otherwise;
“**fee**” means the relevant fee set out in Part B of Schedule 1 to the Act but does not include the non-refundable processing fee that is to accompany an application for the grant or renewal of a licence; and
“**mobile business**” means a business that is not operated from a fixed location but from a pedal cycle, motor cycle, motor car or other motor vehicle.
(2) For the purposes of these Regulations —

- (a) the number of employees in a trade or business is determined by —
 - (i) the calculation of the average number of employees of the trade or business based on each of the pay periods for the preceding twelve months; and, where the trade or business has not been in operation for twelve months, a projection of the estimated number of employees of the trade or business for the next twelve months;
 - (ii) the inclusion of part-time and temporary employees in the number of full-time employees; and
 - (iii) the exclusion of volunteers or persons who receive no compensation, including payment in kind for work, from the number of full-time employees; and
- (b) the annual gross revenue of a trade or business is determined by —
 - (i) the sum total of revenue for the preceding twelve months; and
 - (ii) where the trade or business has not been in operation for twelve months, a projection of anticipated revenue for the next twelve months.

Reduction of licence fee and renewal fee of micro businesses and small businesses

3. The Board may, in accordance with these Regulations, grant a reduction in the licence fee and renewal fee payable under Part B of Schedule 1 to the Act, in relation to micro businesses and small businesses.

Application for reduction of fee

4. (1) A person who applies for the grant or renewal of a licence to carry on a micro business or a small business, may at the time of that application, also apply to the Board for the reduction in fees provided for in these Regulations, if the micro business or small business —
- (a) is independently owned and operated —
 - (i) by a Caymanian owned and controlled company, firm or other business enterprise, other than a partnership; or
 - (ii) by a partnership where each partner is Caymanian;
 - (b) is for profit;
 - (c) has close control over operations, with decisions taken by the owner; and
 - (d) is not excluded under paragraph (2) from the reduction in fees.
- (2) The following classes of micro businesses and small businesses are trades and businesses that are excluded from the reduction in fees provided for in these Regulations —
- (a) providers of auditing services;



- (b) exempted companies within the meaning of section 2(1) of the *Companies Act (2025 Revision)*;
 - (c) suppliers of bulk fuel; and
 - (d) businesses of block making, quarrying and building materials.
- (3) An application for the reduction in fees in relation to a micro business or a small business, shall be submitted to the Board through the Department and shall be accompanied by evidence of —
- (a) the number of employees of the business;
 - (b) the annual gross revenue of the business as determined by —
 - (i) the sum total of revenue for the preceding twelve months; and
 - (ii) where the business has not been in operation for twelve months, a projection of anticipated revenue for the next twelve months;
 - (c) the location of the business or, if the business is a mobile business, evidence as to whether the business is operated from a pedal cycle, motor cycle, motor car or other motor vehicle;
 - (d) valid licences from the relevant regulatory or licensing body, other than a licence provided by the Board;
 - (e) current pension and health insurance payments, where applicable; and
 - (f) such other matters relating to the application as the Board may think fit for the consideration of the application.
- (4) Without prejudice to the provisions of paragraph (3), applicants for a licence that qualify as micro businesses or small businesses and are seeking to access the reduction in fees are required to provide documentary proof of projections in a business plan in the form set out in the Schedule to these Regulations.
- (5) If an application for the reduction in fees is submitted in an electronic format, the evidence referred to in paragraph (3) may also be submitted in an electronic format and shall be included in a manner approved by the Board.

Request for additional information

5. (1) Where an application for the reduction in fees is submitted to the Board pursuant to regulation 4, the Board may, within twenty-eight days of the receipt of the application, request from the applicant additional information that the Board considers necessary for the purpose of considering the application.
- (2) Where the Board makes a request for information pursuant to paragraph (1), the applicant shall submit that information within fourteen days of the request, using either an electronic or a non-electronic format.
- (3) Where the applicant has not submitted the additional information within the timeframe outlined in paragraph (2) —

- (a) the Board shall cease considering the application for a reduction in fees but shall continue considering the application for the grant or renewal of a licence to carry on a micro business or a small business;
- (b) the applicant shall be disqualified from benefitting from the reduced fees in relation to the micro business or small business that is the subject of the application; and
- (c) the respective licence fee or renewal fee specified in Part B of Schedule 1 to the Act shall be paid in full prior to the grant or renewal of the licence.

Reduction in fees

6. (1) The Board shall, within twenty-eight days of —
- (a) the submission of an application for a reduction in the respective fees set out in Part B of Schedule 1 to the Act; or
 - (b) the applicant's submission of additional information pursuant to regulation 5,
- grant or refuse the reduction in fees and shall notify the applicant of the grant or refusal and give reasons in writing where the grant is refused.
- (2) Where the Board grants a reduction in the respective fees set out in Part B of Schedule 1 to the Act, the respective reduction applies according to the location of the trade or business as follows —

Location of trade or business	Type of business	Percentage reduction on fee
George Town	Micro business	100%
	Small business	50%
West Bay	Micro business	100%
	Small business	50%
East End	Micro business	100%
	Small business	75%
North Side	Micro business	100%



	Small business	75%
Bodden Town	Micro business	100%
	Small business	75%
Little Cayman	Micro business	100%
	Small business	50%
Cayman Brac	Micro business	100%
	Small business	50%

- (3) Where a trade or business is classified as a mobile business, the location will be determined by reference to the “block and parcel” on the trade and business licence or, in the case of an applicant for a licence, the address provided on the application form.
- (4) For the purposes of these Regulations —
- (a) the reduction in the respective fees set out in Part B of Schedule 1 to the Act and applicable to micro businesses and small businesses in Cayman Brac and Little Cayman shall be applied to the reduced fee provided for under the heading “**Licensing Fee for Little Cayman and Cayman Brac**” in Schedule 1 to the Act;
 - (b) section 23(2), (3) and (4) of the Act apply to applicants for licences and licensees of micro businesses and small businesses that are seeking to qualify or have qualified for a reduction in fees; and
 - (c) surcharges under section 23(2) and (3) of the Act shall be computed based on the renewal fee set out at item 3 in Part A of Schedule 1 to the Act.

Change in particulars

7. (1) The licensee shall inform the Board immediately of any change to the revenue, number of employees, ownership and licence of any micro business or small business benefitting from the reduction in fees.
- (2) Failure to —
- (a) inform the Board in accordance with paragraph (1); or
 - (b) pay any fine, penalty or surcharge imposed in accordance with the Act, unless that fine, penalty or surcharge is waived by the Board,
- may result in the disqualification of the micro business or small business from benefitting from the reduced fees.

**Repeal of Trade and Business Licensing (Amendment to the Schedule)
(Temporary Reduction of Fees) Regulations, 2023**

8. The *Trade and Business Licensing (Amendment to the Schedule) (Temporary Reduction of Fees) Regulations, 2023* are repealed.



SCHEDULE

(*regulation 4(4)*)

SMALL/MICRO BUSINESS PLAN OVERVIEW

This form is to be completed by all applicants for a licence that qualify as small businesses or micro businesses and are seeking to access the reduction in fees.

Please complete all the required information:

Name of Applicant/s: (Last, Middle, First)	
Trade or Business Name:	
Start date: (DD/MM/YYYY) (For new businesses estimated/projected start date)	
Description of Business: (Details on type & scope of business operations)	
Business Principals/Owners: (Names, Nationality)	
List of Products or Services provided: (General example list of type of products or services)	
Number of Employees: (For new businesses estimated/projected number of employees for first year)	
Registered Business Location: (Location provided on T&B Application form)	

SCHEDULE

Projected Revenue: (For new businesses, within the first year – CI\$)	
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Signature:

Date:

Made in Cabinet the 12th day of December, 2025.

Kim Bullings
Clerk of the Cabinet

