

Cayman Islands investment funds – Spring 2026 update

Briefing Summary: Our investment funds team outline the latest developments within the investment funds market in the Cayman Islands, focusing on the amendments to the CRS regulations.

Service Area: Investment Funds

Location: Cayman Islands

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Amendments to the CRS regulations

In our Autumn 2025 newsletter, we summarised the proposed amendments to the CRS regime intended to implement the OECD's updated "CRS 2.0" framework. The Tax Information Authority (International Tax Compliance) (Common Reporting Standard) (Amendment) Regulations, 2025 came into force on 1 January 2026, with certain provisions taking effect from 1 January 2027. Subsequent advisory statements have also extended some deadlines, as described below.

Revised deadlines and transitional provisions

- Registration – financial Institutions ("**FIs**") commencing activities from 1 January 2026 must register with the Department for International Tax Cooperation ("**DITC**") by 31 January the following year (31 January 2027), with transitional relief for FIs that commenced activities in 2025, which must register by 30 April 2026.
- Change notice – all FIs must file a change notice with DITC within 30 days of any change in circumstances/registration details.
- Reporting and compliance – for the 2026 reporting period, both the CRS Return and CRS Compliance Form will be due by 30 June 2027, replacing the previous 31 July and 15 September deadlines respectively.

Principal Point of Contact ("**PPOC**") – Cayman residency requirement

All FIs registering with DITC between 1 January 2026 and 30 April 2026 will have until 31 January 2027 to provide details of their Cayman-resident PPOC. Existing FIs registered with DITC have until 31 January 2027 to update their PPOC details to meet the new residency requirement.

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New framework for tokenised funds

The Cayman Islands government recently published three amendment bills that establish the jurisdiction's first comprehensive legal framework for tokenised investment funds. The Mutual Funds (Amendment) Bill 2026, the Private Funds (Amendment) Bill 2026, and the Virtual Asset (Service Providers) (Amendment) Bill 2026 (together, the "**Bills**") clarify that tokenised funds will be regulated within the existing Cayman funds regime rather than as standalone virtual asset issuers.

The Bills introduce certain statutory provisions for tokenised funds including:

- new definitions of "digital equity tokens", "digital investment tokens", "tokenised mutual fund" and "tokenised private fund";
- robust recordkeeping obligations;
- clarifications on transferability (with the approval of the operator in line with the offering document);
- disclosure of technology-specific risks; and
- express supervisory and inspection powers for the Cayman Islands Monetary Authority ("**CIMA**") over token transactions and underlying technology.

Further, they provide welcome clarity that a tokenised fund's issuance of digital equity or investment tokens is not treated as a "virtual asset issuance" under the VASP Act and therefore does not require separate CIMA approval.

Prudential inspection for registered persons under SIBA

CIMA has introduced a new mandatory Prudential Information Survey for registered persons under the Securities Investment Business Act (as revised) ("**SIBA**"). The survey, which covers the 2025 reporting year and must be submitted via CIMA's REEFS portal by 31 March 2026, requires all such registered persons to provide detailed information on their activities, exposures and risk profile. CIMA has confirmed that this initiative, issued under section 6(b)(i) of the Monetary Authority Act, will support its ongoing risk-based monitoring and help strengthen the resilience and prudential soundness of the securities investment business sector. CIMA's guidance for completing the survey can be found [here](#).

CIMA changes to fund annual fees

From 1 January 2026, CIMA has introduced a consolidated annual fee structure for regulated investment funds. The mid-year annual return fee (known as the FAR fee) has been increased (from \$300 to \$450) and incorporated into a single annual fee, resulting in a simplified fee structure with a single payment due by 15 January in each year.

The revised annual fees are:

- For registered funds, US\$5,030.
- For master funds, US\$3,750.
- For sub-funds of registered mutual funds, US\$915 per sub-fund. The term "sub-fund" includes segregated portfolios where the fund is structured as a segregated portfolio company.
- For sub-funds or alternative investment vehicles ("**AIVs**") of registered private funds, US\$640 per sub-fund or AIV.

CIMA fund statistics

CIMA has published its investment fund statistics for Q4 2025, which reflect continued growth across both fund categories, underscoring ongoing investor confidence in the Cayman Islands. The full statistics can be found [here](#).

	Registered funds 2025	Registered funds 2024	Net change
Mutual Funds¹	12,876	12,858	+18
Private Funds	17,722	17,292	+430

¹ Including all types of mutual funds (registered, administered, licensed and limited investor), as well as master funds

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