

CAYMAN ISLANDS



**Information and Communications Technology Act
(2019 Revision)**

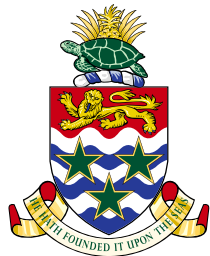
INFORMATION AND COMMUNICATIONS TECHNOLOGY (LICENCE FEES) REGULATIONS, 2025

(SL 62 of 2025)

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INFORMATION AND COMMUNICATIONS
TECHNOLOGY (LICENCE FEES)
REGULATIONS, 2025

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INFORMATION AND COMMUNICATIONS TECHNOLOGY (LICENCE FEES) REGULATIONS, 2025

(SL 62 of 2025)

In exercise of the powers conferred by section 97(3)(a)(i) of the Information and Communications Technology Act (2019 Revision), the Utility Regulation and Competition Office makes the following Regulations —

Citation

1. These Regulations may be cited as the Information and Communications Technology (Licence Fees) Regulations, 2025.

Definition

2. In these Regulations —

“**Act**” means the Information and Communications Technology Act (2019 Revision);

“**public general holiday**” has the meaning assigned by the Public Holidays Act (2007 Revision);

“**ICT**” means Information and Communications Technology;

“**ICT Notice**” means the notice issued by the Office and published in the *Gazette* in accordance with section 23(2) of the Act

specifying which types of ICT networks and ICT services require licences;

“VSAT” means Very Small Aperture Terminal.

Application

3. These Regulations apply to licence fees payable to the Office for ICT networks and ICT services which are specified in the ICT Notice.

Major public ICT network

4. (1) A person applying for a licence for, or a licensee of, a major public ICT network, shall pay the licence fees set out in Schedule 1.
- (2) A licensee of a major public ICT network, shall pay, in addition to the licence fees set out in Schedule 1, a royalty fee and a regulatory fee.

Radio stations

5. A person applying for a licence for, or a licensee of, a radio station, shall pay the licence fees set out in Schedule 2.

Transmitters

6. A person applying for a licence for, or a licensee of, a transmitter, shall pay the licence fees set out in Schedule 3.

Spectrum assignment

7. A person applying for a licence for, or a licensee of, a transmitter, frequency or channel assignment, shall pay the licence fees set out in Schedule 4.

Miscellaneous licence fees for radio dealer

8. A person applying for a licence for, or a licensee of, miscellaneous licence fees as a radio dealer, shall pay the licence fees set out in Schedule 5.

ICT services

9. (1) A person applying for a licence for, or a licensee of, an ICT service, shall pay the licence fees set out in Schedule 6.
- (2) A licensee of an ICT service, shall pay, in addition to the licence fees set out in Schedule 6, a royalty fee and a regulatory fee.

Service licence

10. A person applying for a licence for, or a licensee of, a service licence, shall pay the licence fees set out in Schedule 7.

Class licence

- 11.** A person applying for a licence for, or a licensee of, a class licence, shall pay the licence fees set out in Schedule 8.

Occasional or experimental ICT services or ICT networks

- 12.** A person applying for, or a licensee of, an occasional or experimental ICT network or ICT service, shall pay the licence fees set out in Schedule 9.

Royalty fee and regulatory fee

- 13.(1)** A royalty fee and a regulatory fee shall be payable in accordance with this regulation and the licence fees guidelines in Schedule 10.
- (2) At least thirty calendar days prior to the start of each quarter, the Office shall issue to a licensee an invoice in the amount of the regulatory fee payable.
- (3) A licensee shall be guided by the calculation and filing procedures for the royalty fees and regulatory fee under this regulation and by the licence fees guidelines in Schedule 10.

Time for payment of licence fee

- 14.** A licence fee payable to the Office under the Act may be made—
- (a) in person at the Office between the hours of 8:30 a.m. and 5:00 p.m. every Monday to Friday, except on a public general holiday or a day that the Office is otherwise closed to the public;
- (b) online on such portal as determined and notified by the Office;
or
- (c) in such other manner as may be determined and notified by the Office.

SCHEDULE 1*(regulation 4)***Licence Fees for Major Public ICT Networks**

Type	Description	Licence Fees		
		Application	Annual	Renewal
A	Fixed wireline	\$3,500.00	—	\$1,750.00
B	Fixed wireless	\$3,500.00	—	\$1,750.00
C	Mobile (cellular)	\$3,500.00	—	\$1,750.00
D1	Fibre optic cable -Domestic	\$1,000.00	—	\$500.00
D2	Fibre optic cable-International	\$1,500.00	—	\$750.00
E1	Satellite (including VSAT) - Domestic	\$1,500.00	—	\$750.00
E2	Satellite (including VSAT) - International	\$2,500.00	—	\$1,250.00
F	Broadcast Network	\$3,500.00	—	\$1,750.00
G	Internet Exchange Point	—	—	—
H	Satellite Service Provider (SSP)	\$3,500.00		\$1,750.00

SCHEDULE 2

(regulation 5)

Licence Fees for Radio Stations

Type	Description	Licence Fees		
		Application	Annual	Renewal
J	Amateur radio station	—	\$20.00	\$20.00
K	Aircraft radio station	—	\$98.00	\$98.00
L2	Ship radio station Vessel less than or equal to 300 gross tons	—	\$75.00	\$75.00
L3	Ship radio station Vessel greater than 300 gross tons or less than 1600 gross tons	—	\$150.00	\$150.00
L4	Ship radio station Vessel greater than or equal to 1600 gross tons	—	\$225.00	\$225.00
L5	Ship radio station Local (coastal) vessel with no MMSI	—	\$75.00	\$75.00
M	Spacecraft radio station	—	\$5000.00	\$2500.00

SCHEDULE 3

(regulation 6)

Licence Fees for Transmitters

Type	Description	Licence Fees		
		Application	Annual	Renewal
N	Ground to air radio	\$250.00	\$100.00	\$100.00
O	Marine (coastal) radio	—	\$75.00	\$75.00
P	Land (mobile) two-way radio	—	\$20.00	\$20.00
Q2	Wireless utilities metering	\$250.00	\$0.20 per meter	\$250.00

SCHEDULE 4

(regulation 7)

Licence Fees for Spectrum Assignment

Type	Description	Licence Fees		
		Application	Annual	Renewal
S	All transmitters or transponders other than those listed as Radio Stations in a ICT Notice published pursuant to section 23(2) of the Act or otherwise exempted by the Office.	\$750.00	\$75.00 per transmitter per channel	\$75.00 per transmitter per channel

SCHEDULE 5

(regulation 8)

Licence Fees for Miscellaneous (Radio Dealer)

Type	Description	Licence Fees		
		Application	Annual	Renewal
U	Radio dealer	—	\$150.00	\$150.00

SCHEDULE 6

(regulation 9)

Licence Fees for ICT Services

Type	Description	Licence Fees		
		Application	Annual	Renewal
1	Fixed telephony	\$3,500.00	—	\$1,750.00
2	Fall-back international voice and data communications	\$1,500.00	—	\$750.00
3	Mobile telephony	\$3,500.00	—	\$1,750.00
4	Resale of telephony	\$1,000.00	—	\$500.00
5	Internet telephony	\$1,500.00	—	\$750.00
6	Public service television broadcasting	\$2,500.00	—	\$1,250.00
7	Subscription television broadcasting	\$2,500.00	—	\$1,250.00
8	Sound broadcasting	\$2,500.00	—	\$1,250.00
9	Internet service provider	\$1,500.00	—	\$750.00
10	Information security service	\$1,500.00	—	\$750.00
11	The provision, by lease or otherwise, or ICT infrastructure other than dark fibre to a licensee	\$1,500.00	—	\$750.00

11a	The provision, by lease or otherwise, of dark fibre to a licensee	\$1,500.00	—	\$750.00
12	Retail sale of ICT equipment	\$1,000.00 per retail location	—	\$500.00 per retail location
13	Subscriber record directory service	\$1,000.00	—	\$500.00
14	Application service provider	\$1,500.00	—	\$750.00
15	Resale of Internet	\$1500 (Grand Cayman) \$500 (Cayman Brac or Little Cayman)	<u>Class 1</u> \$500.00 (Grand Cayman) \$250.00 (Cayman Brac or Little Cayman) <u>Class 2</u> \$1,500.00 (Grand Cayman) \$500.00 (Cayman Brac or Little Cayman) <u>Class 3</u>	<u>Class 1</u> \$500.00 (Grand Cayman) \$250.00 (Cayman Brac or Little Cayman) <u>Class 2</u> \$1,500.00 (Grand Cayman) \$500.00 (Cayman Brac or Little Cayman) <u>Class 3</u> \$28,000.00 (Grand Cayman) \$1,000.00 (Cayman Brac) \$500.00 (Little Cayman)

			\$28,000.00 (Grand Cayman) \$1,000.00 (Cayman Brac) \$500.00 (Little Cayman)	
16	Internet peering service provider	\$1,500.00	—	\$750.00
17	Connectivity Service Provider	\$1,500.00	—	\$750.00

SCHEDULE 7

(regulation 10)

Licence Fees for Service Licence

Type	Description	Licence Fees		
		Application	Annual	Renewal
100	The provision of off-site ICT disaster recovery and associated services	\$250.00	Not applicable	Not applicable

SCHEDULE 8

(regulation 11)

Licence Fees for Class Licence

Type	Description	Licence Fees		
		Application	Annual	Renewal
200	Permits a class licensee to put in place an international satellite network and associated series, for the licensee’s exclusive use in emergency situations, so as to provide the class licensee with fall-back international voice and data communications	Not applicable	Not applicable	Not applicable

SCHEDULE 9

(regulation 12)

**Licence Fees for Occasional or Experimental ICT Services
or Networks**

Type	Description	Licence Fee			
		One-time	Application	Annual	Renewal
A1	Occasional or experimental network	\$1500.00	Not applicable	Not applicable	Not applicable
A2	Occasional or experimental services	\$1500.00	Not applicable	Not applicable	Not applicable

SCHEDULE 10

(regulation 13)

Licence Fees Guidelines

How will royalty and regulatory fees be calculated?

1. (1) The royalty and regulatory fees are calculated, and paid in arrears, on a quarterly basis with an annual true-up mechanism based on the licensee's annual audited financial statements.
- (2) For each licensee, licence fees include a royalty fee and a regulatory fee. The only exceptions are licensees whose licences exempt them from the payment of the royalty fee. In such cases, the licence fee will be comprised of the regulatory fee only.
- (3) The royalty fee, which is set by the Government, is 6% of each licensee's revenues.
- (4) The regulatory fee, which is based on the Office's costs for regulating commercially operated ICT services in the ICT sector, is pro-rated across all licensees based on each licensee's quarterly revenues as a percentage of all licensees' quarterly revenues.
- (5) Both the royalty fee and the regulatory fee are to be remitted by licensees on a quarterly basis to the Office.
- (6) The Office will use licensees' revenues for the quarter immediately preceding the quarter for which licence fees are due for purposes of calculating each licensee's regulatory fee
- (7) The regulatory fee is payable by each licensee during the Office's financial year (1st January to 31st December). When the results for a licensee's financial year are finalised and it transpires that the audited revenues are higher than the sum of the unaudited quarterly revenues which were used to calculate licence fees during the year, the licensee will be liable for an additional royalty fee equal to 6% of the difference between the audited revenues and the sum of its unaudited quarterly revenues. This will be payable forthwith on submission of the licensee's annual audited financial statements, which are due no later than three months after the end of its financial year. If, on the other hand, the licensee's audited revenues are lower than the sum of its unaudited revenues, the Office will calculate and apply an equivalent credit to the licensee's royalty fee for the current year. In either case, the Office does not anticipate collecting additional regulatory fees.

What constitutes Revenues for royalty and regulatory fee purposes?

2. (1) The revenue base for purposes of calculating the royalty fee and the regulatory fee is defined as the licensee's turnover less payments made to domestic ICT licensees for wholesale, interconnection and infrastructure services and settlement payments made to international carriers for international traffic and non-recurring extraordinary items of receipt that are not made in the ordinary course of business.
- (2) Payments made by an ICT licensee to another domestic ICT licensee for wholesale, interconnection and access to and sharing of infrastructure services may be deducted by the licensee making such payments from its turnover. The ICT licensee providing wholesale, interconnection and access to or sharing of infrastructure services will report such payments as part of its revenues. Licensees may also deduct settlement payments made to international carriers for international traffic. A deduction is allowed for non-recurring extraordinary items of receipt, such as that from real estate sales, which are not made in the ordinary course of business.
- (3) A licensee must report its quarterly turnover and quarterly revenues in a licence fee report.

When are royalty and regulatory fees payable?

3. (1) Royalty and regulatory fees are payable no later than 15 days following the end of each quarter. The payment dates are as follows —

Due on or before	For the Quarter Beginning
15th April	1st January
15th July	1st April
15th October	1st July
15th January	1st October

- (2) In addition, no later than three months following the end of a licensee's financial year-end, the licensee is required to provide audited financial statements with any additional royalty fee payment arising from the year-end adjustment.
- (3) Where a payment date falls on a weekend or a holiday, licence fees are due on the first business day immediately following the weekend or holiday.

Procedure for payment of royalty or regulatory fees

4. The following procedures will be used for the payment of royalty and regulatory fees —

(1) Quarterly —

- (a) Thirty days prior to the beginning of each quarter, the Office will issue, to each licensee, an invoice for the regulatory fee.
- (b) No later than fifteen days following the end of each quarter, each licensee will provide —
- (i) a licence fee report;
 - (ii) unaudited financial statements; and
 - (iii) payment (by cheque or electronic fund transfer) for the licence fee payable (both royalty and regulatory fees), as calculated per the licensee's licence fee report.
- (c) The licence fee report must be signed by an officer of the licensee attesting to the veracity and completeness of the information provided and that the licensee has reported

all turnover. If a licensee's turnover, revenue or licence fee payment differs from the precise details contained in the licence fee report, the Office may require the licensee to provide further information in respect of the licence fees calculated.

- (d) Additionally, the Office may request further information at any time and in any format considered advisable.
- (e) Within ninety days of receiving a licensee's licence fee report and unaudited financial statements (or audited financial statements, as the case may be), if the Office disputes the exclusion of any item from the licensee's turnover or the inclusion of any item deducted from the licensee's turnover for the purpose of calculating its revenues, the Office may serve the licensee with a dispute notice.
- (f) The procedures for resolving such a dispute are set out in Section 2 of Annex 2 to each ICT Licence.

(2) Annually —

- (a) No later than three months following the end of the licensee's financial year, each licensee must provide a full set of audited financial statements to the Office.
- (b) If the audited financial statements, as accepted by the Office, show that the licensee has underpaid the licence fee, a further royalty fee payment in the amount of the 6% of the difference between the audited statements and the unaudited statements shall be paid to the Office.
- (c) In the event the audited financial statements show that the Licensee has overpaid licence fees, a credit in the amount of 6% of the difference shall be applied to the licensee's royalty fee for the current year.
- (d) The licensee's audited financial statements are to include at the licensee's option either —
 - (i) an audited Statement of Financial Position, Statement of Comprehensive Income, Statement of Cash Flows, Annual Turnover and Annual Revenue statements (including audits of amounts of Annual Turnover earned as money or money's worth, Annual Turnover earned from Affiliates, payments to Affiliates, and other deductions from Turnover) and such other statements as the Office

- may reasonably prescribe, all in respect of the Licensee's business in or from the Cayman Islands for a Licensee Financial Year during the Term of the Licence; or
- (ii) audited statements of Annual Turnover and Annual Revenue (including audits of amounts of Annual Turnover earned as money or money's worth, Annual Turnover earned from Affiliates, payments to Affiliates, and other deductions from Turnover) and such other statements as the Office may reasonably prescribe, all in respect of the licensee's business in or from the Cayman Islands for a Licensee Financial Year during the Term of the Licence.
- (e) With respect to licensees' audited financial statements —
- (i) only auditors from the Cayman Islands Monetary Authority's Current List of Approved Local Auditors or any other locally certified public accounting firm that is approved by the Office in advance of the licensee's financial year end, will be accepted by the Office as the auditors of record for Licensee's audited financial statements; and
 - (ii) consistent with the Cayman Islands Monetary Authority's Policy for Local Auditor Sign Off, the Office will not require that all of the audit work is carried out locally or carried out solely by the approved auditor of record.
- (f) Licensees are responsible for ensuring that they make payment of the quarterly amount of the licence fees calculated on the basis of revenues on or before the due date. The Office will issue an acknowledgement for fees received.
- (g) Where a date falls on a weekend or holiday, the due date will automatically be the first business day immediately after the weekend or holiday.

Automated payments

5. Automated payments should be made to the Office's Bank account, details of which will be provided to each licensee. The name of the licensee as it appears on the relevant licence should be quoted in the payment.

Made the 13th day of December, 2025.

Sonji Myles
Chief Executive Officer
Utility Regulation and Competition Office