Alper Law

Best Offshore Trust Jurisdictions

2026 Rankings

The Cook Islands is the best offshore trust jurisdiction for asset protection in 2026. Every trustee company there operates under a compulsory license, a creditor must prove fraud beyond a reasonable doubt in a Cook Islands court, and no other country's trust statute has been through as much creditor litigation.

Five countries account for nearly all offshore asset protection planning by U.S. residents. We ranked the five for 2026 from each country's own trust legislation and from the court decisions that tested it, and we put the most weight on the trustees who hold the money.

The 2026 Rankings

The chart ranks the best offshore trust jurisdictions for 2026. Each country's score is its weighted grade across six criteria, from the strength of its trustee market to the cost of running a trust there. The two right-hand columns name each country's strongest protection and the weakness that costs it most.

How We Ranked These Jurisdictions

We scored the five asset protection jurisdictions against six weighted criteria and gave the most weight, 30 percent, to the trustee market and its regulation.

The five countries' trust statutes have converged. Nevis's fraud provision reads almost word for word like the Cook Islands section. The Cook Islands, Nevis, and Belize all shut off the Statute of Elizabeth, the 1571 English fraudulent-conveyance law. All three also bar their own courts from recognizing a foreign judgment against the trust. Grading statutory text alone would come out close to a tie.

Trustee safety, defense experience under creditor pressure, and day-to-day handling of the trust's accounts vary widely from one country to the next. So do the decisions each country's courts have handed down and the treatment a foreign judgment receives.

Creditor attacks on offshore trusts are rare. Most judgment creditors never pursue assets offshore at all, because the pursuit runs on private money with no promised recovery. Even so, we weighted the trustee first, because the structure exists for the rare case where a creditor does come. The outcome then turns on whether the trustee holding the assets defends the trust. A statute that refuses to recognize the judgment deters the chase before it starts.

Trustee market and regulation, 30 percent. How many licensed trustees the country has, what the regulator demands in capital and professional indemnity cover, how long the companies have operated, and how deep their staffing runs. It also counts what no license register shows: whether a trustee there has defended a trust against a creditor, and how much of the trust's banking the trustee will run alongside the settlor's advisors.

Foreign-judgment non-recognition, 20 percent. Whether the trust statute bars local courts from recognizing or enforcing a judgment the creditor won in another country.

Litigation track record, 20 percent. How often creditors have tested the statute in court and how the decisions came out.

Creditor-challenge barriers, 15 percent. The window a creditor has to attack a transfer and the proof the statute demands.

Procedural obstacles, 10 percent. Bond requirements and statutory limits on freezing orders.

Cost, 5 percent. What the structure costs to establish and to run each year.

We graded each country one to five on every criterion from the statutory text and the case law, then applied the weights. This ranking reflects the trust statutes in force in 2026, and we rebuild it each year against the current text.

How we verified this ranking. We pulled each country's trust legislation from its official source and archived the text: the Cook Islands legislation database, the 2017 Revised Edition of the Nevis ordinance, and the current revisions for the other three. Every grade traces to a cited statute section or a decided case, and we confirmed how the cases ended in the court filings.

How the Five Trust Statutes Compare

The five statutes part ways on the window to challenge a transfer, the proof a creditor must bring, and the treatment of a foreign judgment. Nevis adds two obstacles no other country imposes: a creditor bond before filing and a statutory bar on freezing orders. The chart cites the statute section behind each rule it states.

Jurisdiction	Window to challenge a transfer	Standard and burden of proof	Judgments from other countries	Creditor bond before filing	Freezing orders during the case
Cook Islands	Barred 2 years after the claim accrued; inside that window only a creditor who sued within 1 year of the transfer may challenge, and only in the Cook Islands within 2 years of it (trust statute ss 13B(3), 13K(1))	Creditor must prove principal intent to defraud beyond reasonable doubt (ss 13B(1), 13B(7))	Not entertained, recognized, or enforced against the trust or its parties, where it rests on law inconsistent with the trust statute or decides a matter Cook Islands law governs (s 13D)	None	Only after the court is satisfied beyond reasonable doubt on the plaintiff's opening affidavit (ss 13K(3), 13K(4))
Nevis	Barred if the transfer preceded the claim or came more than 1 year after it accrued; suit must be filed in Nevis within 2 years of the transfer (trust ordinance ss 26(3), 26(4), 50(1))	Creditor must prove principal intent to defraud beyond reasonable doubt (ss 26(1), 26(7))	Not enforced or recognized against the trust or its parties (s 30)	EC$270,000, about US$100,000, held by the Ministry of Finance's Permanent Secretary (s 61)	Barred; no order may detain, garnish, attach, or otherwise interfere with trust property (s 24(4))
Belize	No creditor-challenge provision in the trust statute	No statutory standard, because the statute creates no creditor challenge	Not recognized for marriage, succession, or insolvency-creditor claims (ss 7(6), 7(7))	None	No statutory restriction
Cayman Islands	6 years from the date of the transfer (fraudulent dispositions statute s 4(3))	Creditor must prove intent to defraud, and the transfer must be at an undervalue (ss 4(1), 4(2))	Refused only where the judgment enforces inheritance rights or a family-relationship claim; creditor money judgments are outside the bar (trust statute ss 91, 93)	None	No statutory restriction
Bahamas	2 years from the date of the transfer (fraudulent dispositions statute s 4(3))	Creditor must prove intent to defraud, and the transfer must be at an undervalue (ss 4(1), 4(2))	Not recognized on the same narrow terms as Cayman law (trust statute ss 8, 10)	None	No statutory restriction

The narrowest entries in the judgments column belong to the Cayman Islands and the Bahamas. Each refuses recognition only where the foreign judgment enforces inheritance rights or a family-relationship claim. An ordinary creditor's money judgment sits outside both bars, and a court in either country can recognize and enforce it.

1. Cook Islands

Every trustee company in the Cook Islands holds a compulsory license from the Financial Supervisory Commission, and running trustee business without one is an offense. The Commission lists ten licensed trustee companies, and the oldest have operated since 1982 and 1987. The licensing regime demands capital, professional indemnity cover, and fit-and-proper management.

The trust statute gives a creditor exactly one claim. That claim requires proof, beyond a reasonable doubt, that the settlor moved the assets with the principal intent to defraud that creditor and that the transfer left the settlor unable to pay. The statute makes it the sole remedy and displaces constructive trusts and every other theory, from any jurisdiction's law.

Time limits come in two layers. A transfer made more than two years after the creditor's claim arose cannot be challenged at all. Even inside that window, a creditor who did not sue on the underlying claim within one year of the transfer is barred. Any challenge must be brought in the Cook Islands High Court within two years of the transfer. The court will not hear the case, or grant any freezing order, until the creditor's opening affidavit satisfies it beyond a reasonable doubt.

A U.S. judgment has no force of its own in the Cook Islands. The statute bars Cook Islands courts from entertaining, recognizing, or enforcing an outside judgment that rests on law inconsistent with the trust statute or that decides a matter Cook Islands law governs. A creditor must start over in the Cook Islands under Cook Islands law.

A Cook Islands trust can be established after a lawsuit has been filed. Timing alone cannot prove fraudulent intent: the statute says intent may not be inferred merely because the transfer came within two years of the claim, or after the lawsuit began. A transfer made after the suit is filed loses the two-year safe harbor; nothing more follows from the date. Post-claim planning costs something: contempt exposure runs higher, and the settlor negotiates from a weaker position than one who planned ahead.

The licensing regime met its hardest test in *FTC v. Affordable Media*, 179 F.3d 1228 (9th Cir. 1999), the Anderson case. A federal court ordered the settlors to repatriate the trust assets, and the settlors instructed their Cook Islands trustee to account for the assets and send them back. The trustee declared the order an event of duress under the trust deed, removed the Andersons as co-trustees, and refused.

The United States then sued the trustee in the Cook Islands in September 1999 and litigated there for more than three years. That action ended in a negotiated settlement announced in December 2002. The trustee paid the FTC $1.2 million from the trust, against almost $1.3 million the FTC had identified in it. The Ninth Circuit's opinion refers to millions of dollars in commissions placed overseas, so the trust's full value was never established. No court has ordered a foreign trustee to turn trust assets over to a creditor.

The settlement ended only the case against the trustee; the FTC's $26,618,823 judgment against the Andersons was never settled. The settlors also spent about six months in federal custody after a June 1998 contempt finding. The court released them that December, still in contempt. Their creditor was a federal agency litigating on a public budget. Even the $96,455.01 in fees for its own Cook Islands counsel came by court order.

A Cook Islands trust costs more to establish and run than a trust in any of the other four countries. Setup runs about $21,000, and annual trustee fees run about $5,000. Adding an offshore limited liability company brings those figures to roughly $26,000 and $6,000.

2. Nevis

Nevis law puts more procedural obstacles in a creditor's way than any of the other four countries. A creditor must deposit a bond of EC$270,000, about US$100,000, before filing any action against trust property. The Ministry of Finance's Permanent Secretary holds the bond to secure costs if the challenge fails. No Nevis court may issue an injunction or any other order that detains, garnishes, attaches, or otherwise interferes with trust property.

The Nevis fraud rules match the Cook Islands standard. A creditor must prove principal intent to defraud beyond a reasonable doubt, along with a transfer that left the settlor unable to pay. The burden of proving intent never leaves the creditor.

Nevis gives creditors even less time than the Cook Islands does. A transfer made before the creditor's claim arose cannot be challenged at all, and a transfer made more than one year after the claim arose is protected too. Any suit that remains must be filed in the Nevis court within two years of the transfer. Outside judgments fare no better: Nevis courts do not entertain a judgment from another country against the trust, its settlor, its trustee, or its beneficiaries.

The trustee rules ask less. A Nevis international trust needs one qualifying trustee, and a licensed trust company is only one of the categories that qualify; a corporation or a limited liability company formed under Nevis law serves just as well. Nevis publishes no register of licensed trustee companies. Where a licensed trust company does act, its licensing requirements compare with the Cook Islands regime; the ordinance simply does not require one.

The court history is thinner but favorable. In 1999 the High Court of St. Kitts and Nevis threw out a U.S. bankruptcy trustee's claim against the Cardinal Trust because the complaint stated no claim under Nevis law. The Second Circuit recounted that ending in *SEC v. Brennan*, 230 F.3d 65 (2d Cir. 2000).

In *Campbell v. Commissioner*, T.C. Memo. 2019-4, the U.S. Tax Court held the IRS abused its discretion by treating a Nevis trust's assets as available to the settlor, who could not control the trustee's investment or distribution decisions. The decision reviewed the IRS's own collection guidelines; it does not hold that offshore trust assets sit beyond the IRS's reach.

A Nevis trust costs about the same as a Cook Islands trust, roughly $21,000 to establish and about $5,000 a year, so price rarely decides between the two countries. The deciding differences are the trustee market and the court history, and both favor the Cook Islands.

3. Belize

The Belize Trusts Act contains no creditor-challenge provision at all. Nothing in it lets a creditor sue to set aside a transfer as fraudulent. The Act's only limitation section governs claims against a trustee for breach of trust. There is no window to wait out, because the statute gives a creditor no claim to bring.

Belize protects trusts through a non-recognition rule instead. A Belize court may not vary a Belize trust, set it aside, or recognize a claim against its property where the claim rests on another country's law or a foreign court's order. The bar names three categories of claim: claims from a marriage or divorce, inheritance rights, and the claims of creditors in an insolvency.

It holds notwithstanding the Statute of Elizabeth's Belize counterpart, the Belize bankruptcy statute, and the statute for registering foreign judgments. The rule is not a blanket exemption from fraudulent transfer law; it reaches the three categories it names.

That rule got its test in the Rensin bankruptcy. The settlor behind *In re Rensin* established the Joren Trust in 2001 and funded it with $9 million, years before any FTC claim existed. The trust began under Cook Islands law; its situs and governing law changed to Belize in 2014. In August 2017, Belize's Supreme Court ordered the trustee to obey no turnover order except one from that same court.

The Florida bankruptcy court then denied the FTC's demand that the settlor turn over the trust's assets, because he had no legal ability to control the trust's administration, though the court ruled for the trustee only in part. The FTC's $13.4 million judgment itself had already been held nondischargeable in his bankruptcy.

Third place rests on the non-recognition rule. The Belize trustee market is small. Every international trust there needs a resident trust agent, and acting as a trust agent without a license is an offense. A Belize trust is also the least expensive of the five. Setup costs $8,000 to $12,000, and annual costs run $2,500 to $5,000.

4. Cayman Islands

The Cayman Islands has the deepest licensed trustee market of the five countries: 138 licensed trust companies under the Cayman Islands Monetary Authority as of mid-2026, plus 162 registered private trust companies. A full trust license requires net worth of KYD 400,000, the statute imposes a duty to maintain professional indemnity insurance, and unlicensed trust business is a criminal offense.

The number overstates what an American settlor can buy. Fifty-five of the licenses are restricted to a named group of persons, and another 23 are nominee licenses. The registered private trust companies each serve one family. That leaves 60 unrestricted companies able to accept an outside trust. No court decision shows a Cayman trustee defending an asset protection trust against a creditor; the market administers institutional and family wealth.

A creditor attacking a transfer into a Cayman trust must prove intent to defraud and a transfer at an undervalue, on the ordinary civil standard rather than the criminal one the Cook Islands and Nevis demand. The window runs six years from the transfer. Only a creditor whose claim existed when the transfer was made, and who can show the transferor knew of it, can use the statute at all.

Nothing in Cayman trust legislation stops a court there from recognizing a creditor's money judgment. The trust statute refuses foreign judgments only where they enforce inheritance rights or a claim arising from a family relationship.

In *Tasarruf Mevduati Sigorta Fonu v. Merrill Lynch*, [2011] UKPC 17, a Turkish state fund set up to take over failed banks brought a US$30 million Turkish judgment against a trust settlor to the Cayman courts. Those courts recognized and enforced it. The Privy Council then held that the revocation powers the settlor had kept gave him, in that case, rights tantamount to ownership. It ordered him to delegate those powers to receivers collecting the judgment.

Cayman loosened its perpetuities rule in 2024 without abolishing it. The default period remains 150 years. A new instrument that takes effect from August 22, 2024 and holds no Cayman land may provide that the perpetuities rule does not apply to it. An existing trust can ask the Grand Court to lift the rule.

5. Bahamas

The Central Bank of The Bahamas licenses trust companies the way it licenses banks, under the same statute. Its register in August 2026 showed 164 licensees holding some form of trust authority, and 64 once the 100 nominee-trust licensees are set aside. The Bank's guidance sets minimum capital of $500,000 for a public trust company and expects professional indemnity cover of US$3 million or more, the only published insurance floor among the five countries.

A creditor's path against a Bahamian trust mirrors the Cayman path on a shorter clock. The challenge must come within two years of the transfer, the creditor must prove intent to defraud plus an undervalue, and the burden stays on the creditor. That two-year window is the only measure on which the Bahamas is stronger than the Cayman Islands. The Bahamian rule on foreign judgments runs on the same narrow terms as the Cayman rule, so an ordinary money judgment is not barred from recognition.

No court decision shows a Bahamian trustee defending an asset protection trust against a creditor. The regulation is real; no case has tested it.

Does the Ranking Change if the Creditor Is a Federal Agency?

Yes, criminal forfeiture and the federal tax lien reach property that no private creditor can touch, and they run on rules that have nothing to do with which trust statute the settlor picked.

The Federal Trade Commission and the Securities and Exchange Commission sit below those two powers and above every private party. They bring public budgets, staff counsel, receiverships, asset freezes, and a demonstrated willingness to litigate abroad. The Anderson matter is what that looks like in practice.

An ordinary judgment creditor faces the same statutes with private money and hourly counsel, and rarely files a foreign proceeding at all.

Does the Trustee Matter More Than the Jurisdiction?

Yes. Among the five countries in this ranking, the trustee matters more than the country. A statute cannot refuse a demand, declare an event of duress, or defend a lawsuit; a trustee company does those things or fails to do them.

A license register cannot show which trustee will fight. Court files can. In the Anderson case, the trustee refused a repatriation instruction backed by a federal court order, and then defended the trust in Cook Islands proceedings for more than three years. No comparable defense appears for any Cayman or Bahamian trustee, and the Nevis and Belize files each hold one favorable order: the Cardinal Trust dismissal and the Belize court's instruction to the Joren Trustee.

Inside the chosen country, picking the trustee company is the decision that remains. The choice of trustee company turns on the license, the capital and insurance behind it, the staffing, and whether the company has been through a creditor fight.

Offshore Trusts vs. Domestic Asset Protection Trusts

A domestic asset protection trust protects reliably only when the settlor lives in the trust state. A creditor sues at home, and a home-state court that has no such statute of its own will likely apply local law rather than the trust state's law. For a resident of a state without the statute, that problem alone makes the trust unreliable.

In *In re Huber*, 493 B.R. 798 (Bankr. W.D. Wash. 2013), a federal court applied Washington law to a Washington resident's Alaska trust and avoided the transfers into it. In *Toni 1 Trust v. Wacker*, 413 P.3d 1199 (Alaska 2018), Alaska's own supreme court held that its exclusive-jurisdiction statute cannot keep a fraudulent transfer claim out of other states' courts. And in bankruptcy, a trustee can avoid transfers into any self-settled trust for ten years under 11 U.S.C. § 548(e), offshore trusts included.

An offshore trust does not escape those avoidance powers; it changes what an avoidance order is worth. A U.S. court's order binds an American trustee and does not bind a trustee in the Cook Islands or Nevis, so the assets stay out of reach even when the transfer is avoided on paper. The offshore cases became contempt fights for exactly that reason; the Andersons spent about six months in custody. A settlor who uses a domestic trust usually avoids that contempt exposure, because a court can take the assets directly.

Jurisdictions Left Out of the Ranking

We left the private-banking countries out of the ranking. Switzerland and Singapore hold and manage money as well as any jurisdiction on this list, but a court in either country can recognize and enforce a U.S. civil judgment through its own recognition proceedings. Banking strength says nothing about what a court will do with a judgment when a creditor arrives holding one.

Which Offshore Trust Jurisdiction Should You Choose?

For nearly everyone who meets the offshore planning threshold, at least $1 million in total assets or $500,000 in liquidity, the answer is the Cook Islands. An offshore trust there moves legal ownership to a licensed trustee no U.S. court can compel, in the one country where a trustee has already defended a trust through years of creditor litigation.

Nevis fits a settlor who wants the creditor bond and the freezing-order bar, at about the same cost as the Cook Islands. Belize fits a settlor with a smaller estate, liquid assets between $250,000 and $500,000, who wants a non-recognition rule at the lowest price of the five. The Cayman Islands and the Bahamas regulate trustees well, but neither statute stops a local court from recognizing a creditor's money judgment, the weakness that keeps both at the bottom of the chart.

The remaining risk is the settlor's own conduct. In the decided cases, trouble followed retained control. The Andersons went into custody after a court found that they still controlled their trust; the settlor in the Cayman case lost because he had kept the power to revoke. A trustee can only defend a trust the settlor has genuinely let go.

How the Scores Break Down

Jurisdiction	Trustees 30%	Foreign judgments 20%	Track record 20%	Barriers 15%	Procedural 10%	Cost 5%	Weighted score
1. Cook Islands	5	5	5	5	4	2	**4.75**
2. Nevis	3	5	3	5	5	2	**3.85**
3. Belize	2	4	2	3	1	5	**2.60**
4. Cayman Islands	3	1	2	2	1	3	**2.05**
5. Bahamas	3	1	1	3	1	3	**2.00**

Grades run from 1 (weakest) to 5 (strongest). The score is the weighted average of the six grades.

Sources

Cook Islands

International Trusts Act 1984, ss 13B, 13D, 13K (as amended)

Financial Supervisory Commission, register of licensed trustee companies (2026)

Nevis

Nevis International Exempt Trust Ordinance, Cap. 7.03 (N), revised edition showing the law as at 31 December 2017, ss 24, 26, 30, 50, 55, 61

Belize

Trusts Act, Cap. 202, s 7

Trusts (Amendment) Act 2023

Cayman Islands

Fraudulent Dispositions Law (1996 Revision)

Trusts Act (2021 Revision), ss 90 to 93

Banks and Trust Companies Act (2025 Revision)

Perpetuities Act (2025 Revision)

Cayman Islands Monetary Authority, trust licensee statistics (second quarter 2026)

The Bahamas

Fraudulent Dispositions Act 1991

Trusts (Choice of Governing Law) Act, Ch. 179

Central Bank of The Bahamas, register of supervised financial institutions (August 2026) and trust company licence guidelines

Court decisions

FTC v. Affordable Media, LLC, 179 F.3d 1228 (9th Cir. 1999)

SEC v. Brennan, 230 F.3d 65 (2d Cir. 2000)

Tasarruf Mevduati Sigorta Fonu v. Merrill Lynch Bank and Trust Co. (Cayman) Ltd, [2011] UKPC 17

In re Rensin, 600 B.R. 870 (Bankr. S.D. Fla. 2019)

Campbell v. Commissioner, T.C. Memo. 2019-4

Statutes were verified against the official government and regulator texts in force in 2026. Cost figures are Alper Law's published fee ranges for each jurisdiction. Full methodology and the record behind each score: alperlaw.com/offshore/offshore-trust/best-offshore-trust-countries/