



Al Khuwair Muscat Downtown and Waterfront Development By Zaha Hadid

# **Company Registration & Residency Guidebook in Oman**

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## Ask the Connsect Assistant

Connsect's virtual assistant is available 24/7 in any language.

Contact us on WhatsApp and share it with anyone interested in Oman.

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## Sultan Haitham

Sultan Haitham is the architect of Oman's economic and industrial renaissance after the late Sultan Qaboos. He officially appointed his eldest son as the first Crown Prince of Oman.

## Connsect's Complete Services

| Service                  | Price   |
|--------------------------|---------|
| Company Registration     | 295 OMR |
| Residency for One Person | 795 OMR |

## Company Bank Account

| Service   | Price   |
|---|---------|
| Bank Account                                    | 50 OMR  |
| Visa Card                                       | 25 OMR  |
| Cheque Book                                     | 25 OMR  |
| Online Banking                                  | 50 OMR  |
| <b>Full Company Banking Package (All above)</b> | 100 OMR |

## Personal Bank Account

| Service                           | Price   |
|-----------------------------------|---------|
| Personal Bank Account + Visa Card | 25 OMR  |
| Cheque Book                       | 100 OMR |

## Required Documents for Company Registration

- Passport or copy with at least 6 months validity
- 1 to 6 partners, with at least 10% shares each
- No other documents are needed.

## Does Company Registration Mean Residency?

No. To operate your business in Oman, you must get legal residency.

After receiving your residency, you can:

- Open international bank accounts
- Buy or rent property and vehicles.
- Start official business activities.

## Type of Company You Will Register

If you want **100% Foreign ownership** without an Omani sponsor (and the trouble that comes with it) and don't want to block a large amount of capital:

-  The correct choice is a **Limited Liability Company (LLC)** similar to Google's structure.

## Company Capital

| Grade     | Capital (OMR)    |
|-----------|------------------|
| Grade 4   | Less than 25,000 |
| Grade 3   | 25,000–50,000    |
| Grade 2   | 50,000–100,000   |
| Grade 1   | 100,000–250,000  |
| Excellent | Over 250,000     |

## Company Grade Differences in Oman

In Oman, companies are classified by the Ministry of Commerce, Industry and Investment Promotion (MOCIIP) into grades that reflect:

- The scale of the business
- The amount of capital
- Number of staff allowed
- Legal and financial benefits

### **Excellent Grade**

- Large companies with high capital and revenue
- No limit on employee visas
- Required for major government projects
- Must have local office and real operations

## Grade One

- Medium to large businesses
- Moderate employee visa capacity
- Can participate in large private and mid-size government projects

## Grade Two

- Medium-size businesses
- A limited number of staff visas
- More affordable than Grade 1 or Excellent

## Grade Three & Four

- Small businesses and startups
- Lower cost, fewer employee visas
- Best for solo entrepreneurs, local services, or online shops.

## Upgrading Your Company Grade

Yes, you can upgrade your company grade later.

| <b>From → To</b> | <b>Grade 3</b> | <b>Grade 2</b> | <b>Grade 1</b> | <b>Excellent</b> |
|------------------|----------------|----------------|----------------|------------------|
| From Grade 4     | 100 OMR        | 150 OMR        | 250 OMR        | 600 OMR          |
| From Grade 3     | –              | 100 OMR        | 200 OMR        | 550 OMR          |
| From Grade 2     | –              | –              | 150 OMR        | 500 OMR          |
| From Grade 1     | –              | –              | –              | 400 OMR          |

You can start with Grade 4 and upgrade any time you are ready.

## Can My Family Get Residency Too?

Yes. Each company shareholder can apply for family residency:

| <b>Family Member</b> | <b>Cost</b> |
|----------------------|-------------|
| Spouse               | 150 OMR     |
| First Parent         | 150 OMR     |
| Second Parent        | 100 OMR     |
| Children under 21    | 100 OMR     |

## Bank Account in Oman

Opening an international **company bank account** is **required** to start any business in Oman.

However, because of problems faced by both foreign and local investors (like cheque misuse), Omani banks are **strict** when opening company accounts.

Banks must ensure **your company is real and operating** before approving a business account.

## What Banking Services Do You Need?

Let us know if you need help with:

- Personal bank account
- Personal chequebook
- Credit/debit card
- Business bank account
- Business chequebook
- Business online banking

- Business Visa card
- Point of Sale (POS) machine

 **Just contact us!**

## How Long Does It Take to Open a Bank Account?

| Type             | Time                               |
|------------------|------------------------------------|
| Personal account | 1 to 3 days                        |
| Company account  | 1 week to 1 month                  |
| Cheque book      | 1 week (for company accounts only) |

Chequebooks are only issued for company accounts.

To open a company account, all partners must have residency and be present in Oman.

## Company and Residency Validity

- Company license must be renewed **every 3 years**.
- Residency (for investors and family) must be renewed **every 2 years**.
- A person with **family residency cannot work** in Oman. To work, they must change it to a **work permit**.
- Entry/exit of shareholders is subject to **strict laws** and must be planned carefully.

## Activities Reserved for Omani Citizens

Not all activities are open to foreign investors.

Here are examples of business activities **that are only allowed for Omani national companies.**

1. Making Omani sweets (Halwa)
2. Tailoring clothes for Arab men
3. Tailoring clothes for non-Arab men
4. Tailoring for Arab and non-Arab women
5. Sewing sportswear
6. Sewing military clothes
7. Making Omani caps (Kumma)
8. Producing women's abayas
9. Making Omani daggers (Khanjar)
10. Transporting and selling drinking water
11. Electrical repairs for vehicles and battery charging
12. Radiator cleaning and repair
13. Tire puncture repair and metal wheel service
14. Wheel balancing
15. Vehicle service stations
16. Engine oil change
17. Car AC repair

18. Car exhaust repair
19. Car washing and polishing
20. Wholesale of fruits and vegetables
21. Wholesale of cooking gas
22. Liquid fuel stations
23. Retail sale of fruits, vegetables, and dates
24. Honey sales in specialized shops
25. Vehicle fuel stations
26. Diesel fuel stations
27. Retail sale of phones and accessories
28. Retail of mobile phones and accessories
29. Souvenirs and gift shops
30. Flower and plant shops
31. Pottery and handicraft shops
32. Cooking gas shops
33. Silverware and gift shops
34. Telecom card sales
35. Traditional weapons (daggers) sales
36. Animal feed retail
37. Bags and accessories
38. Wedding supplies
39. Fireworks retail
40. Omani dagger shops
41. Empty gas cylinder shops
42. Wedding card printing
43. Handicrafts and artisan goods
44. Beekeeping equipment
45. Transport of pilgrims and Umrah visitors
46. Gas cylinder road transportation

47. Loading/unloading services
48. Customs clearance agents
49. Damaged car valuation
50. Insurance commission agents
51. Real estate brokers (auction offices)
52. Labor recruitment offices
53. Employment offices
54. General building cleaning
55. Copying and typing services
56. Contract clearance offices
57. Neon sign manufacturing and installation
58. Fuel station management
59. Driving schools
60. Elderly care homes
61. Orphanages
62. Library and archive services
63. Laundry and textile cleaning (non-tourist areas)
64. Ironing clothes (non-tourist areas)
65. Dry cleaning (non-tourist areas)
66. Men's hair salons (non-tourist areas)
67. Women's beauty salons (non-tourist areas)
68. Kids hair salons (non-tourist areas)
69. Poultry hatcheries
70. Beekeeping and honey production
71. Sea fishing
72. Poultry and rabbit slaughtering

73. Small-scale printing (photocopy, engravings, etc.)
74. Non-drinking water transport and sale
75. Crane rentals with operators
76. Construction equipment rentals with operators
77. Demolition equipment rentals with operators
78. Livestock wholesale
79. Seafood and fish wholesale
80. Fish product wholesale
81. Meat and processed meat retail
82. Fish and seafood retail
83. Halwa (Omani sweet) specialty stores
84. Slaughtered chicken shops
85. Natural plant shops
86. Herbal product shops
87. Pet and aquarium stores
88. Car towing and recovery
89. Buying/selling and dividing land
90. Real estate rental and operation
91. Building operation (owned or rented)
92. Property valuation
93. Building management (contract-based)
94. Homeowner association management
95. Pet care services

## Living Costs in Oman

| Expense                      | Price             |
|------------------------------|-------------------|
| 1-bedroom in the city center | 150–250 OMR/month |
| Iranian school fees          | From 650 OMR/year |
| Food (per person/month)      | 100–150 OMR       |
| Buying a car                 | 2,000–4,000 OMR   |

## Basic Grocery Prices

| Item                  | Price     |
|-----------------------|-----------|
| 1 meal                | 1.5–2 OMR |
| 1 liter of fresh milk | 0.7 OMR   |
| 1 kg rice             | 0.7 OMR   |
| 1 kg tomatoes         | 0.47 OMR  |

|                                    |                     |
|------------------------------------|---------------------|
| 1 kg fruit (orange, banana, apple) | 0.3–1 OMR           |
| 2-person meal                      | 3 OMR               |
| 30 eggs                            | 1.05 OMR            |
| 1.5 L bottled water                | 0.22 OMR            |
| 1 kg onion                         | 0.36 OMR            |
| 1 kg potatoes                      | 0.41 OMR            |
| 1 loaf of fresh bread              | 0.1 OMR (100 baisa) |
| 1 kg red meat                      | 3.5 OMR             |

Prices may vary by season.

## Oman's Free Zones

Royal Decree 105/2020, issued in August 2020, created Oman's Public Authority for Special Economic and Free Zones.

### **Free Zone Benefits:**

1. Tax exemption for 30+ years
2. 100% foreign ownership
3. Full profit and capital repatriation
4. Investor-friendly legal environment
5. 0% import/export duty

## Mainland vs. Free Zone

- Free Zone companies cannot operate on the mainland.
- To sell inside Oman, they must **register again in the mainland** and pay customs + taxes.
- Each option has pros and cons.

Oil companies usually register in **free zones**.

Service companies register in the **mainland**.

Free zones are ideal for export/import or manufacturing due to tax and customs exemptions.

Total cost to register a company, rent an office for 3 years, and a 2-year residency in Free Zone: **6,000 OMR**

## Tax System in Oman

- **Free Zone:** No tax for 15–30 years (renewable depending on the zone)
- **Mainland:** 15% corporate tax on net profit  
(must be declared within 6 months of fiscal year-end)

Many tax advisors are licensed to handle submissions to the Tax Authority.

## Share Transfer Rules in LLC Companies

To transfer shares in an LLC, you must have:

- Rental contract
- Municipality license
- 6 months of company bank transactions
- At least one Omani employee

 With all documents and buyer/seller present, shares can be transferred at the Ministry.

 If anything is missing, **the process becomes expensive and complicated** — sometimes, **registering a new company is cheaper.**

## Connsect Is With You Every Step of the Way

Need help? Our team is here to support you in Muscat.