



Captive Excellence
Starts Here.

Captive Insurance Fact Sheet

Captive insurance definition

A captive insurance company is a subsidiary that insures its parent organization instead of using external insurance carriers. In the US, captives are “domiciled” and regulated by a specific state and state laws

Why businesses form captives

- * Save money by keeping insurance profits and eliminating insurer markups
- * Get tax advantages from deductible premiums and tax-advantaged reserves
- * Create custom coverage for risks that are hard to insure elsewhere
- * Control their own claims process and risk management

Why Vermont is the best captive domicile in the world

- * Over 40 years of experience and 680+ active captives
- * Sophisticated and responsive regulatory environment with dedicated captive division
- * Deep local infrastructure of captive managers, accountants, and attorneys
- * Strong policy support through state government and legislature
- * Convenient location for Northeast businesses and established reputation for quality

Important Vermont captive data

EST. 1981

Vermont licensed its first captive in 1981. It was well ahead of its time and continues to be a world leader in captive insurance.

EST. 1985

The Vermont Captive Insurance Association formed forty years ago and has been a close partner with the State.

1,370 captives

The total amount of captive companies licensed by Vermont, demonstrating the high volume that’s always paired with rigorous, high quality and transparent regulatory treatment.

\$33.3 Million

The annual approximate amount from captive insurance premium taxes that went into the Vermont General Fund. The Vermont captive industry serves a small but important role in boosting the state economy.

80 international companies

Vermont’s Gold Standard regulation goes beyond the borders of the US, as several international companies choose to domicile their captive here.

\$231 billion

Assets under management that the Vermont captive division handles, demonstrating the scope and trust they’ve earned from clients.

#1 Domicile in the World

There are 70 captive domiciles and counting in the world, and the competition is only getting fiercer. In fact, the UK is exploring setting up a captive domicile.

400+ high paying jobs to Vermonters

With an average annual salary of \$90,000 (based on a study done a few years ago). These professionals are the backbone of the humming Vermont captive economy and are abiding taxpayers.