FOCUS

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The Bahamas Immigration Reforms 2026: Key Legislative and Regulatory Changes

Alexandra T. Hall

The presentation of the National Budget to Parliament is one of the most important and recognizable processes in The Bahamas. Included in the compendium of legislation passed in the 2026/2027 National Budget were the Immigration (Amendment) Act, 2026 ("Immigration Act"), Bahamas Nationality (Amendment) Act, 2026, ("Bahamas Nationality Act") and the Immigration (Fees) (Amendment) Regulations, 2026 (the "Immigration Fees Regulations"). The Immigration Act is significant because it introduces measures aimed at facilitating business travel. The Bahamas Nationality Act is important because it creates a mechanism through which certain applicants who are refused Bahamian citizenship may still be considered for permanent residency. The Immigration Fees Regulations are notable because they increase the cost of employing certain foreign workers and reclassify senior hospitality-sector positions into a higher fee category.

Trusted Traveler Program

The Trusted Traveler Program was officially reintroduced under the Immigration Act and allows certain professionals to enter The Bahamas for a period not exceeding three (3) days, without obtaining a work visa or a short-term work permit, to attend conferences, trade shows, seminars etc or to work as non-executive directors. Persons eligible for visa-free work travel include chairmen, directors, chief executive officers, chief operating officers, chief financial officers, legal counsel, compliance officers, accountants, auditors, actuaries, controllers, analysts and managers. The Government has indicated that this program should facilitate the ease of doing business in The Bahamas.

Bahamas Nationality Act

Under The Bahamas Nationality Act, certain individuals, such as those born in The Bahamas to non-Bahamian parents or Bahamian women married to foreign nationals, may apply for citizenship. Historically if these citizenship applications were denied, there was no alternative status available. The Bahamas Nationality Act provides that upon the payment of an application fee of $500, the applicant can be granted a certificate of permanent residence subject to such terms and conditions as the Minister of Immigration thinks fit.

Immigration Fees

The Immigration Fees Regulations increases the annual work visa fee for Scale 1 employees from $15,500 to $16,275 and extend that fee category to include certain director-level positions of hotel businesses, that were previously classified as Scale 2. Another feature of the amendment is the introduction of a separate category for home-care helpers at an annual fee of $1,000.

Together, these amendments reflect a broader policy shift toward facilitating international business and investment through streamlined immigration procedures; providing more flexible immigration outcomes for individuals with established ties to The Bahamas; and modernizing immigration and nationality administration while maintaining ministerial oversight and discretion. For businesses, investors, and internationally connected families, these amendments are among the more consequential immigration and nationality reforms introduced in The Bahamas in 2026.

Alexandra T. Hall is a Partner and Chair of the firm's Government & Regulatory Affairs practice, Deputy-chair of the Tax practice and a key member in the firm's Commercial Law and Private Client and Wealth Management practice groups. **ahall@higgsjohnson.com**

The Bahamas Aligns with International Maritime Standards

Andre W. Hill

Merchant Shipping Act, 2021

The Merchant Shipping Act, 2021 (the "Act") came into force on 1 April 2026, bringing the maritime legal framework in The Bahamas in line with modern international standards. The Act modernizes and consolidates the country's shipping laws, strengthens regulatory oversight, and ensures compliance and alignment with key international maritime conventions, including the:

- International Convention for the Safety of Life at Sea, 1976;
- International Convention for the Prevention of Pollution from Ships, the International Convention on Standards of Training, Certification, and Watchkeeping for Seafarers, 1978; and
- Maritime Labour Convention 2006.

The Act is structured with a clear separation of the primary legislation accompanied by detailed regulations with specific areas covered by the respective international maritime conventions, improving regulatory clarity in The Bahamas.

Merchant Shipping (Registration) Regulations, 2026

The new registration structure under

the Merchant Shipping (Registration) Regulations, 2026 is more streamlined compared to the previous regime with the registration categories and procedures clearly defined with standardized documentation requirements and improved guidance to provide a more predictable and efficient registration process.

Merchant Shipping (Tonnage) Regulations, 2026

The Merchant Shipping (Tonnage) Regulations, 2026 aim to ensure full compliance with the International Convention on Tonnage Measurement of Ships, 1969, fully integrating measurement formulas and principles, standardize how gross tonnage and net tonnage are determined and reduce reliance on outdated or transitional measurement systems to ensure greater consistency with global standards and acceptance of Bahamian tonnage certificates.

While the Bahamas Maritime Authority as a matter of practice has shifted to more digital processes, the Merchant Shipping Act, 2021 and the accompanying regulations codify the digital transformation with the recognition of electronic submissions and records, facilitation of online registration processes and the allowance of electronic certificates and documentation.

In summary, the Merchant Shipping Act, 2021 and the suite of regulations introduced thereunder mark a significant milestone in the evolution of The Bahamas' maritime sector. The new framework modernizes shipping laws, promotes alignment with international conventions and best practices, and provides greater certainty for shipowners, operators, financiers and other maritime stakeholders doing business under the Bahamian flag.

Andre W. Hill serves as Deputy Chair of the firm's Maritime & Aviation and Government & Regulatory Affairs practice groups. He is a key Partner in the Commercial Transactions practice group and his practice focuses on finance, banking and commercial law. **ahill@higgsjohnson.com**

Trevor J. Lightbourn Promoted to Partner

The Partners of Higgs & Johnson are pleased to announce the admission of **Mr. Trevor J. Lightbourn** to the Firm’s partnership.

Mr. Lightbourn holds a Bachelor of Laws (Hons) from the University of the West Indies and a Certificate of Legal Education from the Eugene Dupuch Law School. He was called to the Bahamas Bar in 2010 and joined Higgs & Johnson in 2020. Based in the Nassau office, he is a key member of the Litigation Practice Group, where he focuses on the registration and enforcement of foreign judgments, land quieting actions, employment disputes, taxation matters, shareholder disputes, insolvency claims and tax appeals before the Tax Appeal Commission and Supreme Court, earning him recognition as a recommended lawyer by Legal 500 Caribbean.

Beyond the law, he serves as Chairman of the Citizenship Commission and is a member of the National Insurance Board Appeal Tribunal, reflecting the deep trust placed in his judgment and his commitment to national development.

Managing Partner, **Sterling H. Cooke** remarked:

“We are delighted to welcome Trevor to the Partnership. His commitment, outstanding work ethic, and professional expertise have been instrumental to the Firm’s continued growth and success.”

The Sand Dollar: An Overview of the Bahamian Central Bank Digital Currency

Kariyah L. Bowe

The Bahamas holds a distinctive place in the global development of central bank digital currencies ("**CBDC**"). On October 20, 2020, it became the first country in the world to launch a CBDC on a nationwide basis. The Sand Dollar is a digital representation of the Bahamian dollar issued by the Central Bank of The Bahamas (the "**Central Bank**"), that functions as legal tender within the country's existing financial regulatory framework.

Background

The Sand Dollar is a centralized, regulated, stable, and secure means of exchange issued by the Central Bank and made available to the public through authorized financial institutions ("**AFI**"). It constitutes a direct liability of the Central Bank and is backed by The Bahamas' foreign reserves. Pegged one-to-one to the Bahamian dollar, which is itself pegged one-to-one to the U.S. dollar, it is a domestic-use-only alternative to cash that can be used through a digital wallet, accessible on a smartphone or, alternatively, a payment card.

The Sand Dollar was initially developed as part of the Bahamian Payment Systems Modernization Initiative, a reform effort dating back to the early 2000s, which sought to broaden financial inclusion and improve the efficiency of the domestic payments system. The Central Bank first piloted the Sand Dollar in the Exuma Islands in December 2019, using the archipelagic setting as a practical test case for implementing a single digital currency across multiple islands and cays. The pilot was later extended to Abaco in early 2020, following Hurricane Dorian, which significantly disrupted the island's financial services sector. During this period, the Sand Dollar allowed the Central Bank to assess whether digital currency infrastructure could support access to financial services during major institutional disruptions, particularly in the aftermath of natural disasters.

Following the success of the pilot program, the nationwide rollout occurred several months later, and the focus shifted to its practical use in the Bahamian economy.

Using the Sand Dollar

The Sand Dollar differs fundamentally from traditional cryptocurrencies. Where crypto assets operate as digital instruments without sovereign backing, the Sand Dollar is a fully recognized legal tender whose value and stability are guaranteed. Sand Dollars are accessible through digital wallets provided by AFI's. According to the Central Bank's step-by-step guide, users can choose their preferred Sand Dollar-enabled AFI, determine which Tier best suits their needs, complete the onboarding process, and download the AFI's digital wallet to access the currency. The tiered structure is central to how the framework balances inclusion against risk.

Basic (Tier One) personal wallets have a $500 holding limit and a $1,500 monthly transaction limit. This tier is available to the general public, including non-residents and visitors, and does not require government-issued identification for enrolment. It is, however, unable to be connected to a local bank account. Premium (Tier Two) personal wallets can be linked to a local bank account and have an $8,000 holding limit and a $10,000 monthly transaction limit, but do require government-issued identification for enrolment. The Sand Dollar is also available to businesses for commercial use with a wallet holding limit of up to $1M, subject to the company's capacity, needs and ability to meet the Central Bank's regulatory requirements.

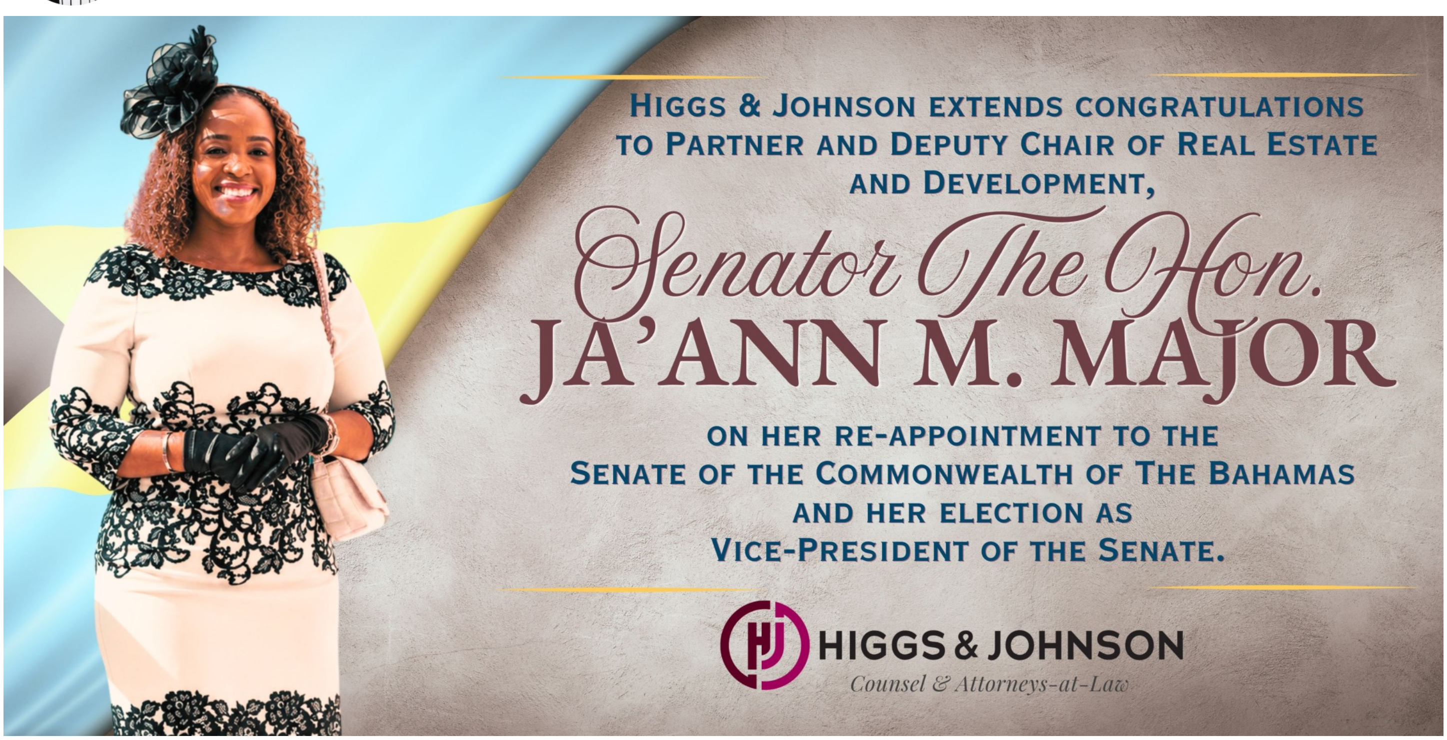
The Legal and Regulatory Framework

The Central Bank of the Bahamas Act, 2020 (the "**Act**") provides the legislative basis for the Central Bank's role in currency issuance, monetary stability, and supervision of payment systems, while the Bahamian Dollar Digital Currency Regulations, 2021 (“**BDDC Regulations**”) establish the regulatory structure for the issuance, maintenance, and use of digital legal tender. The Act is the foundation of the framework and is complemented by other regulatory legislation, like the Banks and Trust Companies Regulation Act, 2020. The BDDC Regulations define digital currency as "an electronic version of the Bahamian Dollar issued by the Central Bank” rather than a separate digital instrument. Holdings of the Sand Dollar do not yield interest, and the Central Bank does not charge a fee to wallet holders. This reflects a deliberate choice by the Central Bank to minimize competition with commercial bank deposits while providing an alternative, secure digital means of holding Bahamian dollars.

Consistent with this objective, the relevant Acts and Regulations position the Sand Dollar within a formal legal structure designed to evolve alongside the payment system. The framework allocates regulatory responsibilities to the Central Bank, along with authorized financial institutions, and approved payment service providers, embedding CBDC use within a controlled and supervised financial ecosystem. By maintaining oversight of licensing, customer due diligence, anti-money laundering, and counter-terrorist financing compliance, the Central Bank prioritizes regulated institutional participation that aligns with technological developments and its operational capacity.

While it is still in its wider implementation phase, the Sand Dollar has proven to be an asset in the Bahamian digital currency space. By providing individuals and businesses with secure alternative means of payment and holding currency, the Sand Dollar has been effectively fulfilling its initial purpose of increasing financial inclusion, payment system efficiency, and usability across the Bahamian islands and cays. Our local framework demonstrates the feasibility of a central bank digital currency and affirms that with the appropriate statutory support, governing body, and regulatory oversight, it is possible to provide the public with a secure and reliable digital alternative to physical currency.

Kariyah L. Bowe is an Associate and a member of the firm’s Litigation, Financial Services, Insurance Law & Regulation, and Insolvency & Corporate Restructuring practice groups. **kbowe@higgsjohnson.com**



H&J News

Pupil Advances to Associate

Congratulations to **Kariyah L. Bowe** on her promotion from Pupil to Associate during the second quarter of 2026. Based at the firm's Lyford Crescent office in Lyford Cay, Kariyah joins the Litigation, Financial Services, Insurance Law & Regulation, and Insolvency & Corporate Restructuring practice groups. Kariyah brings a fresh perspective, up-to-date legal knowledge, and a passion for helping individuals and businesses navigate complex legal matters.

TerraLex Global Meeting, Edinburgh

Deputy Managing Partner **Stephen J. Melvin** and Partner **Portia J. Nicholson** attended the TerraLex Global Meeting, "A Perfect Blend," in Edinburgh, Scotland, hosted by Brodies LLP. The event brought together more than 250 delegates from member firms across 60+ countries for a dynamic program featuring discussions on the AI-driven lawyer, cross-firm networking, multigenerational business development, and conflict and crisis management, alongside practice group and industry sector meetings. Delegates also enjoyed networking opportunities at iconic venues including Edinburgh Castle and the National Museum of Scotland. The firm's participation reflects Higgs & Johnson's ongoing commitment to global engagement, cross-border collaboration, and staying at the forefront of developments impacting the legal profession.

Litigation Attorneys Attend International Conferences

Partners, **Tara Archer-Glasgow, Audley D. Hanna** and **Trevor J. Lightbourn** participated in the IBA Litigation Forum in Madrid exploring the key challenges and emerging strategies shaping modern litigation clients.

INSOL Fellow**, Tara Cooper Burnside, KC** and Partner **Rhyan A. A. Elliott** attended the INSOL AGM in London, reinforcing the firm's commitment to enhancing client service by engaging with the international insolvency community.

Associate, **Fola Swain** attended Offshore Alert Miami, gaining valuable insights from industry leaders on crypto-related financial crime, asset recovery and emerging trends in global investigations.

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