# INCOME TAX (JERSEY) LAW 1961

**Official Consolidated Version**

This is an official version of consolidated legislation compiled and issued under the authority of the Legislation (Jersey) Law 2021.

Showing the law from 17 June 2026 to Current

Jersey

# INCOME TAX (JERSEY) LAW 1961

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Jersey

# INCOME TAX (JERSEY) LAW 1961[1]

**A LAW** relating to income tax and the collection of long-term care contributions due under the Social Security (Jersey) Law 1974 [2]

Commencement [see endnotes]

## PART 1

PRELIMINARY

### 1 Charge of income tax

Where any Law enacts that income tax shall be charged for any year at any rate,[3] then, subject to the provisions of this Law, the tax at that rate shall be charged for that year in respect of all property, profits or gains respectively described or comprised in the Schedules contained in the Articles of this Law enumerated below, that is to say –

Schedule A – Article 51;

Schedule D – Article 61,

and in accordance with the provisions of this Law respectively applicable to those Schedules.[4]

### 2 Yearly assessments

Every assessment and charge to tax shall be made for a year commencing on 1st January and ending on the following 31st December.

## PART 2

INTERPRETATION

### 3 General provisions as to interpretation

(1) In this Law, unless the context otherwise requires –

"51% subsidiary" shall be construed in accordance with Article 3AB;

"accounting date" shall be construed in accordance with Article 4A;

"annuity equivalent" has the meaning given in Article 131CA(1);

"assessable income" means the amount of that income as calculated in accordance with the provisions of this Law;

"authorized insurance company" means a person who is –

(a) authorized by a permit granted under Article 7 of the Insurance Business (Jersey) Law 1996; or

(b) registered, or exempted from registration, under section 7 or section 5 respectively of the Insurance Business (Bailiwick of Guernsey) Law 2002 (other than a protected cell company within the meaning of that Law),

and who carries on business through a branch or agency in Jersey or in Guernsey as the case may be;

"body of persons" means any body politic, corporate or collegiate, and any company, fraternity, fellowship and society of persons, whether corporate or not corporate;

"collective investment fund" means a collective investment fund, within the meaning of the Collective Investment Funds (Jersey) Law 1988, which holds a permit by virtue of being a functionary within Group 1 in Part 2 of the Schedule to that Law;

"Commissioners" means a Commission of Appeal constituted under Article 5 of the Revenue Administration (Jersey) Law 2019;

"Comptroller" has the meaning given by the Revenue Administration (Jersey) Law 2019;

"connected" and "unconnected" shall be construed in accordance with Article 3A;

"depositors' compensation levy" means a levy paid by a bank to the Jersey Resolution and Depositors Compensation Authority in respect of a bank declared to be in default under Part 7A of the Bank (Recovery, Resolution and Depositors' Compensation) (Jersey) Law 2017;

"distribution" shall be construed in accordance with Article 3AE;

"document" includes information recorded in any form and, in relation to information recorded otherwise than in legible form, references to its being furnished include references to furnishing a copy of the information in legible form;

"earned income", in relation to an individual, means –

(a) remuneration from an office or employment held by the individual;

(b) income arising in respect of a pension, superannuation, other allowance, deferred pay or compensation for loss of office given in respect of the past services, in an office or employment, of the individual, the individual's parent, spouse or civil partner, or a deceased person (regardless of whether the individual, the individual's spouse, civil partner or parent, or the deceased person contributed to the pension, superannuation or deferred pay);

(c) income from a property that is attached to or forms part of the emoluments of an office or employment held by the individual;

(d) income that is –

(i) charged under Schedule A by virtue of Article 51(1)(b) or (c), or under Schedule D, and

(ii) immediately derived by the individual from the carrying on or exercise of the individual's trade, profession or vocation, either as an individual or as a partner acting personally in a partnership; and

(e) any other payment required by any provision of this Law to be treated as or deemed to be earned income (including Articles 77AA(2)(b), 131K(1) and 131M(2));

"eligible investment scheme" shall be construed in accordance with Article 3AC;

"eligible participant" shall be construed in accordance with Article 3AD;

"emoluments" means –

(a) all salaries, fees, wages, perquisites or profits or gains whatsoever arising from an office or employment, including any other benefit (whether or not convertible into cash) –

(i) derived by the office holder or employee or by a member of that person's family or household from that office or employment or from its commencement or termination or in consequence of a change in its terms, and

(ii) provided by the office holder's or employee's employer or by a person connected with the employer; and

(b) the amount of any pension;

"enactment" includes any enactment of the United Kingdom;

"financial period" shall be construed in accordance with Article 4A;

"financial services company" has the meaning given in Article 123D;

"fixed place of business" includes a building site or a construction project;

"general notice" means a notice published in the Jersey Gazette;

"general partnership" means a trade or profession carried on by 2 or more persons jointly and does not include –

(a) a limited partnership as defined in Article 76A;

(b) an incorporated limited partnership within the meaning of the Incorporated Limited Partnerships (Jersey) Law 2011;

(c) a separate limited partnership within the meaning of the Separate Limited Partnerships (Jersey) Law 2011;

(d) a limited liability partnership within the meaning of the Limited Liability Partnerships (Jersey) Law 2017;

(e) a foreign limited liability partnership;

"Guernsey" means any Island in the Bailiwick of Guernsey in which is in force the Income Tax (Guernsey) Law 1950, or any Law amending or replacing that Law;

"income, profits or gains distributed" in Article 3AD shall be construed in accordance with Article 3AE;

"international activities" means business activities carried on outside Jersey;

"Jersey Resolution and Depositors Compensation Authority" means the Authority mentioned in Article 4 of the Bank (Recovery, Resolution and Depositors' Compensation) (Jersey) Law 2017;

"liability to tax" includes income chargeable in a year of assessment at a rate of 0%;

"lifetime annuity" means an annuity guaranteed to be payable for the remainder of the life of an individual and guaranteed not to reduce in amount;

"LLC" or "limited liability company" means a limited liability company registered under Article 4 of the Limited Liability Companies (Jersey) Law 2018;

"marginal income deduction" means a deduction allowed under Article 90B or 90C;

"MCIT Law" means the Multinational Corporate Income Tax (Jersey) Law 2025;

"medical practitioner" means a person who is a registered medical practitioner under the Medical Practitioners (Registration) (Jersey) Law 1960 or who is the equivalent of such a person under the law of a country or territory outside Jersey;

"member", in relation to a limited liability company, has the meaning given in Article 1(1) of the Limited Liability Companies (Jersey) Law 2018;

"Minister" means the Minister for Treasury and Resources;

"motor vehicle" means any mechanically propelled vehicle intended or adapted for use on roads;

"officer" has the same meaning as in the Revenue Administration (Jersey) Law 2019;

"ordinary share capital", in relation to a company, means all the issued share capital (by whatever name called) of the company, other than preference shares;

"partnership" means –

(a) a general partnership;

(b) a limited partnership as defined in Article 76A;

(c) an incorporated limited partnership within the meaning of the Incorporated Limited Partnerships (Jersey) Law 2011;

(d) a separate limited partnership within the meaning of the Separate Limited Partnerships (Jersey) Law 2011;

(e) a limited liability partnership within the meaning of the Limited Liability Partnerships (Jersey) Law 2017;

(f) a foreign limited liability partnership approved by the Comptroller under Article 76E;

"permanent establishment", in relation to a company, includes a branch of the company, a factory, shop, workshop, quarry or a building site, and a place of management of the company, but the fact that the directors of a company regularly meet in Jersey shall not, of itself, make their meeting place a permanent establishment;

"preference share" means, in relation to a company, a share which confers a right to a dividend at a fixed percentage of the nominal value of the share, but no other right to share in the profits of the company;

"recognized stock exchange" means any market for the buying and selling of securities which is situate in, and recognized as, a stock exchange within the meaning of the law relating to stock exchanges of –

(a) any member State of the European Union;

(aa) the United Kingdom;

(b) Australia, Canada, Hong Kong, Japan, Norway, Singapore, South Africa, Switzerland or the United States of America; and

(c) any other exchange approved in writing by the Minister;

"registered person" shall be construed in accordance with Article 118C;

"regulatory compliance activity" has the meaning given in Article 3AF;

"relevant distribution" shall be construed in accordance with Article 81R;

"relevant MNE group entity" has the meaning given in Article 120AB;

"shareholder loan" shall be construed in accordance with Article 81O;

"stock dividend" means –

(a) share capital issued by a company in consequence of the exercise by any person of an option conferred on the person to receive, in respect of shares of the company, either cash or additional share capital;

(b) bonus share capital issued by a company in respect of shares in the company of a relevant class;

"trade" includes every trade, manufacture, adventure or concern in the nature of trade;

"trading company" shall be construed in accordance with Schedule A1;

"trading group" shall be construed in accordance with Schedule A1;

"utility company" has the meaning given in Article 123C(3).[5]

(1A) [6]

(1B) In this Law, unless the context otherwise requires, a reference to the winding up of a company shall include a reference to the company becoming bankrupt and to the making of any compromise, arrangement or composition with its creditors.[7]

(2) References in this Law to any enactment include references to any other enactment in so far as it amends that enactment.

(3) The Minister may by Order amend the definition "collective investment fund".[8]

## 3AA [9]

## 3A Connected persons[10]

(1) For the purposes of this Law any question whether a person is connected with another shall be determined in accordance with the following provisions of this Article.

(2) A person is connected with an individual if that person is the individual's spouse or civil partner, or is a relative, or the spouse or civil partner of a relative, of the individual or of the individual's spouse or civil partner.[11]

(3) A person is connected with any person with whom the person is in partnership, and with the spouse, civil partner or relative of any individual with whom the person is in partnership.[12]

(3A) A person who is a member of an LLC is connected with a person who is –

(a) another member of the LLC; or

(b) the spouse, civil partner or a relative of another member of the LLC.[13]

(4) A company is connected with another company –

(a) if the same person has control of both, or a person has control of one and persons connected with the person, or the person and persons connected with the person, have control of the other; or

(b) if a group of 2 or more persons has control of each company, and the groups either consist of the same persons or could be regarded as consisting of the same persons by treating (in one or more cases) a member of either group as replaced by a person with whom the member is connected.

(5) A company is connected with another person if that person has control of it or if that person and persons connected with that person together have control of it.

(6) In this Article "relative" means brother, sister, ancestor or lineal descendant.

## 3AB Subsidiaries[14]

(1) For the purposes of this Law, a body corporate shall be deemed to be a 51% subsidiary of another body corporate if and so long as more than 50% of its ordinary share capital is owned directly or indirectly by that other body corporate.

(2) For the purposes of this Article, 'owned directly or indirectly' by a body corporate means owned, whether directly or through another body corporate or other bodies corporate or partly directly and partly through another body corporate or other bodies corporate.

(3) In this Article, references to ownership are references to beneficial ownership.

(4) For the purposes of this Article the amount of ordinary share capital of one body corporate owned by a second body corporate through another body corporate or other bodies corporate, or partly directly and partly through another body corporate or other bodies corporate, shall be determined in accordance with paragraphs (5) to (9).

(5) Where, in the case of a number of bodies corporate, the first directly owns ordinary share capital of the second, and the second directly owns ordinary share capital of the third, then, for the purposes of this Article, the first shall be deemed to own ordinary share capital of the third through the second and, if the third directly owns ordinary share capital of a fourth, the first shall be deemed to own ordinary share capital of the fourth through the second and third, and the second shall be deemed to own ordinary share capital of the fourth through the third, and so on.

(6) In this Article –

(a) any number of bodies corporate of which the first directly owns ordinary share capital of the next and the next directly owns ordinary share capital of the next but one, and so on, and, if they are more than 3, any 3 or more of them, are referred to as "a series";

(b) in any series –

(i) that body corporate which owns ordinary share capital of another through the remainder is referred to as the "first owner",

(ii) that other body corporate the ordinary share capital of which is so owned is referred to as the "last owned body corporate",

(iii) the remainder, if one only, is referred to as an "intermediary" and, if more than one, are referred to as a "chain of intermediaries";

(c) a body corporate in a series which directly owns ordinary share capital of another body corporate in the series is referred to as an "owner";

(d) any 2 bodies corporate in a series of which one owns ordinary share capital of the other directly, and not through one or more of the other bodies corporate in the series, are referred to as being directly related to one another.

(7) Where every owner in a series owns the whole of the ordinary share capital of the body corporate to which it is directly related, the first owner shall be deemed to own through the intermediary or chain of intermediaries the whole of the ordinary share capital of the last owned body corporate.

(8) Where one of the owners in a series owns a fraction of the ordinary share capital of the body corporate to which it is directly related, and every other owner in the series owns the whole of the ordinary share capital of the body corporate to which it is directly related, the first owner shall be deemed to own that fraction of the ordinary share capital of the last owned body corporate through the intermediary or chain of intermediaries.

(9) Where –

(a) each of 2 or more of the owners in a series owns a fraction, and every other owner in the series owns the whole, of the ordinary share capital of the body corporate to which it is directly related; or

(b) every owner in a series owns a fraction of the ordinary share capital of the body corporate to which it is directly related,

the first owner shall be deemed to own through the intermediary or chain of intermediaries such fraction of the ordinary share capital of the last owned body corporate as results from the multiplication of those fractions.

(10) Where the first owner in any series owns a fraction of the ordinary share capital of the last owned body corporate in that series through the intermediary or chain of intermediaries in that series, and also owns another fraction or other fractions of the ordinary share capital of the last owned body corporate –

(i) directly,

(ii) through an intermediary or intermediaries which is not a member or are not members of that series,

(iii) through a chain or chains of intermediaries of which one or some or all are not members of that series, or

(iv) in a case where the series consists of more than 3 bodies corporate, through an intermediary or intermediaries which is a member or are members of the series, or through a chain or chains of intermediaries consisting of some but not all of the bodies corporate of which the chain of intermediaries in the series consists,

then, for the purpose of ascertaining the amount of the ordinary share capital of the last owned body corporate owned by the first owner, all those fractions shall be aggregated and the first owner shall be deemed to own the sum of those fractions.

## 3AC Eligible investment scheme[15]

(1) For the purposes of this Law, an eligible investment scheme is any of the following –

(a) a scheme or arrangement for the investment of money which has as its object, or one of its objects, the collective investment of capital acquired by means of an offer of units for subscription, sale or exchange;

(b) a scheme which has been established for the principal purpose of –

(i) the securitization or repackaging of assets involving the issue of securities, or

(ii) such other capital market transaction or category of capital market transaction as the Comptroller may from time to time approve.

(2) In this Article "unit" means any material representation of the rights of participants with regard to the assets of an eligible investment scheme whether such rights are represented –

(a) by securities issued by the eligible investment scheme;

(b) by the entry of names of participants in a register kept in relation to the eligible investment scheme; or

(c) by any other means.

(3) The Minister may, by Order, amend this Article.

## 3AD Eligible participant[16]

(1) In this Article –

(a) references to ownership are references to beneficial ownership;

(b) "limited liability partnership" means a partnership established under the Limited Liability Partnerships (Jersey) Law 2017, or an equivalent partnership established under the law of any country or territory outside Jersey;

(c) "general partner" and "limited partnership" have the same meanings as in Article 76A(6); and

(d) "scheme" means an eligible investment scheme.[17]

(2) For the purposes of this Law, an eligible participant is any of the following persons resident in Jersey –

(a) a company issuing units or securities in a scheme;

(b) a company, such company being a general partner of a limited partnership issuing units or securities in a scheme;

(c) a trustee of a unit trust, such trustee issuing units or securities in a scheme;

(d) a limited liability partnership issuing units or securities in a scheme;

(e) any person in whom one or more other persons, such other persons being eligible participants pursuant to any of sub-paragraph (a), (b), (c) or (d), have a majority economic interest.

(3) For the purposes of paragraph (2)(e) one or more persons ("first persons") have a majority economic interest in another person ("second person") if the first person is, or the first persons are in aggregate, entitled directly or indirectly, to more than 50% of the annual income, profits or gains howsoever arising or accruing to the second person (including any income, profits or gains following a winding up, dissolution or equivalent of the second person).

(4) For the purposes of paragraph (3) –

(a) in the case of a person owning shares in a body corporate who, by virtue of such ownership, is entitled to a percentage of any annual income, profits or gains distributed by the body corporate, that person shall be deemed to be entitled to the same percentage of the annual income, profits or gains arising or accruing to the body corporate;

(b) "entitled directly or indirectly" means entitled, whether directly or through another person or persons or partly directly and partly through another person or persons; and

(c) the percentage of annual income, profits or gains to which a person is entitled, through another person or partly directly and partly through another person, shall be determined in accordance with Article 3AB(5) to (10) as if references in those paragraphs to –

(i) a body corporate were references to a person,

(ii) ownership of shares in a body corporate were references to entitlement, including deemed entitlement under paragraph (a), to the annual income, profits or gains arising or accruing to a person.

(5) The Minister may, by Order, amend this Article.

## 3AE Distributions[18]

(1) In this Law, in relation to a company, "distribution" means any of the following –

(a) a cash dividend paid by a company (including a dividend paid out of capital);

(b) any other distribution (whether or not in cash), out of the assets of a company (whether or not in the winding-up of a company or otherwise following its dissolution) in respect of shares in the company to the extent that the amount or value of such distribution exceeds the amount or value of any new consideration received by the company;

(c) any transfer of the assets of the company for the repayment of, or otherwise in respect of, an advance of money to the company by a member of the company or by a person connected with a member (whether or not the advance is secured);

(d) any transfer of assets or liabilities to the extent not described in sub-paragraph (a), (b) or (c) –

(i) by a company to a member, or to a person connected with a member, or

(ii) by a member, or by a person connected with a member, to a company,

to the extent that the amount or value of the benefit received by the member, or person connected with a member, exceeds the amount or value of any new consideration given by the member or person connected with a member.

(2) For the purposes of paragraph (1) –

(a) sub-paragraphs (a) and (b) do not include any dividends on preferences shares chargeable to tax under Case III(g) of Schedule D (whether such dividends are charged or not);

(aa) sub-paragraphs (b) and (c) do not include any interest of money which is chargeable to tax under Case I of Schedule D or Case III(a) of Schedule D (whether such interest is charged or not);

(b) sub-paragraph (c) does not include a transfer of assets where the following conditions are satisfied –

(i) the advance, where made on or after 1st January 2013, is on a commercial basis and remains on a commercial basis until fully repaid or, if made before that date is on a commercial basis on that date and remains on a commercial basis until fully repaid, and

(ii) the advance is made to a trading company or a company within a trading group and is repayable by a trading company or a company within a trading group throughout the period from the date the advance is made until the advance is fully repaid.[19]

(3) For the purposes of paragraph (1)(b) and (c), a distribution is treated as made out of the assets of a company if the cost falls on the company.

(4) For the purposes of paragraph (1)(b) and (d), the amount or value of any consideration or benefit, other than where such consideration or benefit takes the

form of cash, is determined in accordance with its market value at the time the distribution is made.

(4A) For the purposes of paragraph (1)(c) and (d), in the case of a company with a share capital, "member" includes any person who is deemed to own shares in the company under Article 82A(1)(a).[20]

(5) For the purposes of paragraph (1) a distribution is in respect of a share if –

(a) it is made to a person as being the holder of the share;

(b) it is made to a person as having at a particular time been the holder of the share; or

(c) it is made in pursuance of a right granted or offer made in respect of a share,

however nothing in sub-paragraphs (a) to (c) is to be read as limiting the circumstances in which a distribution may be treated as being made in respect of a share.

(6) In this Article –

"new consideration" means consideration not provided (directly or indirectly) out of the assets of a company and, for this purpose –

(a) any amount retained by the company by way of capitalizing a distribution; or

(b) the transfer of shares to a company pursuant to the purchase or redemption by the company of its own shares,

is not regarded as new consideration;

"share" includes stock and any other interest of a member in a company (whether or not the company is limited by shares).

## 3AF Regulatory compliance activity[21]

(1) For the purposes of this Law regulatory compliance activity is activity listed in paragraph (2) carried out by an eligible entity.

(2) The activities are –

(a) the prevention of financial crime, including combatting money laundering activity and combatting of the financing of terrorism and the proliferation of weapons of mass destruction;

(b) the management of data and information and cyber risks and the protection of identity and privacy;

(c) other activities required by the Jersey Financial Services Commission for risk management, fraud prevention and the good conduct of financial services;

(d) regulatory reporting and analytics, and compliance management in relation to the activities in sub-paragraphs (a) to (c).

(3) In this Article –

"eligible entity" means an entity that –

(a) is a financial services business, within the meaning of the Proceeds of Crime (Jersey) Law 1999, which is registered with the Jersey Financial Services Commission; and

(b) is a financial services company charged to tax under Article 123D of this Law;

"Jersey Financial Services Commission" means the Jersey Financial Services Commission established under Article 2 of the Financial Services Commission (Jersey) Law 1998.

## 4 Meaning of, and provisions as to, total income

(1) References in this Law to the total income of an individual for any year of assessment shall be construed as references to the total of the sums for which the individual has been or is liable to be assessed for that year and the sums in respect of which the individual is liable to allow the deduction of tax, less so much as are allowed under this Law of the amounts of any interest of money and of any annuity or other annual payment to be made out of the property or profits or gains assessed on the individual.[22]

(2) In calculating under this Law the total income of any person, any income which is chargeable with income tax by way of deduction at the standard rate in force for any year, shall be deemed to be income of that year, and any deductions which are allowable on account of sums payable under deduction of income tax at the standard rate in force for any year out of the property or profits of that person shall be allowed as deductions in respect of that year, notwithstanding that the income or sums, as the case may be, accrued or will accrue in whole or in part before or after that year.[23]

## 4A Meaning of, and provision as to, financial period and accounting date[24]

(1) The financial period of a company or of a trade, profession or vocation is the period for which its accounts are made up.

(2) Subject to any power in this Law for the Comptroller to determine an accounting date, the accounting date for a company or a trade, profession or vocation, is the day on which its financial period ends.

(3) A financial period shall not exceed 18 months.

# PART 3[25]

## 5 [26]

## 6 [27]

## 6A [28]

## 7 [29]

## 8 [30]

**9** [31]

**10** [32]

**11** [33]

**12** [34]

**13** [35]

**13A** [36]

**13B** [37]

**14** [38]

# PART 4

RETURNS

## A15 Interpretation of Part 4[39]

(1) In this Part, unless the context otherwise requires –

"building contractor" means, subject to paragraphs (4) and (5), a person carrying on any business in the building or construction industry;

"earnings" means all salaries, fees, wages, perquisites or profits or gains arising from an office or employment;

"effective rate" means the rate applicable in a person's case in accordance with Article 41B(3);

"employee" includes –

(a) a director of a company;

(b) a person engaged in the management of a company; and

(c) any office holder, whether or not of a company,

and any reference to a person being employed or commencing employment shall be construed accordingly;

"exemption certificate" means a certificate issued under Article 41F.[40]

(2) For the purposes of this Part, a person is a sub-contractor of a building contractor if, under a contract for building or construction work –

(a) the person is under a duty to the building contractor to carry out building or construction work or to furnish his or her own labour (that is to say, in the case

of a company, the labour of employees or officers of the company) or the labour of others in the carrying out of the work or to arrange for the labour of others to be furnished in the carrying out of the work; or

(b) the person is answerable to the building contractor for the carrying out of the work by others, whether under a contract or under other arrangements made or to be made by the person.

(3) In determining, for the purposes of paragraph (2), whether a person is carrying out building or construction work or furnishing labour for another person, the supply by or on behalf of the first-mentioned person to the other person of any materials which are incidental to the work shall be disregarded.

(4) Subject to paragraph (5), where a building contractor is not resident in Jersey, any officer (by whatever name called) of the building contractor or other person who is –

(a) engaged in the management of the building contractor; and

(b) resident in Jersey,

shall be deemed to be the building contractor.

(5) Where a building contractor is a body of persons, the secretary of the body or other officer (by whatever name called) performing the duties of secretary shall, if resident in Jersey, be deemed to be the building contractor.

(6) Subject to paragraph (7), where an employer is not resident in Jersey, any officer (by whatever name called) of the employer or other person who is –

(a) engaged in the management of the employer; and

(b) resident in the Island,

shall be deemed to be the employer.

(7) Where an employer is a body of persons, the secretary of the body or other officer (by whatever name called) performing the duties of secretary shall, if resident in Jersey, be deemed to be the employer.

## 15 Comptroller to ascertain income liable to tax

(1) The Comptroller shall annually take such steps as may be necessary for ascertaining the amount of income in respect of which tax is to be levied in accordance with and subject to the provisions of this Law.

(2) Without prejudice to paragraph (1), the Comptroller shall annually take such steps as may be necessary for ascertaining the amount of income in respect of which tax is chargeable at a rate of 0%.[41]

## 16 Delivery of returns in pursuance of notices[42]

(1) Every person required so to do by any general notice or by a notice served on him or her by the Comptroller, shall, within the time limited by the notice, prepare and deliver to the Comptroller, a true, complete and correct return containing such information as the Comptroller requires, including, but not limited to, any or all of the following –

(a) the amount of the profits or gains arising to the person from each and every source (whether or not tax under this Law is deductible therefrom) chargeable according to the respective Schedules, calculated for the period specified in

the notice and according to the provisions of this Law, showing separately such amounts as are allowed by way of deduction against the profits or gains;

(b) an indication of each kind of source which is owned by the person at any time during the period specified in the notice, whether or not any profits or gains arise from a source in the period specified in the notice which are chargeable as described in sub-paragraph (a);

(c) a description of each and every source, or of each source, or each source of a kind, specified in the notice, which is owned by the person at any time during the period specified in the notice, whether or not any profits or gains arise from the source in that period which are chargeable as described in sub-paragraph (a);

(d) a description of each and every source, or of each source, or each source of a kind specified in the notice, which is acquired or disposed of by the person during the period specified in the notice, and the date of acquisition or disposal.

(e) the amount of any shareholder loan made to the person or to a member of the person's family or household;

(f) the amount of any repayment or reimbursement by the person of a shareholder loan.[43]

(2) The said return shall include a declaration by the person preparing and delivering it that, to the best of his or her knowledge and belief, the return contains all of the particulars required by the notice and is true, complete and correct.[44]

(3) Every such return shall be made exclusive of any interest of money or other annual payment arising out of the property of any other person charged in respect thereof.[45]

(4) Every person on whom a particular notice has been served by the Comptroller requiring the person to deliver a return of any profits, gains or income in respect of which he or she may be chargeable under Schedule A, by virtue of Article 51(1)(b) or (c), or Schedule D, or the source of such profits, gains or income, shall deliver a return in the form required by the notice whether or not the person is so chargeable.[46]

(4A) [47]

(5) In this Article a reference to ownership, acquisition or disposal of a source shall, in the case of an individual, where the source is shares, be construed in accordance with Articles 82A and 82AA.[48]

(6) [49]

(7) [50]

(8) [51]

(9) The Comptroller must publish a general notice in such a manner as may be considered appropriate.[52]

## 16AA Joint returns for spouses and civil partners[53]

(1) Qualifying partners who are required under Article 16 to deliver a return may deliver a joint return if a valid election (as defined in Article 16AB(1)) is in force.

(2) While a valid election is in force –

(a) the responsible partner is required to deliver a return under Article 16 that contains all required information in respect of both qualifying partners;

(b) the qualifying partner who is not the responsible partner is not required to deliver a return under Article 16 unless the Comptroller requires it under Article 16AB(5)(b);

(c) the Comptroller must assess both qualifying partners individually under Article 22; and

(d) a qualifying partner is not entitled to appeal against an assessment made on the other qualifying partner.[54]

(3) In this Article –

(a) 2 people ("A" and "B") are "qualifying partners" if –

(i) A and B entered into a marriage or civil partnership with each other before 1st January 2022,

(ii) A and B have lived together without any periods of separation since 31st December 2021,

(iii) A and B were both ordinarily resident in Jersey in the 2021 year of assessment and have not ceased being ordinarily resident in Jersey since then, and

(iv) A and B have not elected to be independently taxed;

(b) qualifying partners are separated if –

(i) they are separated under an order of a court of competent jurisdiction or by agreement of separation, or

(ii) they are in fact separated and the separation is likely to be permanent;

(c) a person has elected to be independently taxed if they have made an election under Article 121C, 121D, 121E, 121F, 122DA, 122DB, 122DC or 122DD, as in force immediately before 1st January 2025.

## 16AB Valid elections: making and revoking[55]

(1) A valid election is a written notice that –

(a) notifies the Comptroller that the qualifying partners elect to deliver a joint return;

(b) gives the Comptroller permission to use both qualifying partners' income for the purpose of calculating whether either partner is entitled to an increase in their exemption threshold under Article 99;

(c) nominates one of the qualifying partners as the responsible partner;

(d) is signed by both qualifying partners; and

(e) is received by the Comptroller no later than 30th September in the year of assessment to which the return relates.

(2) The Comptroller must accept a valid election unless, at the time of its receipt, a qualifying partner has an overdue required return or amount of tax.

(3) The Comptroller must notify both qualifying partners, in writing, of whether the valid application is accepted or refused.

(4) A valid election –

(a) remains in force for later years of assessment unless revoked;

(b) may be revoked by the Comptroller if a qualifying partner fails to deliver a required return or pay an amount of tax that is due;

(c) may be revoked by either qualifying partner at any time; and

(d) if the qualifying partners separate, is revoked with effect from the beginning of the year of assessment in which the partners separate.

(5) If a valid election is revoked –

(a) the Comptroller must notify the qualifying partners; and

(b) the Comptroller may require the qualifying partners to file individual returns under Article 16 for a year of assessment –

(i) that was during the period for which the election was in force, and

(ii) for which the responsible partner has not provided the required joint return.

(6) In this Article, "qualifying partners" and "separate" have the same meaning as in Article 16AA(3).

## 16A Furnishing of documents and other information in pursuance of notices[56]

The Comptroller may serve notice on any person requiring the person to furnish, within such a period and at such a place as may be specified in the notice, such documents and information as the Comptroller may reasonably require for fulfilling the Comptroller's purposes under Article 15.

## 16B [57]

## 17 Delivery of returns by persons acting for others[58]

(1) Every person acting in any character on behalf of any incapacitated person or persons absent from or not resident in Jersey who, by reason of such incapacity, absence or non-residence, cannot be personally charged under this Law, shall, when required so to do by any general notice, or by a notice served on the first person by the Comptroller, within the time limited by the notice, deliver such a return as is described in Article 16 of the profits or gains in respect of which the tax is to be charged on the first person on account of that other person, together with the declaration referred to in that Article.[59]

(2) Where 2 or more such persons are liable to be charged for the same person, one return only shall be required to be delivered, and such return may be made by them jointly or by any one or more of them[60].

## 17A Penalty for late delivery of return[61]

(1) Where a person required to deliver to the Comptroller a true, complete and correct return does not do so by the specified time, the person is liable to a penalty of –

(a) £100 in the case of a return under Article 20 or 20A; or

(b) £300 in any other case.[62]

(2) In this Article "specified time" means –

(a) in relation to a requirement to deliver a return in respect of a year of assessment –

(i) in the case of a return in respect of a company's own charge to tax, midnight on 30th November in the year following the year of assessment,

(ia) in the case of a return in respect of an LLC under Article 135C, midnight on 30th November in the year following the year of assessment,

(ii) in the case of a return delivered electronically other than a return referred to in clause (i) or (ia), midnight on 31st July in the year following the year of assessment,

(iii) in the case of any other return not referred to in clause (i), (ia) or (ii), midnight on 31st May in the year following the year of assessment;

(b) in the case of a return under Article 20(1) or 20A(1), midnight on the 15th day after the end of the month in respect of which the return is required to be delivered;

(c) in the case of a return under Article 20C, midnight on 15th January in the year following the year in which or in respect of which the benefit was provided;

(d) in the case of a return under Article 20(1A) or 20A(1A), midnight on the 15th day after the end of each year;

(e) in the case of a return under Article 20E, midnight on 30th November in the year following the year of assessment.[63]

(2A) Where a person required to deliver to the Comptroller a true, complete and correct return does not do so by midnight on the date that is 3 months after the specified time, the person is liable to a penalty of an amount specified in paragraph (2B) for each month that the return remains undelivered up to a maximum of 9 months.[64]

(2B) Those amounts are –

(a) in the case of a return under Article 16 or 17 by a person other than a body of persons, £50 per month;

(b) in the case of a return under Article 20, 20A, 20B, 20C, 20D, 20E or 135C or by a body of persons under Article 16, £100 per month.[65]

(3) A person who is required to deliver a return under Article 16 or 17 is not liable to a penalty under this Article if –

(a) the person is not a body of persons; and

(b) the Comptroller is satisfied that the person is not liable to pay any tax for the period to which the return relates.[66]

(4) Where a return under Article 16 or 17 is delivered after the specified time and the Comptroller is satisfied that, for the year of assessment to which the return relates, a person other than a body of persons is liable to pay tax of less than £300 –

(a) the person's liability under paragraph (1) must be abated to an amount equal to the tax that the person is liable to pay for that year of assessment; and

(b) the Comptroller must repay to the person any amount paid by the person in discharge of the person's liability under paragraph (1) which exceeds the abated amount.[67]

(4A) Paragraph (4B) applies if –

(a) a person, other than a body of persons, is liable to pay one or more penalties under paragraph (2A) in respect of a return under Article 16 or 17; and

(b) the Comptroller is satisfied that the person is liable to pay tax of less than £50 for the period to which the return relates.[68]

(4B) If this paragraph applies, –

(a) each penalty that the person is liable to pay under paragraph (2A) is abated to an amount equal to the tax the person is liable to pay for the period to which the return relates; and

(b) the Comptroller must repay to the person any amount paid to discharge the person's liability under paragraph (2A) that exceeds the amount of the penalty after the abatement.[69]

(5) Where a person is liable to a penalty under paragraph (1) or (2A), the Comptroller may serve a written notice on the person –

(a) specifying the amount of the penalty; and

(b) setting out the person's entitlement to apply to the Comptroller under paragraph (6).[70]

(5A) Subject to paragraph (6), a person on whom a notice is served under paragraph (5) must pay the amount of the penalty within 40 days after the issue of the notice.[71]

(6) A person may, within 40 days of the issue of a notice under paragraph (5), apply to the Comptroller in writing for a discharge or waiver under paragraph (7).

(7) The Comptroller may –

(a) discharge a person's liability under paragraph (1) or (2A) if satisfied that a return delivered by the person to the Comptroller, by the specified time, is true, complete and correct; or

(b) waive a person's liability under paragraph (1) or (2A) if satisfied that death, serious illness or other grave and exceptional circumstance prevented the person delivering the return to the Comptroller by the specified time.[72]

(8) Where a person applies under paragraph (6), the Comptroller shall give notice to the person of whether or not he or she has discharged or waived the person's liability.

(9) A person aggrieved by the Comptroller's refusal to discharge or waive liability under paragraph (7) may appeal to the Commissioners, on giving notice to the Comptroller within 40 days of the issue of the notice of refusal.

(10) Part 6 applies, with the necessary modifications, to an appeal under paragraph (9) as if it were an appeal against an assessment.[73]

(11) Subject to paragraph (12) –

(a) this Law shall apply to the collection and recovery of the penalty as if it were an amount of tax charged and payable under this Law; and

(b) the penalty shall not be deductible for any purposes of this Law.

(12) The penalty shall be disregarded when determining the amount of a late payment surcharge under Article 41I.[74]

(12A) In this Article, "return" means a return required under Article 16, 17, 20, 20A, 20B, 20C, 20D, 20E or 135C, and includes a notification under Article 20E(1).[75]

(13) [76]

**17B** [77]

## 18 Delivery of lists by persons in receipt of taxable income belonging to others

(1) Every person who, in whatever capacity, is in receipt of any money or value, or of any profits or gains arising from any of the sources mentioned in this Law, of or belonging to any other person who is chargeable in respect thereof, or who would be so chargeable if that other person were resident in Jersey and not an incapacitated person, shall, whenever required so to do by a notice served on the first person by the Comptroller, prepare and deliver, within the time limited by the notice, a list containing –

(a) a statement of all such money, value, profits or gains;

(b) a description of each and every source of such money, value, profits or gains;

(c) the name and address of every person who owns each source and, for each person, whether the person is –

(i) of full age,

(ii) resident in Jersey,

(iii) incapacitated, and

(iv) married or in a civil partnership.[78]

(2) If any person described in paragraph (1) is acting jointly with any other person, he or she shall, in like manner, deliver a list of the names and addresses of all persons joined with him or her at the time of delivery of the list mentioned in that paragraph.

(3) The said list shall include a declaration by the person preparing and delivering it that –

(a) the list contains all of the information required by the notice pursuant to paragraph (1)(c) that is within his or her knowledge; and

(b) the information contained in the list is, to the best of his or her knowledge and belief, true, complete and correct.[79]

(4) For the purposes of this Article, any reference to ownership of a source includes, in the case of an individual, ownership of shares in accordance with Article 82A.[80]

## 19 Lists of lodgers and inmates

Every person, when required so to do by any general notice or by a notice served on the person by the Comptroller, shall, within the time limited by the notice, prepare and deliver to the Comptroller a list containing to the best of his or her belief the name of every lodger or inmate resident in his or her dwelling-house who has resided in Jersey for 6 months.[81]

## 19A Duty of employer or building contractor to register[82]

(1) A person who becomes an employer shall, no later than 7 days after so becoming, notify the Comptroller, in writing, of the date the person became an employer.[83]

(2) A building contractor shall, no later than 7 days after first entering into a contract with a sub-contractor, notify the Comptroller, in writing, of the date the building contractor first entered into such a contract.[84]

(3) A person who, without reasonable excuse, fails to comply with paragraph (1) or (2) shall be guilty of an offence and liable to a fine of level 3 on the standard scale.[85]

(4) Where the secretary or another officer of a body corporate or any other person engaged in the management of the body corporate is deemed to be the employer by virtue of Article A15(6) or (7), the body corporate, as well as that person, shall be liable to a penalty for failure to comply with paragraph (1).

(5) Where the secretary or another officer of a body corporate or any other person engaged in the management of the body corporate is deemed to be the building contractor, by virtue of Article A15(4) or (5), the body corporate, as well as that person, shall be liable to a penalty for failure to comply with paragraph (2) of this Article.

## 20 Returns of information regarding employees[86]

(1) An employer shall deliver to the Comptroller, no later than 15 days after the end of each month, a true, complete and correct return –

(a) containing such information as the Comptroller may require, including all or any of the specified information;

(b) for the month in question; and

(c) in respect of each person employed by the employer at any time during that month.[87]

(1A) Provided that the conditions in paragraph (1B) are met, in the case of an employer which is a company, the employer may deliver to the Comptroller a return complying with sub-paragraphs (a) to (c) of paragraph (1) by no later than midnight on the 15th day after the end of each year, instead of by the time limit stated in that paragraph.[88]

(1B) The conditions mentioned in paragraph (1A) are that –

(a) an application is made in writing to the Comptroller for paragraph (1A) to apply;

(b) at least 25% of the ordinary share capital of the company is owned by each employee in respect of whom the return is made; and

(c) the Comptroller agrees to the application.[89]

(1C) Without prejudice to paragraph (1), the Comptroller may, for the purpose of establishing whether or not an employer has provided a true, complete and correct return under that paragraph, require, by a notice served on the employer, the provision of such further information as the Comptroller may consider necessary, including all or any of the specified information, in respect of any person employed by the employer at any time during a period or year of assessment specified in the notice.[90]

(2) The specified information in respect of each person employed by the employer at any time during the period or year specified is –

(a) the person's full name;

(b)

(ba)

(c) the reference number (if any) assigned to the person by the Comptroller;

(d) the reference number (if any) assigned to the employer by the Comptroller;

(e) the reference number assigned to the person for the purposes of the Social Security (Jersey) Law 1974;

(f)

(g) the earnings paid to the person in respect of the employment;

(h)

(i) the amounts deducted from the earnings paid to the person in respect of superannuation;

(j) the amounts required, pursuant to Article 41B, to be deducted from the earnings paid to the person and the effective rate applied to each deduction;

(k) where the employment commenced in the period or year of assessment in question, the date of such commencement; and

(l) where the employment ceased in the period or year of assessment, the date of such cessation.[91]

(3) [92]

(4) Where the secretary or another officer of a body corporate or any other person engaged in the management of the body corporate is deemed to be the employer under Article A15(6) or (7), the body corporate as well as that person shall be liable to a penalty for any failure to deliver a return.[93]

## 20A Returns of information regarding building sub-contractors[94]

(1) A building contractor shall deliver to the Comptroller, no later than 15 days after the end of each month, a true, complete and correct return containing such information as the Comptroller may require, including all or any of the specified information, for the period in question in respect of each person who is a sub-contractor of the building contractor at any time during that period.[95]

(1A) Without prejudice to paragraph (1), the Comptroller may, for the purpose of establishing whether or not a building contractor has provided a true, complete and correct return under that paragraph, require, by a notice served on the building contractor, the provision of such further information as the Comptroller may consider necessary, including all or any of the specified information, in respect of any person who is a sub-contractor of the building contractor at any time during a period or year of assessment specified in the notice.[96]

(2) The specified information in respect of each person who is a sub-contractor of the building contractor at any time during the period or year specified is –

(a) the person's full name;

(b)

(ba)

(c) the reference number (if any) assigned to the person by the Comptroller;

(d) the reference number (if any) assigned to the building contractor by the Comptroller;

(e) the reference number assigned to the person for the purposes of the Social Security (Jersey) Law 1974;

(f) the payments made to the person, or to a person he or she has nominated for the purpose, under or in relation to the contract and the date such payments are made;

(g) the amounts required, pursuant to Article 41E, to be deducted from the payments described in sub-paragraph (f) in respect of tax;

(h) the making of any payment without deduction of tax pursuant to Article 41E, by virtue of paragraph (2) of that Article;

(i) where the contract commenced in the period or year of assessment in question, the date of such commencement; and

(j) where the contract ceased in the period or year of assessment, the date of such cessation.[97]

(3) [98]

(4) Where the secretary or another officer of a body corporate or any other person engaged in the management of the body corporate is deemed to be the building contractor under Article A15(4) or (5), the body corporate as well as that person shall be liable to a penalty for any failure to deliver a return.[99]

## 20B Returns of information by companies[100]

(1) A company regarded as resident in Jersey or which has a permanent establishment in Jersey, shall, when required to do so by a general notice or by a notice served on the company by the Comptroller, and within the time limited by the notice, prepare and deliver to the Comptroller a true, complete and correct return containing, as required by the notice, such information as the Comptroller may require, including but not limited to all or any of the specified information described in paragraphs (3) to (3C) for the period or year of assessment specified in the notice.[101]

(2) The requirement in paragraph (1) shall not apply to a collective investment fund.[102]

(3) The specified information is, in respect of each person who, at any time during the period or year of assessment specified in the notice is registered as a shareholder in the company –

(a) the shareholder's name and address;

(b) the number and class of shares held by the shareholder and the number of days in the period or year of assessment specified in the notice for which they were held;

(c) distributions made to the shareholder specifying, in respect of each distribution –

(i) the value of the distribution,

(ii) the date the distribution is made, and

(iii) where the distribution is subject to Article 89, the further information required by that Article;

(d) the amount of any shareholder loan made or paid by or derived from the company to a borrower or to a member of the borrower's family or household during the period, determined in accordance with Article 81O;

(e) the amount repaid or reimbursed by a borrower in respect of any shareholder loan made or paid by or derived from the company in an earlier period.

(f) [103]

(3A) The specified information is, in respect of any person to whom paragraph (3) does not apply and who receives a distribution in the period or year of assessment specified in the notice –

(a) the value of the distribution;

(b) the date the distribution is made; and

(c) where the distribution is subject to Article 89, the further information required by that Article.[104]

(3B) The specified information is, in respect of a company resident in Jersey, the financial statements showing the profits or gains of the company arising or accruing from any kind of property, trading activity, profession, employment, vocation or office, whether carried on in Jersey or elsewhere, or interest of money and other annual profits or gains.[105]

(3C) The specified information is, in respect of a non-resident company having a permanent establishment in Jersey, the financial statements showing the profits or gains of that permanent establishment arising or accruing from any kind of property, trading activity, profession, employment, vocation or office, whether carried on in Jersey or elsewhere, or interest of money and other annual profits or gains.[106]

(3D) For the avoidance of doubt, the requirement in paragraph (1) applies in respect of, among other entities, a company to which Article 123C applies, such company being charged to tax at the rate of 0% under Article 123C(2).[107]

(4) [108]

(5) [109]

(6) [110]

(7) [111]

(8) In this Article –

"borrower" has the same meaning as in Article 81O.[112]

## 20C Returns of information as to benefits in kind[113]

(1) An employer shall deliver to the Comptroller, no later than midnight on 15th January in the year following the year in which or in respect of which the benefit in question was provided, a true, complete and correct return containing such information as the Comptroller may require, including all or any of the specified information, for the year of assessment in question in respect of each person employed by the employer at any time during that year.[114]

(2) Without prejudice to paragraph (1), the Comptroller may, for the purpose of establishing whether or not an employer has provided a true, complete and correct return under that paragraph, require, by a notice served on the employer, the provision of such further information as the Comptroller may consider necessary, including all or any of the specified information, in respect of any person employed by the employer at any time during a period or year of assessment specified in the notice.

(3) The specified information mentioned in paragraph (1) is –

(a) the benefits provided to the person, whether by the employer or by a person connected with the employer, other than any benefit left out of account under Article 65B(2)(b); and

(b) the amount attributable to each benefit and determined in accordance with Article 65B.

(4) Where the secretary or another officer of a body corporate or any other person engaged in the management of the body corporate is deemed to be the employer under Article A15(6) or (7), the body corporate as well as that person shall be liable to a penalty for any failure to deliver a return under this Article.

## 20D Returns of information by foundations[115]

(1) A foundation to which Article 123CA applies shall, when required to do so by a general notice or by a notice served on the foundation by the Comptroller, and within the time limited by the notice, deliver to the Comptroller a true, complete and correct return containing, as required by the notice, such information as the Comptroller may require, including but not limited to the specified information described in paragraph (2), for the period or year of assessment specified in the notice.

(2) The specified information is the financial statements showing the profits or gains of that foundation arising or accruing from any kind of property, trading activity, profession, employment, vocation or office, whether carried on in Jersey or elsewhere, or interest of money and other annual profits or gains.

## 20E Returns of information by partnerships[116]

(1) The responsible partner of a partnership must notify the Comptroller whether the partnership is a relevant partnership by midnight on 30th November in the year following the year of assessment.

(2) The responsible partner of a relevant partnership must prepare and deliver to the Comptroller a true, complete and correct return containing such information as the Comptroller may, by notice, reasonably require.

(3) For the purposes of this Article, a "relevant partnership" is a partnership that has a source of income in the year of assessment which would, if amounting to profit or gain, give rise to any partner's liability to tax in Jersey.

(4) A collective investment vehicle is not a relevant partnership for the purposes of this Article.

(5) For the purposes of this Article the "responsible partner" is a partner determined by the Comptroller to be the responsible partner.[117]

(6) When determining who the responsible partner is the Comptroller –

(a) must not determine that a limited partner is the responsible partner, unless that partner is also a general partner, in which case the partner acts as a general partner for the purpose of being the responsible partner; and

(b) must have regard to a nomination (if any) made by the partnership.[118]

(7) If the Comptroller determines that the responsible partner is a partner other than one nominated by the partnership the Comptroller must notify the partnership who the responsible partner is.

(8) For the purposes of this Article "collective investment vehicle" means –

(a) a collective investment fund within the meaning of Article 3 of the Collective Investment Funds (Jersey) Law 1988;

(b) a fund that would be a collective investment fund within the meaning of Article 3 of the Collective Investment Funds (Jersey) Law 1988 except that the offer of units for subscription, sale or exchange is not an offer to the public; or

(c) a fund that is –

(i) not created for the purposes of securitisation or the repackaging of assets, and

(ii) would be a collective investment fund except that it is prescribed not to be collective investment fund in an Order made under Article 3(7) of the Collective Investment Funds (Jersey) Law 1988.

## 21 Form and manner of returns[119]

(1) In this Article –

"recipient" means a person required to deliver a return to the Comptroller;

"return" means any of the following –

(a) a return under Article 16;

(b) a return under Article 17;

(c) a list under Article 18;

(d) a list under Article 19;

(e) a return under Article 20;

(f) a return under Article 20A;

(g) a return under Article 20B;

(h) a return under Article 20C;

(i) a return under Article 20D;

(ia) a return under Article 135C;

(j) a return or a notification under Article 20E;

(k) a notification under Article 123AA.[120]

(2) A recipient shall deliver a return to the Comptroller in such form and by such means as may be required by the Comptroller in a notice served on the recipient or by general notice.

(3) The Comptroller may, by general notice or by a notice served on a recipient, require the recipient or such class or description of recipients as may be specified in a general notice, to deliver such description of return as is specified in the notice to the Comptroller in such electronic form and by such electronic means as the Comptroller may specify in the notice.

(4) A notice given under this Article may allow the recipient to choose between such alternative forms of a return and means of delivering a return as are specified in the notice.

(5) In this Article, references to the form of a return may include requirements relating to a signature for or on behalf of the recipient, including an electronic signature.

## 21A Returns equivalent to Common Reporting Standard returns[121]

(1) The States may by Regulations make such provision as they think necessary or expedient to require reporting financial institutions which are subject to the requirements of the Taxation (Implementation) (International Tax Compliance) (Common Reporting Standard) (Jersey) Regulations 2015 ("2015 Regulations") to be subject to equivalent requirements in respect of the accounts of any person, company or entity resident in Jersey or regarded as resident in Jersey. [122]

(2) Regulations under paragraph (1) may contain –

(a) such incidental, supplementary and consequential provisions as appear to the States to be necessary or expedient for the purposes of the Regulations; and

(b) offences and penalties for breach of the Regulations that are equivalent to those contained in the 2015 Regulations.

(3) In this Article "reporting financial institution" has the same meaning as it does in the 2015 Regulations.

## 21B Offences[123]

(1) It is an offence for a person to fail, without reasonable excuse, to comply with a requirement imposed by, or by a notice under, any of the following provisions of this Part –

(a) Article 16 (returns);

(b) Article 16A (documents and other information in support of a return);

(c) Article 17 (returns by persons acting for others);

(d) Article 18 (lists by persons in receipt of taxable income belonging to others);

(e) Article 19 (lists of lodgers etc);

(f) Article 20 (returns: employees);

(g) Article 20A (returns: building sub-contractors);

(h) Article 20B (returns: companies);

(i) Article 20C (returns: employees' benefits in kind);

(j) Article 20D (returns: foundations);

(k) Article 20E (returns: partnerships);

(l) Article 135C (secretary of LLC to provide returns). [124]

(2) A person who commits an offence under paragraph (1) is liable to a fine.

## 21C Offences by bodies corporate and others[125]

(1) Paragraph (2) applies if –

(a) an offence under Article 21B is committed by –

(i) a limited liability partnership,

(ii) a separate limited partnership, or

(iii) a body corporate; and

(b) the offence is proved to have been committed with the consent or connivance of, or to be attributable to any neglect on the part of, a relevant officer of the body corporate or partnership.

(2) The relevant officer also commits an offence and is liable in the same manner as the body corporate or partnership to the penalty provided for the offence.

(3) In this Article, "relevant officer" means –

(a) in relation to a limited liability partnership, a partner;

(b) in relation to a separate limited partnership or an incorporated limited partnership –

(i) a general partner, or

(ii) a limited partner who is participating in the management of a partnership;

(c) in relation to a foundation, the qualified member of the council of the foundation (within the meaning of the Foundations (Jersey) Law 2009);

(d) in relation to a body corporate, other than an incorporated limited partnership or a foundation –

(i) a director, manager, secretary or other similar officer of the body corporate, or

(ii) if the affairs of the body corporate are managed by its members, a member who is acting in connection with the member's functions of management; and

(e) a person purporting to act in any capacity mentioned in sub-paragraphs (a) to (d) in relation to the body corporate or partnership.

# PART 5

ASSESSMENT

## 22 Assessment of income

(1) The Comptroller shall assess the income to be charged to tax under Schedules A and D in accordance with the provisions of this Law.

(3) In the case of assessment of rentes or, by virtue of Article 51(1)(b) or (c), of profits or gains under Schedule A and assessments under Schedule D, the Comptroller shall prepare lists containing –

(a) the full and just assessment of the profits or gains; and

(b) the names of the persons to be charged with tax in respect of the same.[126]

## 23 Provision for making assessments where no returns are received

(1) If the Comptroller does not receive from a person a return that the person is required to provide under this Law, the Comptroller may, to the best of the Comptroller's information and judgement, make an assessment on that person of the amount at which the person ought to be charged under this Law and, if such an assessment is made, include it in the appropriate list.[127]

(1A) The Comptroller may, at any time, amend an assessment made under paragraph (1) or make an additional assessment under that paragraph.[128]

(2) No appeal under Part 6 lies against an assessment under this Article, but a person on whom the assessment is made may nevertheless, no later than 12 months after the date of the assessment, deliver a return containing such information as the Comptroller requires or as is required by a relevant provision of this Law, and if the person does so, the Comptroller's assessment under this Article is set aside and the Comptroller must make a further assessment on the basis of that return.[129]

(3) Paragraph (2) applies despite the time limit in Article 125(2).[130]

## 24 Comptroller may amend assessments[131]

(1) The Comptroller may, within the time limits specified in this Article, amend an assessment or make an additional assessment to ensure that the correct amount of tax is charged on a person.

(2) The Comptroller must not amend an assessment or make an additional assessment later than 2 years after the later of the filing due date and the date the return was delivered unless –

(a) the amendment or additional assessment is required due to a careless action by the person, in which case the Comptroller must not amend the assessment later than 4 years after the later of the filing due date and the date the return was delivered; or

(b) the amendment or additional assessment is required due to a deliberate action or inaction by the person, in which case the Comptroller may amend the assessment at any time.

(3) An amended or additional assessment may be appealed in the same way as a first assessment.

(4) In this Article, "filing due date" has the meaning given to "specified time" by Article 17A(2).

## 25 Notices of assessment[132]

(1) The Comptroller shall serve, on each person assessed, notice in writing of an assessment under Schedules A and D.[133]

(2) The notice of assessment shall include –

(a) the amount of the assessment;

(b) the latest date on which an appeal against the assessment may be made; and

(c) the date by which, failing the making of an appeal, the amount is required to be paid.[134]

## 26 [135]

# PART 6

APPEALS AND RELIEF FOR MISTAKE

## 27 Right of appeal[136]

(1) A person aggrieved by any assessment on him or her made by the Comptroller in any first or additional assessment, shall be entitled to appeal to the Commissioners, on giving notice in writing to the Comptroller, within 40 days of the notice of such assessment:

Provided that if it is shown to the satisfaction of the Comptroller that, owing to absence, sickness or other reasonable cause, any person has been prevented from appealing within that time, the Comptroller may admit the appeal if notice of it is given to the Comptroller without unreasonable delay.[137]

(2) If an appellant fails to attend or to be represented at a hearing of which the appellant has been duly notified, the Commissioners may –

(a) unless they are satisfied that there is good and sufficient reason for such absence, hear and determine the proceedings in the absence of the appellant or the appellant's representative; or

(b) postpone or adjourn the hearing:

Provided that, if any representations in writing or otherwise have been submitted by or on behalf of the appellant in response to the notice of the hearing, the Commissioners shall consider such representations and shall give the Comptroller an opportunity to be heard in regard to those representations before they decide to hear and determine any proceedings in the absence of the appellant or the appellant's representative.[138]

(3) If the Comptroller wishes to be heard, he or she may appear in person or be represented by another officer.[139]

(4) If a person has given notice in writing to the Comptroller in accordance with paragraph (1) and has not received notice of the hearing within 90 days of giving that notice, the person may give notice directly to the Commissioners, who may admit the appeal.[140]

## 28 Other provisions as to appeals

(1) In the case of an appeal against any assessment, the appellant shall, in the notice of appeal, specify the grounds of the appeal:

Provided that, if on the hearing of the appeal the appellant desires to go into any ground of appeal which was not specified in the notice and the omission of that ground from the notice was, in the opinion of the Commissioners, not wilful or unreasonable, the Commissioners shall not, by reason of anything in this paragraph, be precluded from allowing the appellant to go into that ground or taking it into their consideration.

(2) In the case of an appeal against any assessment the appellant shall, in the notice of appeal, enter the appellant's estimate of the tax that will become payable on the determination of the appeal, appending an explanation in the event that the appellant's estimate is that no tax will become payable or a greater amount of tax will become payable than the amount demanded in the assessment.[141]

(3) Notwithstanding that an appeal against an assessment is pending –

(a) the tax estimated to be due in accordance with paragraph (2) shall be collected and paid in all respects as if it were tax charged by an assessment of which no appeal was pending; and

(b) on determination of the appeal, any balance of tax chargeable in accordance with the determination shall be paid, or any tax overpaid shall be repaid, as the case may require.[142]

(4) [143]

(5) [144]

## 29 Procedure on appeals

(1) The Commissioners shall cause not less than 21 days' notice of the day for hearing appeals to be given to every appellant and shall meet together for the hearing of

appeals from time to time, with or without adjournment, until all appeals have been determined.[145]

(2) An officer shall attend every appeal and may be present for all of the hearing and the determination.[146]

(3) On an appeal the following persons shall have right of audience, either viva voce or in writing, before the Commissioners –

(a) the Law Officers of the Crown or an advocate or solicitor of the Royal Court;

(b) a member of an incorporated society of accountants; and

(c) any other person, except that if in a particular case the Commissioners are satisfied that there are good and sufficient reasons for so doing, they may refuse to permit a particular person to represent the appellant.[147]

(4) If, on any appeal, it appears to the majority of the Commissioners present at the hearing, by examination of the appellant on oath, or by other lawful evidence, that the appellant is overcharged by any assessment, they shall direct the assessment to be abated or reduced accordingly, but otherwise every such assessment shall stand good.

(5) If, on an appeal, it appears to the Commissioners that the person assessed ought to be charged in an amount exceeding the amount contained in the assessment, they shall direct that the person be charged with the excess.

(6) At the beginning of the hearing of any proceedings the Commissioners shall –

(a) explain the order of proceedings which they propose to adopt unless they consider it unnecessary to do so;

(b) conduct the hearing in the manner they consider most suitable for the clarification and determination of the issues before them and, so far as it appears appropriate, avoid formality in procedure; and

(c) determine in which order the parties to the proceedings shall be heard.[148]

(7) The appellant and the officer attending the appeal shall be entitled –

(a) to give evidence;

(b) to call witnesses;

(c) to question any witnesses including other parties who give evidence; and

(d) to address the Commissioners both on the evidence and generally on the subject matter of the proceedings.[149]

(8) The Minister may by Order make provision about the proceedings before the Commissioners.[150]

(9) An Order made under paragraph (8) may include provision about the following –

(a) striking out of appeals;

(b) the determination of preliminary or incidental matters.[151]

## 29A Power of the Commissioners to review final determination[152]

(1) If, on application by the appellant or the Comptroller, or of their own motion, the Commissioners are satisfied that –

(a) their final determination was wrongly made as a result of a clerical or administrative error on their part or on the part of the appellant or the Comptroller;

(b) an appellant, who was entitled to be heard at a hearing but failed to appear or to be represented, had good and sufficient reason for the appellant's failure; or

(c) accounts or other information relevant to an appellant's case had been sent to the Commissioners or the Comptroller prior to the hearing of the proceedings but had not been received by the Commissioners until after the hearing,

the Commissioners may review and set aside or vary the final determination.

(2) The appellant and the Comptroller shall have an opportunity to be heard on a review, or in relation to any application or proposal for review.

(2A) If the Comptroller wishes to be heard, he or she may appear in person or be represented by another officer.[153]

(3) An application for a review by the appellant or the Comptroller shall be made to the Commissioners, in writing, stating the grounds in full, within 21 days of the date of the final determination or by any later time as the Commissioners may allow.

## 31 Power of Commissioners on appeal to issue precepts

(1) If the Commissioners have received notice of appeal against an assessment made by the Comptroller, they may issue a precept to the appellant ordering the appellant to deliver to them, within the time limited by the precept, a schedule containing such particulars, for their information, as they may demand respecting –

(a) the property of the appellant;

(b) the trade, profession, employment or vocation carried on or exercised by the appellant;

(c) the amount of the appellant's profits or gains, distinguishing the particular amounts derived from each separate source; or

(d) any deductions made in arriving at the appellant's profits or gains,

and the Commissioners are empowered to demand the said particulars at their discretion whenever it appears to them necessary to do so for the purposes of this Law.

(2) The Commissioners may issue further precepts whenever they consider it necessary for the purposes aforesaid, until complete particulars have been furnished to their satisfaction.

(3) The Comptroller may, at all reasonable times, inspect and take copies of or extracts from any schedule.

## 32 Objection by Comptroller to schedules

(1) The Comptroller may, within a reasonable time to be allowed by the Commissioners, object to any schedule or any part thereof, and in that case shall state, in writing, the cause of the Comptroller's objection, according to the best of the Comptroller's knowledge or information.

(2) In every such case, the Comptroller shall give notice in writing of the Comptroller's objection to the person to be charged, in order that he or she may, if he or she thinks fit, appeal against the same.

(3) No assessment shall be confirmed or altered until any appeal against such objection has been heard and determined.

## 33 Power on appeal to confirm or amend assessments

If –

(a) the Commissioners see cause to disallow an objection of the Comptroller to a schedule; or

(b) on the hearing of an appeal, the Commissioners are satisfied with the assessment made by the Comptroller, or if, after the delivery of a schedule, they are satisfied therewith, and have received no information as to its insufficiency,

they shall direct the assessment to be confirmed or to be altered in accordance with any such schedule, as the case may require.

## 34 Power of putting questions as to assessments or schedules

(1) Whenever the Commissioners require further information relating to a schedule, they may, at any time and from time to time, by precept, put any questions in writing concerning the schedule, or any matter which is contained or ought to be contained therein, or concerning any deductions made in arriving at the profits or gains, and the particulars thereof, and may require true and particular answers, signed by the person to be charged, to be given within 7 days after the service of the precept.

(2) The person to be charged shall within the time limited, either answer any such questions in writing or shall tender himself or herself to be examined orally before the Commissioners; and may object to, and refuse to answer, any question, but the substance of any answer given by the person orally shall be taken down in writing in his or her presence, and be read over to him or her, and after the person has had liberty to amend any such answer, he or she may be required to verify the same on oath, and every such oath shall be subscribed by the person by whom it is made.

(3) Where any clerk, agent or servant of the person to be charged tenders himself or herself, on behalf of such person, to be examined orally before the Commissioners, the same provisions shall apply to the clerk, agent or servant's examination as in the case of the person to be charged who tenders himself or herself to be examined orally.

## 35 Power to summon and examine witnesses

(1) The Commissioners may through the Département du Vicomte summon any person, whom they think able to give evidence respecting an assessment made or to be made on another person, to appear before them to be examined, and may administer an oath to and examine such person on oath, except the clerk, agent, servant or other person confidentially employed in the affairs of a person to be charged, who shall be examined in the manner laid down in Article 34(2).

(2) The oath shall be that the evidence to be given, touching the matter in question by the person sworn, shall be the truth, the whole truth, and nothing but the truth.

(3) A person who, after being duly summoned –

(a) neglects or refuses to appear before the Commissioners at the time and place appointed for that purpose;

(b) appears, but refuses to be sworn or to subscribe the oath; or

(c) refuses to answer any lawful question touching the matters under consideration,

shall be liable to a fine not exceeding level 2 on the standard scale:

Provided that the penalty imposed in respect of any offence under sub-paragraph (b) or (c) shall not apply to any clerk, agent, servant or other person as aforesaid.[154]

## 35A Appeals may be conducted remotely[155]

(1) The Commissioners may hear appeals and perform other functions under this Part either by meeting in person or remotely.

(2) If the Commissioners choose to meet remotely, –

(a) references in this Part to a person appearing in person must be read as the person appearing remotely; and

(b) a provision in this Part that requires or entitles a person to take an action must be read as requiring or entitling the person to take that action remotely.

## 36 Appeals to the Royal Court

(1) After the determination by the Commissioners of an appeal under this Law, either party, if dissatisfied with the determination, may give notice of appeal.[156]

(1A) The dissatisfied party must –

(a) give notice to the Judicial Greffier, the Commissioners and the other party to the appeal within 21 days, starting on the date of the determination; and

(b) include with the notice the grounds on which the appeal is being brought.[157]

(2) If notice of appeal is not given within the time specified in paragraph (1A)(a), the determination of the Commissioners is final.[158]

(3) Appeals under this Article must be heard, either in term or vacation, before the Inferior Number of the Royal Court sitting in camera.[159]

(4) No appeal lies from the decision of the Inferior Number of the Royal Court under this Article except on a point of law.[160]

## 36A Settling appeals by agreement[161]

(1) Before an appeal is determined by the Commissioners, the Comptroller and the appellant may make an agreement in writing that the assessment is to be treated as –

(a) confirmed; or

(b) altered in accordance with the agreement.

(2) The appellant may, within a period of 40 days beginning with the day on which the agreement is made, inform the Comptroller, in writing, that the appellant revokes the agreement.

(3) The effect of an agreement between the Comptroller and the appellant that is not revoked under paragraph (2) is that –

(a) the assessment is to be treated as if, at the time the agreement was made, the Commissioners had determined the appeal exactly as agreed, and the Comptroller may revise any assessments or notices to give effect to the agreement; and

(b) the agreement is considered a final determination of the appeal and there is no further right of appeal.

## 37 Provision against double assessment

(1) A person who, either on his or her own account, or on behalf of another person, has been assessed to tax, and is by any error or mistake again assessed for the same year for the same cause and on the same account, may apply to the Comptroller for relief, and the Comptroller, on proof to the Comptroller's satisfaction of the double assessment, shall cause the said assessment, or so much thereof as constitutes a double assessment, to be vacated.

(2) If it appears, to the satisfaction of the Comptroller, that a person has been assessed more than once for the same cause and for the same year, the Comptroller shall cause the whole, or such part of any such assessment as appears to be an overcharge, to be vacated.

(3) If it is proved, to the satisfaction of the Comptroller, that any such double assessment as aforesaid has been made, and that payment has been made on both assessments, the Comptroller shall cause the amount of the overpayment to be repaid to the applicant.

## 38 Relief in respect of error or mistake

(1) Where the amount of tax paid or borne by any person was excessive by reason of some error or mistake in a return made by the person or on his or her behalf, he or she shall, on a claim being made for the purpose, be entitled to be given by way of repayment such relief as is reasonable and just.

(2) A claim under this Article shall not be allowed unless it is made not later than 5 years after the end of the year of assessment in respect of which the return was made.[162]

(3) No relief shall be granted under this Article in respect of an error or mistake as to the basis on which the liability of the claimant ought to have been computed, if the return was in fact made on the basis of or in accordance with the practice prevailing at the time when the return was made.

(4) In determining a claim under this Article, regard shall be had to all the relevant circumstances of the case and in particular it shall be considered whether the granting of the relief would result in the exclusion from charge of any part of the income of the claimant, and for this purpose the liability of the claimant, the assessments of the claimant's income, and the amounts of tax with which the claimant has been charged, or which the claimant has borne, for other years may be taken into consideration.

# PART 7

COLLECTION AND REPAYMENTS

## A39 Interpretation of Part 7[163]

In this Part –

(a) expressions defined in Article A15 (interpretation of Part 4) have the same meaning, unless the context requires otherwise; and

(b) "tax" means income tax.

## 39 Tax when due[164]

Subject to Article 41A and 41AB, income tax contained in an assessment for any year shall be deemed to be due and payable –

(a) on or before 30th November in the year following the year of assessment except where paragraph (b) applies;

(b) in the case of a large company within the meaning of Article 41AB(7), on or before 30th September in the year following the year of assessment.

## 40 Demand for payment

The notices of assessment given under Article 25 to persons assessed to tax shall be deemed to be a demand for payment for the purposes of this Law.

## 41 General notice to persons by whom tax is payable

The Comptroller shall, as the need may be, cause to be published a general notice to the effect that –

(a) income tax for the year specified in the notice is due and payable; and

(b) persons who fail to pay the income tax due by them for the year specified in the notice before such date as may be so specified will be liable to legal proceedings for the recovery of the same:

Provided that the publication of such a notice shall not be necessary before instituting legal proceedings for the recovery of tax.

## 41A Duty to pay instalments (taxpayers other than companies)[165]

(1) A person who is not a company must pay instalments of income tax for a year of assessment beginning on or after 1st January 2021 if –

(a) 25% or less of the person's total income for the year before the year of assessment consists of earnings; and

(b) the amount of the instalment payable under paragraph (3) is £100 or more.

(2) A person who is required to pay instalments of income tax for a year of assessment must pay 2 instalments for the year, which are due and payable as follows –

(a) the first instalment is due and payable on 30th November in the year of assessment; and

(b) the second instalment is due and payable on 31st May in the year following the year of assessment.

(3) The amount of a person's first instalment is calculated as follows –

$$A = (\mathrm{B} \times \mathrm{C}) - D$$

Where –

A is the amount of the instalment;

B is 0.5 if the person's income for the year before the year of assessment did not include any earnings, and is 0.4 in any other case;

C is the person's liability to income tax for the year before the year of assessment; and

D is the amount of income tax already paid for the year of assessment (not including an amount deducted during the year under Article 41B or 41E).

(4) If, at the time the second instalment is payable, an income tax assessment has not been made for a person for the year of assessment, the amount of the person's second instalment is calculated as follows –

$$A = (\mathrm{B} \times \mathrm{C}) - D$$

Where –

A is the amount of the instalment;

B is 0.5 if the person's income for the year before the year of assessment did not include any earnings, and is 0.4 in any other case;

C is the person's liability to income tax for the year before the year of assessment; and

D is the amount of income tax already paid for the year of assessment (not including an amount deducted during the year under Article 41B or 41E and the amount paid for the first instalment).

(5) If, at the time the second instalment is payable, an income tax assessment has been made for a person for the year of assessment, the amount of the person's second instalment is the lower of –

(a) the person's remaining income tax liability for the year of assessment; and

(b) the amount calculated using the formula in paragraph (4).

(6) This Article applies regardless of whether, at the time an instalment is due and payable, an assessment has been made for the year of assessment or any prior year.

(7) This Article does not apply in respect of tax charged under Part 19 on a scheme manager of an approved Jersey scheme, an approved drawdown contract or an approved trust (as defined in Article 130).

## 41AA Applications to waive or reduce amount of instalment[166]

(1) A person may apply to the Comptroller to waive or reduce the amount of an instalment payable under Article 41A that is due one month or more after the date the Comptroller receives the application if –

(a) the person's income tax liability for the year of assessment is likely to be substantially less than the sum of the instalments payable for the year; or

(b) the person's income for the year of assessment from sources other than earnings is likely to be substantially less than the person's income for the previous year from those sources.

(2) The Comptroller may accept an application that is received less than a month before the date the instalment is payable if the Comptroller is satisfied that the applicant was not able to apply at an earlier time due to absence, sickness or another reasonable cause.

(3) On receipt of an application, –

(a) the Comptroller may waive or reduce the amount of the instalment; and

(b) the Comptroller must notify the applicant of the outcome of their application.

(4) If the Comptroller refuses accept a late application or to waive or reduce the amount of an instalment payable by a person, –

(a) the person may appeal the refusal to the Commissioners by giving notice in writing to the Comptroller within 40 days of the date on which the notice of refusal is issued; but

(b) the instalment remains due and payable by the date specified in Article 41A(2).

(5) If the Commissioners conclude that the instalment should be waived or reduced, the Comptroller must repay any amount determined to have been overpaid.

(6) Part 6 applies, with the necessary modifications, to an appeal under this Article as if it were an appeal against an assessment.

### 41AB Duty to pay instalment (companies)[167]

(1) This Article applies to a company regarded as resident in Jersey or which has a permanent establishment in Jersey.

(2) A company shall, in accordance with this Article, pay an instalment of income tax for a year of assessment.

(3) The instalment –

(a) shall be due and payable no later than –

(i) in the case of a large company, midnight on 31st March of the year immediately following the year of assessment, or

(ii) in the case of any other company, midnight on 31st May of the year immediately following the year of assessment; and

(b) subject to this Article, shall be of an amount equal to 50% of an estimate of the company's liability to income tax for the year of assessment.

(4) For the purposes of paragraph (3), the estimate is such amount as the company reasonably estimates.

(5) A large company must notify the Comptroller by the date referred to in paragraph (3)(a) if it estimates that the amount it is liable to pay under paragraph (3)(b) is zero.[168]

(6) Subject to a notification being given under paragraph (5), a company is liable to pay the instalment whether or not an assessment has been raised for the year of assessment for which instalment is due.

(7) In this Article "large company" means a company whose liability to income tax is or exceeds £500,000 for each of the 2 years of assessment immediately preceding the year of assessment in which an instalment is payable under this Article.

### 41B Duty of employer to deduct tax[169]

(1) An employer who pays earnings to an employee must deduct tax from the earnings at the employee's effective rate.

(2) Despite paragraph (1), if the employee is under the upper limit of compulsory school age (as defined in Article 2 of the Education (Jersey) Law 1999), the employer –

(a) is not required to deduct tax from the employee's earnings; but

(b) may choose to deduct tax from the employee's earnings and, if so, must deduct tax at the employee's effective rate.

(3) An employee's effective rate is –

(a) the rate specified in a notice issued by the Comptroller under Article 41CC as applying to the employee on the day the deduction is made; or

(b) if the employer has not received a notice, 20%.

(4) An agreement is void to the extent that it requires the payment of earnings without deduction of tax in contravention of this Article.

(5) In this Article, "earnings" includes amounts to which Article 62D applies (which are payments for termination of employment or changes to the duties or emoluments of employment).

### 41BA Duty of employer to pay deductions to Comptroller[170]

(1) An employer must, by the time the employer is required to deliver a return under Article 20, pay to the Comptroller the amount required to be deducted by the employer under Article 41B during the period to which the return relates.

(2) An employer who fails to comply with this Article commits an offence and is liable to a fine.

(3) If the employer is not resident in Jersey or is a body of persons, both the employer and a person deemed to be an employer under Article A15(6) or (7) are liable to a fine.

### 41BB Comptroller may estimate amount employer must pay[171]

(1) The Comptroller may estimate the amount required to be paid by an employer under Article 41BA(1) and serve a notice on the employer requiring the employer to pay the estimated amount if –

(a) for the period to which the amount relates –

(i) the date by which the employer is required to deliver a return under Article 20 has passed, and

(ii) the employer has not delivered the return; or

(b) the Comptroller is not satisfied that the employer has paid the correct amount under Article 41BA(1).

(2) If the Comptroller discovers that the estimated amount is incorrect (either because the employer delivers a return under Article 20 or for any other reason), the Comptroller may cancel the notice and serve on the employer a further notice requiring the employer to pay a revised amount.

(3) A notice must state –

(a) the estimated or revised amount the employer is required to pay;

(b) the latest date by which the employer may appeal the amount; and

(c) the date, which must be at least 15 days after the date of the notice, by which the amount must be paid.

(4) An employer may appeal against a decision of the Comptroller to serve a notice under this Article by giving notice in writing to the Comptroller no later than 15 days after the service of the notice.

(5) Part 6 applies, with the necessary modifications, to an appeal under this Article as if it were an appeal against an assessment.

## 41BC Duty of employer to keep records of deductions[172]

(1) An employer must keep records of amounts deducted under Article 41B and the effective rate applied for a period of at least 6 years after the deduction is made.

(2) When an employer deducts tax under Article 41B, the employer must give the employee from whose earnings the tax is deducted written notice of the amount of tax deducted and the effective rate applied.

(3) An employer must give written notice to an employee containing a summary of the amount of tax the employer deducted from the employee's earnings in a year of assessment –

(a) if the employee is still in employment at the end of the year of assessment, by 31st January of the year after the year of assessment; or

(b) if the employee finishes employment before the end of the year of assessment, on the employee's last day of employment.

(4) An employer who fails to comply with this Article commits an offence and is liable to a fine of level 3 on the standard scale.

## 41BD Failure by employer to deduct tax or pay deductions to Comptroller[173]

(1) If an employer fails to deduct tax under Article 41B but pays the amount the employer should have deducted to the Comptroller under Article 41BA, the employer may recover the amount from the employee as a civil debt.

(2) If an employer deducts an amount of tax from an employee's earnings but fails to pay the amount to the Comptroller under Article 41BA, the employee is entitled to have the deduction treated as a payment of tax by the employee unless –

(a) the employee is unable to prove, to the satisfaction of the Comptroller, that the deduction was made; or

(b) the employer is not an individual and, at the time the deduction was made, the employee was directly or indirectly entitled to 20% or more of the income, profits or gains of the employer chargeable to tax under this Law in the year of assessment in which the deduction was made.

## 41C Calculation of rate[174]

(1) The rate applicable to an employee for a year is the lower of –

(a) the rate calculated using the formula in paragraph (2), rounded up to the nearest whole number; and

(b) the maximum rate for the employee in paragraph (3).

(2) The formula to calculate an employee's rate is –

$$\mathrm{A} = \frac{B + C - D}{E + F + G + H} \times 100$$

Where –

A is the rate;

B is the employee's estimated liability to income tax for the year to which the rate applies;

C is the income tax chargeable for any year preceding the year to which the rate applies, less any amount of income tax already paid for that preceding year, and any costs recoverable in respect of unpaid income tax;

D is the amount of income tax already paid for the year to which the rate applies (not including any amount deducted during the year under Article 41B or 41E);

E is the estimated amount of income for which the employee is liable to be assessed for the year to which the rate applies;

F is the estimated amount of income from which the employee is liable to allow the deduction of tax for the year to which the rate applies;

G is the estimated amount of the employee's allowable deductions under this Law (except for Article 131I) in relation to the employee's earnings for the year to which the rate applies; and

H is the estimated amount of the employee's allowable deductions under Article 131I for the year to which the rate applies.[175]

(3) The maximum rate for an employee is –

(a) 20%, if the employee has no arrears of income tax;

(b) 25%, if the employee has arrears of income tax for one year of assessment;

(c) 30%, if the employee has arrears of income tax for 2 years of assessment; and

(d) 35%, if the employee has arrears of income tax for 3 or more years of assessment.

## 41CA Revised rates: initiated by Comptroller[176]

(1) If one or more of the variables used to calculate an employee's rate changes, the Comptroller may determine a revised rate for the employee by applying Article 41C using the new variables.

(2) If the Comptroller considers that the revised rate determined under paragraph (1) will not recover the employee's income tax liability (including arrears for previous years) by the end of the year to which the rate applies, the Comptroller may determine a revised rate that is the lower of –

(a) the rate calculated using the formula in paragraph (3), rounded up to the nearest whole number; and

(b) the maximum rate for the employee in Article 41C(3).

(3) The formula for calculating a revised rate in the circumstances described in paragraph (2) is –

$$\mathrm{A} = \frac{B + C - D}{E} \times 100$$

Where –

A is the revised rate;

B is the amount of the employee's estimated liability to income tax for the year to which the rate applies;

C is the income tax chargeable for any year preceding the year to which the rate applies, less any amount of income tax already paid for that preceding year, and any costs recoverable in respect of unpaid income tax;

D is the amount of income tax already paid for the year to which the rate applies, including any amount deducted during the year under Article 41B or 41E; and

E is the estimated amount of the employee's earnings for the remainder of the year to which the rate applies.[177]

### 41CB Revised rates: initiated by employee[178]

(1) An employee may request that the Comptroller determine a revised rate for the employee that is higher than the rate determined under Article 41C or 41CA.

(2) The Comptroller may approve or refuse a request.

### 41CC Notification of rate[179]

(1) After determining the rate applicable to an employee (including a revised rate), the Comptroller may issue a notice in writing to the employee and the employee's employer that states the rate and the day from which it applies.

(2) A notice issued by the Comptroller has effect until the earlier of –

(a) the day stated in the notice;

(b) the day on which a rate specified in a further notice applies; or

(c) the end of the year to which the rate applies.

### 41CD Appeals against rates decisions[180]

(1) An employee may appeal to the Commissioners against a rate determined to apply to the employee by giving notice in writing to the Comptroller within 40 days of the date on which the notice of the rate is issued to the employee.

(2) An employee may appeal against a refusal by the Comptroller to determine a rate to apply to the employee by giving notice in writing to the Comptroller within 40 days of providing the Comptroller with sufficient information to determine a rate.

(3) The rate that applies to the employee before the employee gives notice of an appeal (whether it is the rate determined by the Comptroller or the rate applicable under Article 41B(3)(b)) continues to apply until the appeal is determined.[181]

(4) Part 6 applies, with the necessary modifications, to an appeal under this Article as if it were an appeal against an assessment.

### 41CE False and altered rate notices[182]

(1) A person must not give another person –

(a) a document purporting to be a notice issued by the Comptroller under Article 41CC, knowing it to be false; or

(b) a notice issued by the Comptroller under Article 41CC, knowing that the notice has been altered by a person other than the Comptroller.

(2) A person who breaches this Article commits an offence and is liable to a fine.

## 41CF Rates do not prevent recovery of arrears[183]

The Comptroller may continue to pursue the recovery of arrears of income tax for an earlier year of assessment and any costs recoverable in respect of those arrears, regardless of whether those amounts are used in determining a rate to apply to an employee.

## 41D [184]

## 41DA [185]

## 41E Duty of building contractor to deduct and account for tax[186]

(1) A building contractor shall, in accordance with this Article, deduct tax at the specified rate from payments made to a sub-contractor or to a person nominated by the sub-contractor for the purpose.

(2) Paragraph (1) shall not apply at any time when –

(a) the sub-contractor has produced an exemption certificate to the building contractor; and

(b) the building contractor is satisfied that the exemption certificate is in force at the time the payment is made.

(3) When making a deduction under paragraph (1) a building contractor shall give the sub-contractor or the person nominated by the sub-contractor to receive the payment written notice of the amount of the deduction.

(4) A building contractor shall maintain a record of the amount of tax deducted in respect of each of his or her sub-contractors.

(5) A building contractor shall, no later than 15 days after the end of each month, remit to the Comptroller an amount equal to the aggregate of the amounts required to be deducted under paragraph (1) during the month in respect of each of his or her sub-contractors.

(5A) If, in respect of an amount required to be remitted under paragraph (5) –

(a) the Comptroller has not received a return from the building contractor under Article 20A or the information included in the return is not complete; and

(b) no amount is remitted to the Comptroller or the Comptroller is not satisfied the amount remitted is the amount required to be deducted under paragraph (1),

the Comptroller may, to the best of the Comptroller's information and judgement, make an estimate of the amount required to be remitted under paragraph (5) and shall serve on the building contractor a notice requiring the amount of the estimate to be paid and containing the information described in paragraph (5B).[187]

(5B) That information is –

(a) the amount required to be paid;

(b) the latest date on which an appeal against the amount required to be paid may be made; and

(c) the date by which the said amount, failing the making of an appeal, is required to be paid, such date being no earlier than 15 days from the date of the notice.[188]

(5C) If, at any time, the Comptroller discovers, by reason of receiving a return from the building contractor under Article 20A or for any other reason, that the amount of the estimate specified in a notice under paragraph (5A) is incorrect, the Comptroller may cancel the notice and serve on the building contractor a further notice under paragraph (5A) requiring a revised amount to be paid and containing the information described in paragraph (5B).[189]

(5D) A building contractor shall comply with any notice served on the building contractor under paragraph (5A).[190]

(5E) Part 6 shall apply, with the necessary modifications, to an appeal against an estimate under paragraph (5A) as it applies to an appeal against an assessment and as if for the number "40" in Article 27(1) there were substituted the number "15".[191]

(6) Where, before the end of a year of assessment, a person ceases to be a sub-contractor of a building contractor, the building contractor shall give the sub-contractor a written summary of the total deductions made, pursuant to this Article, during that year, from the payments made under the contract to the sub-contractor or person nominated by the sub-contractor for the purpose.

(7) A building contractor shall, no later than the end of January following a year of assessment, give each person who is, at the end of the year, his or her sub-contractor, a written summary of the total deductions made, pursuant to this Article, during that year, from the payments made under the contract to the sub-contractor or person nominated by the sub-contractor for the purpose.

(8) A building contractor who fails to comply with paragraph (5) shall be guilty of an offence and liable to a fine.[192]

(9) Where the secretary or another officer of a body corporate or any other person engaged in the management of the body corporate is deemed to be the building contractor by virtue of Article A15(4) or (5), the body corporate, as well as that person, shall be liable to a fine under paragraph (8) of this Article.

(10) The imposition of a fine under paragraph (8)(b) shall not discharge the building contractor's liability to remit the monies required by paragraph (5).

(11) Where a sub-contractor proves, to the satisfaction of the Comptroller, that a deduction has been made in accordance with paragraph (1) from payments made to the sub-contractor or to a person nominated by the sub-contractor for the purpose, the sub-contractor shall be entitled to have the deduction treated as a payment of tax by the sub-contractor, notwithstanding that the building contractor has failed to remit the amount to the Comptroller in accordance with paragraph (5).

(12) A building contractor who fails to make a deduction in accordance with paragraph (1) but who remits to the Comptroller the amount required by paragraph (5) may recover that amount from the sub-contractor as a civil debt.

(13) A contract shall be void to the extent that it provides for payments to be made without deduction of tax, in contravention of this Article.

(14) Where a sub-contractor has arrears of tax for any year of assessment, the fact that deductions are made in accordance with this Article from payments made to the sub-contractor or to a person nominated by the sub-contractor for the purpose shall not prevent the Comptroller pursing the recovery of those arrears by any means.

(15) For the purposes of this Article, the 'specified rate' is –

(a) for deductions made in the years 2006 and 2007, 15%;

(b) for deductions made in the year 2008, and ensuing years, 20%.

## 41F Exemption certificate[193]

(1) A sub-contractor may apply to the Comptroller for an exemption certificate.

(2) An application for an exemption certificate shall be made in such form and manner, and accompanied by such information, as the Comptroller may require.

(3) The Comptroller may issue an exemption certificate where the Comptroller is satisfied that the sub-contractor has consistently complied with the requirements of the Revenue Laws, as defined in Article 1 of the Revenue Administration (Jersey) Law 2019, in full and without delay.[194]

(4) An exemption certificate shall, unless cancelled under paragraph (5), have effect for the year specified in it, and may be issued subject to conditions.

(5) The Comptroller may cancel an exemption certificate at any time when –

(a) the Comptroller is no longer satisfied that the sub-contractor has consistently complied with the requirements of the Revenue Laws, as defined in Article 1 of the Revenue Administration (Jersey) Law 2019, in full and without delay; or

(b) the conditions attached to the certificate have not been complied with.[195]

(6) Upon cancelling an exemption certificate, the Comptroller shall publish a notice of cancellation in such a manner that the notice is likely to be seen by persons affected by it.

(7) The cancellation of an exemption certificate shall take effect upon publication of the notice required by paragraph (6).

(8) A person who gives another person –

(a) a document purporting to be an exemption certificate issued by the Comptroller under this Article, knowing it to be false; or

(b) an exemption certificate, knowing that the certificate has been altered by a person other than the Comptroller,

commits an offence and is liable to a fine.[196]

## 41G Treatment of amounts received by Comptroller[197]

(1) The Comptroller must apply an amount paid under Article 41BA or 41E as a payment of income tax by the employee or sub-contractor from whom it was deducted.[198]

(2) The Comptroller must apply the amount to the year of assessment in which it was deducted (the "deduction year") unless paragraph (3) or (4) applies.

(3) If the amount was deducted from an employee whose effective rate accounts for the recovery of arrears of income tax or costs recoverable with them, the Comptroller must apportion the amount between the employee's liability to income tax for the deduction year and the employee's liability to pay the arrears or costs (the apportionment must reflect the proportion each liability makes up of the total liability).

(4) If the amount was deducted from a sub-contractor who has arrears of income tax from a previous year of assessment or costs recoverable with those arrears, –

(a) the Comptroller must apply any amount received that exceeds the sub-contractor's liability to income tax in the deduction year as a payment of the arrears or costs; and

(b) if the arrears or costs are from more than one previous year of assessment, the Comptroller must apply the excess to the earliest year of assessment first.

## 41H Requirement to provide information when entering or resuming employment or sub-contracting[199]

(1) This Article applies to a person who –

(a) begins employment in Jersey for the first time or after being non-resident in Jersey for at least one year of assessment; or

(b) enters into a contract as a sub-contractor of a building contractor in Jersey for the first time or after being non-resident in Jersey for at least one year of assessment.

(2) The person must, no later than one month after beginning or resuming the employment or entering into or resuming the contract, notify the Comptroller in writing of –

(a) the person's full name and place or places of residence;

(b) the reference number assigned to the person for the purposes of the Social Security (Jersey) Law 1974;

(c) the person's date of birth;

(d) the number of children dependent on the person;

(e) the date (if any) the person arrived in Jersey;

(f) the name and address of –

(i) if the person is an employee, the person's employer, or

(ii) if the person is a sub-contractor of a building contractor, the building contractor;

(g) the date the employment or building contract began;

(h) an estimate, for the year in which the employment or contract began, of the person's –

(i) earnings from the employment or payments under the building contract, and

(ii) income from all other sources.

(3) If the person is married or in a civil partnership, the person must also notify the Comptroller of –

(a) the person's spouse's or civil partner's –

(i) name,

(ii) date of birth,

(iii) social security number, and

(iv) reference number assigned by the Comptroller (if any); and

(b) the date on which the marriage or civil partnership was entered into. [200]

(3A) [201]

(4) The Comptroller may –

(a) require the information to be provided in a form, and in a manner, approved by the Comptroller; and

(b) require the person providing the information to sign a declaration that the information is true, complete and correct to the best of the person's knowledge.

### 41HA Tax deducted under the Social Security (Jersey) Law 1974[202]

(1) If the Minister of Social Security is required under the Social Security (Jersey) Law 1974 to deduct income tax from a component of a benefit payable to a person under that Law, tax shall be deducted at the same effective rate which the person's employer would have been required to deduct had such component been paid by the employer to the person as earnings when such earnings were due to be paid.

(2) The Comptroller may issue a notice, in writing, to the Minister for Social Security, of the effective rate for the purposes of paragraph (1).

(3) The amount of income tax deducted under paragraph (1) shall be remitted to the Comptroller and received by the Comptroller as a payment of tax by the person to whom the benefit is paid.

### 41I Late payment surcharge[203]

(1) In this Article, "specified time" means, in relation to the year of assessment 2019 and ensuing years –

(a) midnight on 30th November of the year immediately following the year of assessment, except in a case such as specified in sub-paragraph (b);

(b) in the case of a large company within the meaning of Article 41AB(7), midnight on 30th September of the year immediately following the year of assessment.[204]

(2) If a person in relation to whom this Article applies does not pay in full, before the specified time, the tax chargeable for a year of assessment on that person, the person shall be liable, whether or not an assessment has been served on the person, to pay an additional amount (the "surcharge") equal to 10% of such tax as remains unpaid at the specified time.

Provided that the Comptroller may waive payment of the surcharge –

(a) if it amounts to £50 or less for any year of assessment;

(b) where failure to pay the tax by the specified day is caused by the action of a person, in accordance with Article 3A, not connected with the person liable to the surcharge and the failure is remedied without unnecessary delay; or

(c) the Comptroller is satisfied that death, serious illness or other grave and exceptional circumstance prevented payment by the specified time.[205]

(3) [206]

(4) The Comptroller shall issue a written notice to a person of his or her liability under paragraph (2).

(5) A person may, within 40 days of the issue of a notice under paragraph (4), apply to the Comptroller in writing for a waiver under paragraph (2).

(6) Where a person applies under paragraph (5), the Comptroller shall give notice to the person of whether or not he or she has waived the person's liability.

(7) A person aggrieved by the Comptroller's refusal to waive liability under paragraph (2) may appeal to the Commissioners, on giving notice in writing to the Comptroller within 40 days of the issue of notice of refusal.

(8) Part 6 applies, with the necessary modifications, to an appeal under paragraph (7) as if it were an appeal against an assessment.[207]

(9) [208]

(10) This Article does not apply in relation to an individual person if more than 25% of the person's total income for the year before the year of assessment consists of earnings.[209]

## 42 Proceedings for recovery of tax[210]

(1) The Treasurer of the States may institute proceedings for the recovery of income tax at any time after the date specified in the following table –

| Type of payment | Date after which proceedings may be instituted |
|---|---|
| Instalment of income tax under Article 41A or 41AB | The date on which the instalment is due |
| Money due under Article 41BA(1), 41BB, 41E(5) or 41E(5A) or under paragraph 3(8) or 4(8) of Schedule 3A | The date on which the money is due |
| Any other payment of tax | The date on which the assessment to tax is finally settled (which, if the amount is subject to an appeal under Part 6, is the date of determination by the Commissioners of Appeal) |

(2) If the income tax to be recovered has been charged on an individual for a year of assessment before 2026 in respect of the profits or income of the individual's spouse or civil partner –

(a) the Comptroller may serve a notice on the spouse or civil partner demanding payment of the outstanding amount that relates to the spouse's or civil partner's income (the "relevant amount"); and

(b) if the relevant amount has not been paid within 40 days after the service of the notice, the powers of recovery provided in this Law extend to the property, goods and chattels of the spouse or civil partner.

## 43 Recovery of arrears of tax by deduction from earnings

(1) Where judgment has been obtained for the payment of arrears of income tax due by any individual (hereinafter referred to as the "judgment debtor"), then, notwithstanding any enactment or rule of law to the contrary and without prejudice to any other means of recovery, the money payable under the judgment together with the recoverable costs (hereinafter referred to as the "judgment debt") may be recovered in accordance with the provisions of this Article.

(2) Where it is desired to recover any judgment debt under this Article –

(a) the Comptroller may serve notice on the employer for the time being of the judgment debtor requiring the judgment debtor to furnish the Comptroller, within such time (not being less than 7 days) as may be specified in the notice, with a certificate of the earnings of the judgment debtor during such period as may be so specified; and

(b) whether or not such a certificate as aforesaid has been required to be furnished, the Comptroller may serve notice on the employer for the time being of the judgment debtor requiring the judgment debtor to make such deductions from the earnings of the judgment debtor as may, having regard to all the circumstances of the case, appear to the Comptroller to be reasonable and to pay the amounts so deducted to the Comptroller at such times as may be specified in the notice, and the amount so paid shall be applied towards the satisfaction of the judgment debt:

Provided that where the judgment debt has been ordered to be paid by instalments, the Comptroller shall not require such deductions to be made as would at any date reduce the judgment debt by a greater amount than that by which it would have been reduced had the instalments been paid.

(3) Any notice under paragraph (2)(b) may at any time be varied by a subsequent notice under that sub-paragraph.

(4) A copy of every notice served under paragraph (2)(b) or (3), shall be served also on the judgment debtor.

(5) Where any employer fails to deduct any amount which the employer is required by virtue of paragraph (2)(b) to deduct, or to pay to the Comptroller any amount so deducted, the amount may be recovered from the employer as a debt due to the States.

## 44 Certificate of Comptroller admissible in evidence

(1) For the recovery by legal process of income tax, or of any balance of income tax, a certificate under the hand of the Comptroller in the following form or to the same effect, stating that the person named therein is in default as regards payment of income tax, shall be sufficient evidence that the amount of tax mentioned therein has been duly charged and assessed, and is in arrear and unpaid –

I certify that the sum of ..... is due

to the States of Jersey, in respect of income tax for the

year ended 31st December, 20....., by

..... of ..... and that

the aforesaid sum fell into arrears on the .....

day of ....., 20.....

.....

*Comptroller of Revenue.*[211]

(2) Any certificate issued by virtue of this Article shall be considered authentic, and no evidence will be required as to the signature or official character of the person who signs as Comptroller.

## 45 Arrears of tax

(1) A tenant après décret or tenant après dégrèvement shall be liable for the payment of the income tax due in respect of the land foreclosed and having become due and payable within 12 months next before the date of the Act of the Court authorizing the décret or dégrèvement or at any time thereafter.

(2) Where the Royal Court has granted –

(a) an application made by any person to place his or her property under the control of the Court (de remettre ses biens entre les mains de la Justice); or

(b) an application for the holding of a bénéfice d'inventaire on the estate of any deceased person,

the autorisés or the Viscount, as the case may be, shall pay, out of the property of such person or the estate of such deceased person, any income tax due by such person or such deceased person at the time of the granting of the application and having become due and payable within 12 months next before that time.

(3) In the event of any composition with creditors, désastre, dégrèvement, réalisation or other bankruptcy, the following amounts shall rank for payment pari passu with other privileged debts and in priority to all other debts –

(a) the income tax due from the debtor for the year in which that event occurs and for the preceding year;

(b) any amount deducted by the debtor in accordance with Article 41B(1) and due from the debtor, in the year in which that event occurs or in the preceding year, in accordance with Article 41BA(1);

(c) any amount deducted by the debtor in accordance with Article 41E(1) and due from the debtor, in the year in which that event occurs or in the preceding year, in accordance with Article 41E(5);

(d) any amount deducted by the debtor in accordance with paragraph 3(1) of Schedule 3A, and due from the debtor, in the year in which that event occurs or in the preceding year in accordance with sub-paragraph (8) of that paragraph; and

(e) any amount deducted by the debtor in accordance with paragraph 4(2) of Schedule 3A, and due from the debtor, in the year in which that event occurs or in the preceding year in accordance with sub-paragraph (8) of that paragraph.[212]

## 46 Payment of receipts to States' Treasurer

All monies received by the Comptroller in payment of income tax shall forthwith be paid by the Comptroller to the Treasurer of the States.

## 47 Repayments to be made by States' Treasurer

All repayments of tax under this Law shall be made by the Treasurer of the States, on a certificate of the Comptroller.

## 48 Proof of payment of tax before repayment

No repayment of income tax shall be certified by the Comptroller for payment until it is proved to the Comptroller that tax, in respect of which the repayment is claimed, has been paid by deduction at source or otherwise.

## 49 Time limit for repayment

Save as otherwise expressly provided in this Law, no claim for repayment of income tax under this Law shall be allowed unless it is made within 5 years next after the end of the year of assessment to which it relates.

## 49A Deductions in respect of corrupt payments[213]

Notwithstanding anything in this Law to the contrary, in computing any amount chargeable to tax, no deduction shall be allowed in respect of –

(a) any sum the payment of which is a criminal offence in Jersey;

(b) any sum paid in a country or territory outside Jersey which, if paid in Jersey, would be a criminal offence in Jersey;

(c) any sum induced by a demand, such demand constituting the offence of blackmail or a cognate offence.

## 49B General provision for collection of long-term care contributions[214]

(1) An insured person who is liable to pay instalments of income tax under Article 41A must also pay instalments of LTC contributions in accordance with paragraph 1 of Schedule 1A.

(2) The combined effective rate for an employee who is an insured person is calculated in accordance with paragraph 2 of Schedule 1A.

(2A) An employer must deduct LTC contributions from payments of earnings made to an employee who is an insured person and must account for those deductions in accordance with paragraph 3 of Schedule 1A.[215]

(3) Article 41E has effect with the modifications shown in Part 2 of Schedule 1A.[216]

(4) Nothing in this Article or in Schedule 1A –

(a) confers a right of appeal under this Law in respect of a person's liability for or the amount of an LTC contribution;

(b) confers a right of appeal under this Law against the part of a combined effective rate that relates to LTC contributions; or

(c) makes it an offence under this Law to fail to remit an LTC contribution to the Comptroller or to do any other thing in relation to LTC contributions.

(5) In this Article and in Schedule 1A –

"insured person" means a person described in Article 3(1) of the Social Security (Jersey) Law 1974;

"LTC contribution" means a long-term care contribution payable under the Social Security (Jersey) Law 1974.

# PART 8

SCHEDULE A AND PRINCIPAL PROVISIONS RELATING THERETO

## 50 Interpretation of Part 8[217]

(1) In this Part –

"dealing in or developing land in Jersey" means 1 or more of the following activities –

(a) the acquisition or disposal of interests in land in Jersey;

(b) developing land in Jersey for the purpose of disposing of interests in the land;

"interest in land" –

(a) includes –

(i) an interest in land that does not confer an exclusive right to occupy; and

(ii) part of an interest; but

(b) does not include an interest held by a person as a bare nominee or a bare trustee;

"land" includes buildings, tenements, heritages and hereditaments;

"lease" includes an agreement for a lease, and any tenancy, but does not include a hypothec or other charge;

"owner" means, in relation to any land, the person for the time being having the enjoyment of that land, either as owner or usufructuary owner or in the exercise of rights of dower, franc veuvage, seignorialty or otherwise;

"premium" includes any like sum, other than rent, paid, and the value of any consideration given, on or in connection with the granting of a tenancy, except insofar as other sufficient consideration for the payment is shown to have been given.[218]

(2) For the purposes of the definition "dealing in or developing land in Jersey", a person acquires or disposes of an interest in land in Jersey if –

(a) the person directly acquires or disposes of the interest in land; or

(b) the person acquires or disposes of an interest in a company or another body of persons, or a trust, partnership, limited liability company or foundation, that holds (directly or indirectly) the interest in the land.[219]

## 51 Schedule A[220]

(1) The Schedule referred to in this Law as Schedule A is as follows –

Tax under this Schedule shall be charged on –

(a) the annual profits or gains arising in respect of any rents or receipts as follows, that is to say –

(i) rents under leases of land in Jersey,

(ii) rentes, and

(iii) other receipts arising to the owner of land in Jersey from, or by virtue of, the owner's ownership of that land including any receipts arising from a licence to occupy land;

(b) the annual profits or gains arising or accruing from transactions carried out in the course of the trade of dealing in or developing land in Jersey;

(c) the annual profits or gains arising or accruing from the trade of the exploitation of land in Jersey by the exploration, excavation, excision, extrication, extirpation, exsiccation, expropriation or extraction or recovery of stone, minerals and other inorganic solid materials.[221]

(2) In paragraph (1)(b), the reference to a transaction includes –

(a) the sale, transfer or lease of the land; and

(b) any other transaction resulting in –

(i) the disposal of an interest in the land; or

(ii) the disposal of an interest in a company or another body of persons, or a trust, partnership, limited liability company or foundation, that holds (directly or indirectly) the interest in the land.[222]

(3) In any case where a sum (whether rent or otherwise) is payable in respect of the use of any premises and the tenant, leaseholder, licensee or other person is entitled also to use of the furniture, any sum payable in respect of use of the furniture shall also be chargeable under this Schedule.[223]

(4) [224]

(5) [225]

## 51A Basis of computation under Schedule A[226]

(1) Tax shall be charged under Schedule A in respect of the profits or gains described in Article 51(1)(a) by reference to the rent, rentes or receipts to which the person becomes entitled in the year of assessment.

(2) Tax shall be charged under Schedule A in respect of the profits or gains described in Article 51(1)(b) or (c) in accordance with Articles 64A to 64H, as if they were the profits or gains of a trade charged under Case I of Schedule D.[227]

## 52 Deductions under Schedule A in respect of rents, etc.[228]

(1) Subject to the provisions of this Article, in computing the amounts of the profits or gains to be charged under this Schedule pursuant to Article 51(1)(a), there shall be deducted the normal outgoings paid by the person chargeable in respect of the profits or gains.[229]

(2) For the purposes of paragraph (1), and subject to paragraphs (2A) and (2B), the term "normal outgoings" means the following payments, not being payments of a capital nature, made in respect of the land to which the profits or gains relate, that is to say –

(a) payments for maintenance, repairs, insurance and management; and

(b)

(c) rents, rentes or other periodical payments.[230]

(2A) No deductions shall be made –

(a) for any interest of money, or any annuity or other annual payment;

(b) for or in respect of rates –

(i) which, under the Rates (Jersey) Law 2005, are charged on the owner of the land, and

(ii) which the person chargeable in respect of the profits and gains is liable to defray.[231]

(2B) For the further avoidance of doubt, no deduction shall be made for any payment, or part of a payment –

(a) which is or which represents payment in respect of such rates as mentioned in paragraph (2A)(b)(i); and

(b) which is made to the owner of the land by the person chargeable in respect of the profits and gains (including by any agent on behalf of such a person).[232]

(2C) In paragraphs (2A) and (2B), reference to the owner of the land is to be construed in accordance with the Rates (Jersey) Law 2005.[233]

(3) In the case of –

(a) payments for maintenance and repairs, deductions shall be made for payments incurred by reason of dilapidation to the extent only that the dilapidation is attributable to a period falling within the currency of the lease, or to a period during which the person chargeable was the landlord in relation to a previous lease;

(b) other payments, deductions shall be made only for payments incurred in such a period as aforesaid;

(c) a receipt other than rent payable under a lease, there shall be deducted so much of any other payment made by the owner as constituted an expense of the transaction.

(4) The deductions allowable under this Article must be made from the profits or gains chargeable for the year of assessment in which the payments are made.[234]

(5) But if the profits or gains chargeable for the year of assessment in which the payments are made are not sufficient to allow the whole of the deduction to be made, the amount that is not deducted is to be deducted from the profits and gains for the next year of assessment from which it can be deducted.[235]

## 52A [236]

## 52B Deductions for accounting fees[237]

(1) Despite any other provision in this Law, in computing the profits and gains to be taxed under Article 51(1)(a) there is allowed to be deducted as expenses an amount equal to the amount incurred on fees charged for accounting services.

(2) The fees to which paragraph (1) apply must be attributed to the year in which they were paid.

## 53 Relief for rent not paid[238]

If a person proves that he or she has not received an amount which he or she was entitled to receive in respect of any rents or receipts chargeable under Schedule A pursuant to Article 51(1)(a), and that –

(a) the non-receipt was attributable to the default of the person by whom it was payable and the person chargeable has taken all reasonable steps available to him or her to enforce payment; or

(b) the person chargeable has waived payment of the said amount without consideration and in order to avoid hardship to the person by whom it was payable,

the person chargeable shall be treated as if he or she had not been entitled to the said amount.[239]

## 54 Treatment of premiums and other payments as rents [240]

(1) If payment of any premium is required under a lease, or otherwise under the terms subject to which a lease is granted and the duration of the lease does not exceed 50 years, the person entitled to the premium shall be treated for the purposes of this Law as becoming entitled when the lease is granted to an amount by way of rent (in addition to any actual rent and any other amount treated as rent under this Article) equal to the amount of the premium reduced by 1/50 of that amount for each complete period of 12 months (other than the first) comprised in the duration of the lease:

Provided that where the said premium is payable by instalments, the amount of each instalment shall be treated as rent for the year in which it becomes payable.[241]

(2) If, under any term subject to which a lease is granted, any sum is payable by a tenant as consideration for the surrender of the lease, the person entitled to the consideration shall be treated for the purposes of this Law as becoming entitled, when the consideration is payable, to an amount by way of rent (in addition to any actual rent and any other amount treated as rent under this Article) equal to the amount of the consideration reduced by 1/50 of that amount for each complete period of 12 months (other than the first) comprised in the duration of the lease calculated to the day of surrender:

Provided that where the said consideration is payable by instalments, the amount of each instalment shall be treated as rent for the year in which it becomes payable.[242]

(2A) If any sum is payable by a tenant as consideration for the variation or waiver of any term of a lease, the person entitled to the consideration shall be treated for the purposes of this Law as becoming entitled, when the agreement for the variation or waiver is entered into, to an amount by way of rent (in addition to any actual rent and any other amount treated as rent under this Article) equal to the amount of the consideration reduced by 1/50 of that amount for each complete period of 12 months (other than the first) comprised in that part of the duration of the lease for which the variation or waiver has effect:

Provided that where the said consideration is payable by instalments, the amount of each instalment shall be treated as rent for the year in which it becomes payable.[243]

(3) If, in respect of a lease granted for a period which does not exceed 50 years, a premium is paid on the assignment of the lease or as consideration for the grant of a sub-lease, the person entitled to the premium shall be treated for the purposes of this Law as becoming entitled when the premium is payable to an amount by way of rent equal to the amount of the premium reduced by the appropriate fraction of any amount of premium chargeable as rent on the person by whom the lease was granted:

Provided that no reduction as aforesaid shall be made in respect of any premium which has been allowed as a deduction in computing the income of any person for income tax purposes.

(4) For the purpose of paragraph (3), the "appropriate fraction" means the fraction arrived at by dividing the period for which the assignment or sub-lease is granted by the period for which the lease was granted.

## 54A Deductions under Schedule A in respect of property development or quarrying, etc.[244]

Articles 70, 70A, 70D, 70F and 83 shall apply for the purposes of computing the amount of the profits or gains to be charged under Schedule A pursuant to Article 51(1)(b) or (c) as they apply for the purposes of computing the amount of the profits or gains to be charged under Schedule D Case I in respect of a trade.[245]

## 55 Persons chargeable under Schedule A

(1) Subject to paragraph (2), tax under Schedule A shall be charged on and paid by the persons receiving or entitled to the profits or gains in respect of which tax under Schedule A is, in this Law, directed to apply.

(2) Articles 74 to 76D shall apply to taxation under Schedule A pursuant to Article 51(1)(b) or (c) as they apply to the taxation of any trade under Schedule D Case 1.[246]

## 55A Miscellaneous provisions applicable to property development and quarrying, etc.[247]

Articles 84 and 85 shall apply to and for the purposes of the charge to tax under Schedule A pursuant to Article 51(1)(b) or (c) as they apply to and for the purposes of the charge to tax under Schedule D.[248]

## 55B Provision against double assessment: dealing in or developing land in Jersey[249]

(1) This Article applies if, on the application of a person assessed to tax on the profits or gains arising or accruing from a particular transaction carried out in the course of dealing in or developing land in Jersey, the profits or gains have been assessed more than once.

(2) The Comptroller must –

(a) amend or set aside 1 or more of the assessments (the "original assessments") to ensure that the same profits or gains are not taxed more than once;

(b) give written notice to each person assessed that 1 or more of the original assessments has been amended or set aside; and

(c) if payment has been made in respect of an assessment that is amended or set aside, repay the amount of the overpayment (if any).

(3) The Comptroller must not amend or set aside an assessment more than 2 years after the filing due date.

(4) Articles 24(3) and 25 apply in relation to an amended assessment as they apply in relation to the original assessments.

(5) In paragraph (3), "filing due date" has the same meaning as in Article 24.

# PART 10

SCHEDULE D AND PRINCIPAL PROVISIONS RELATING THERETO

## 61 Schedule D

(1) The Schedule referred to in this Law as Schedule D is as follows –

Tax under this Schedule shall be charged in respect of –

(a) the annual profits or gains arising or accruing –

(i) to any person residing in Jersey from any kind of property whatever, whether situate in Jersey or elsewhere,

(ii) to any person residing in Jersey from any trade, profession, employment, vocation or office, whether carried on in Jersey or elsewhere, or from any pension, whether arising in Jersey or elsewhere, and

(iii) to any person, whether a British subject or not, although not resident in Jersey, from –

(A) any property whatever in Jersey;

(B) any trade exercised in Jersey, whether or not through a fixed place of business in Jersey;

(C) any profession, employment, vocation or office exercised within Jersey; or

(D) any pension arising in Jersey;

(b) all interest of money, annuities, and other annual profits or gains not charged under Schedule A, and not specially exempted from tax;

(c) all sums paid to an individual or an individual's personal representative pursuant to Article 131D or 131E other than a sum applied in the purchase from an authorized insurance company which is unconnected with the individual of a lifetime annuity payable to the individual or, on the individual's death, to the individual's spouse, civil partner or dependant; and

(d)

(e) shareholder loans, where the borrower, within the meaning of Article 81O, is an individual resident in Jersey, in accordance with the following provisions of this Part,

in each case for every one pound of the annual amount of the profits or gains.[250]

(1A) [251]

(2) The provisions of paragraph (1) are without prejudice to any other provision of this Law directing tax to be charged under Schedule D and the tax so directed to be charged shall be charged accordingly.[252]

(3) In paragraph (1), the reference to annual profits or gains arising or accruing from any property includes distributions of a company.[253]

(4) [254]

## 62 Mode of charge under Schedule D; the Cases[255]

(1) Tax under Schedule D shall be charged under the following cases respectively, that is to say –

Case I. – tax in respect of any trade carried on in Jersey or elsewhere;

Case II. – tax in respect of –

(a) all profits and earnings of whatever value arising from professions, employments, vocations or offices;

(b) any office or employment by retainer in any character whatever, whether such retainer is annual or for a longer or shorter period; and

(c) all payments which, by virtue of Article 131K(1), are to be treated as earned income;

Case IIA. – tax in respect of attributable earnings in accordance with the following provisions of this Part;

Case III. – tax in respect of profits of an uncertain value and of –

(a) any interest of money, whether yearly or otherwise, or any annuity, or other annual payment, whether such payment is payable within or out of Jersey, either as a charge on any property of the person paying the same by virtue of any deed or will or otherwise, or as a reservation out of it or as a personal debt or obligation by virtue of any contract, or whether the same is received and payable half-yearly or at any shorter or more distant periods;

(b) all discounts;

(c) interest paid or credited in full without deduction of tax by a savings bank to any depositor;

(d) subject to any exemption in Part 19 –

(i) any payment of a pension (other than a payment which is taxed under Case II, in accordance with sub-paragraph (c) of that Case) whether paid voluntarily or otherwise and whether capable of being discontinued or not, and

(ii) any lump sum paid from or under a pension scheme, annuity contract, retirement trust scheme or similar arrangement, whether the payment is made on the death of a pension holder, in commutation of or otherwise in lieu of a pension, by way of return of contributions paid by a pension holder, by way of transfer, or otherwise (other than a payment which is taxed under Case VI, in accordance with Article 131J(2)(a) or 131L(1));

(e) interest and dividends payable out of the public revenues of Jersey or by coupon;

(f) distributions of a company regarded as resident in Jersey other than those distributions which are charged to tax under Case IX;

(g) dividends on preference shares of a company regarded as resident in Jersey that are declared out of profits or gains chargeable to tax on the company at a rate other than the standard rate;

Case IV. – tax in respect of income arising from securities out of Jersey, (whether or not payable by coupon);

Case V. – tax in respect of income arising from possessions out of Jersey;

Case VI. – tax in respect of any annual profits or gains not falling under any of the foregoing Cases or Case VII or VIII, and not charged by virtue of Schedule A;

Case VII. – tax in respect of all sums paid to an individual or an individual's personal representative pursuant to Article 131D or 131E of this Law other than a sum applied in the purchase from an authorized insurance company which is unconnected with the individual of a lifetime annuity payable to the individual or, on the individual's death, to the individual's spouse, civil partner or dependant;

Case VIII. – tax in respect of –

(a)

(b) shareholder loans, in accordance with the following provisions of this Part;

Case IX. – tax in respect of relevant distributions of a company regarded as resident in Jersey, or which has a permanent establishment in Jersey, in accordance with the following provisions of this Part;

and subject to and in accordance with the provisions of this Law applicable to the said Cases respectively.[256]

(2) The provisions of paragraph (1) are without prejudice to any other provision of this Law directing tax to be charged under one or other of the said Cases, and the tax so directed to be charged shall be charged accordingly.

(3) In paragraph (1), in Case V, income does not arise from a possession out of Jersey if it is income from emoluments other than pensions arising from an office or employment exercised in Jersey.[257]

## 62A Disapplication of Schedule D where trade taxed under Schedule A

Notwithstanding Article 61(1) and Article 62(1) Case I, tax under Schedule D shall not be charged on any profits or gains of a trade that are charged to tax under Schedule A by virtue of Article 51(1)(b) or (c).[258]

## 62B [259]

## 62C Application of Schedule D to the repayment of depositors' compensation levy[260]

Tax must be charged under Schedule D in respect of the repayment or partial repayment to a bank of depositors' compensation levy as if the repayment or partial repayment were a trading receipt of the bank in the year in which the repayment or partial repayment is made.

## 62D Application of Schedule D to termination and other payments[261]

(1) Tax shall be charged under Case II of Schedule D in respect of any payment made by or on behalf of an employer to an employee in consequence of –

(a) the termination of the employee's employment; or

(b) any change in the duties or emoluments of the employment,

regardless of whether the payment arises from a contractual or statutory entitlement, an order by a court or tribunal or is voluntary on the part of the employer.

(2) For the purposes of paragraph (1) –

(a) "employee" refers to any person paid wages or salary by another person regardless of whether the first person is employed or is an office holder and "employer" and "employment" shall be construed accordingly; and

(b) the reference to payment made to an employee includes payment to an employee's estate.

## 63 Farming of land in Jersey to be charged under Schedule D[262]

(1) All farming in Jersey is treated as the carrying on of a trade or of a part of a trade and the profits or gains are to be charged to tax under Case I of Schedule D.

(2) In this Article –

"farming" means the occupation of land in Jersey wholly or mainly for the purposes of husbandry, including market gardening;

"market gardening" means the occupation of land in Jersey as a nursery or garden for the sale of produce.

*Case I and II*

## 64 Full tax to be charged

The tax under Case I or Case II of Schedule D shall be charged without any other deduction than is by this Law allowed.

## 64A General provision as to period of computation for trade, profession or vocation[263]

Subject to Articles 64B to 64E, tax shall be charged in the case of a trade, profession or vocation on the full amount of the balance of the profits or gains of the trade, profession or vocation for the financial period ending in the year of assessment.

## 64B Change of financial period and accounting date[264]

(1) Where, by virtue of a change in the financial period for a trade, profession or vocation, there are 2 or more accounting dates for it in a year of assessment, tax shall be charged on the aggregate of the full amounts of the balance of profits or gains for each financial period ending on those dates.

(2) Where –

(a) there is a change in the financial period for a trade, profession or vocation;

(b) the new accounting date is in the year of assessment immediately following the year of assessment in which the preceding accounting date fell; and

(c) the Comptroller is of the opinion that the change is not made in good faith and for the purpose of facilitating the good management of the business,

the Comptroller may charge the trade, profession or vocation to tax, for the year of assessment in which the new accounting date falls, on the full amount of the balance of the profits or gains for the period of 12 months ending on that date.

(3) Where –

(a) there is a change in the financial period for a trade, profession or vocation;

(b) the new accounting date is neither in the same year of assessment as the preceding accounting date nor in the year of assessment immediately following that year; and

(c) the Comptroller is of the opinion that the change is not made in good faith and for the purpose of facilitating the good management of the business,

the Comptroller may –

(i) determine an accounting date in the year of assessment immediately following the year of assessment in which the preceding accounting date fell; and

(ii) charge the trade, profession or vocation to tax, for the year of assessment in which the determined accounting date falls, on the full amount of the balance of the profits or gains for the period of 12 months ending on that date.

(4) The accounting date determined under paragraph (3) shall be the same day, in the same month, as the new accounting date.

## 64C Commencement of trade, profession or vocation[265]

(1) Subject to paragraph (2), where a trade, profession or vocation is set up and commenced, tax shall first be charged for the year of assessment in which the first financial period ends, on the full amount of the balance of the profits or gains of the trade, profession or vocation for that period.

(2) Where the first financial period of the trade, profession or vocation does not end in the first year of assessment or the second year of assessment, the Comptroller shall determine an accounting date in the second year of assessment for it.

(3) Subject to paragraph (4), the accounting date determined under paragraph (2) shall be the same day, in the same month, as the accounting date which falls in the third year of assessment.

(4) Where there is more than one accounting date in the third year of assessment, the first of those dates shall be used for the purposes of paragraph (3).

(5) Where the profits or gains of a trade, profession or vocation are charged to tax in the second year of assessment by virtue of an accounting date being determined under paragraph (2), tax shall be charged for the third year of assessment on the full amount of the balance of the profits or gains of the first financial period, after deduction of an amount equal to the profits or gains charged to tax in the second year of assessment by virtue of paragraph (2).

(6) For the purposes of this Article and Article 64D –

"first financial period", in relation to a trade, profession or vocation, means the financial period beginning on the day it is set up and commenced;

"first year of assessment", in relation to a trade, profession or vocation, means the year in which it is set up and commenced;

"second year of assessment" means the year following the first year of assessment;

"third year of assessment" means the year following the second year of assessment.

## 64D Discontinuance of trade, profession or vocation[266]

(1) Subject to paragraphs (2) and (3), where a trade, profession or vocation is permanently discontinued, tax shall be charged, in the year of assessment in which the discontinuance occurs, on the full amount of the balance of the profit or gains for the period beginning on the day following the accounting date preceding the date of discontinuance and ending on the date of discontinuance.

(2) Where, in the year of assessment in which the trade, profession or vocation is permanently discontinued, there are one or more accounting dates preceding the date of discontinuance, tax shall be charged on the aggregate of the full amounts of the balance of profits or gains for each financial period ending on those dates and for the period described in paragraph (1).

(3) Where a trade, profession or vocation is permanently discontinued in the first year of assessment or the second year of assessment, tax shall be charged for the period beginning on the date the trade, profession or vocation is set up and commenced and ending on the date of its discontinuance.

## 64E Trade, profession or vocation transferred to or from Jersey[267]

(1) This Article applies –

(a) where a trade, profession or vocation previously carried on in a place outside Jersey transfers to, and continues to be carried on, in Jersey; and

(b) where a trade, profession or vocation previously carried on in Jersey transfers to, and continues to be carried on, in a place outside Jersey.

(2) Tax shall be charged for the year of assessment in which the trade, profession or vocation transfers, on such portion of the full amount of the balance of the profits or gains of the trade, profession or vocation as equates to the portion of that year for which the trade, profession or vocation is carried on in Jersey.

## 64F Apportionment of profits or gains of trade, profession or vocation[268]

(1) Where the period for which tax is to be charged on the full amount of the balance of the profits or gains of a trade, profession or vocation does not coincide with a financial period, the full amount of the balance of the profits or gains for the financial periods which overlap with the period for which tax is to be charged shall be apportioned so as to arrive at the full amount of the balance of the profits or gains for the period for which tax is to be charged.

(2) Where the full amount of the balance of the profits or gains for the period for which tax is to be charged, determined in accordance with paragraph (1), does not, in the opinion of the Comptroller, fairly represent the full amount of the balance of the profits or gains of the period for which tax is to be charged, the Comptroller may direct that the apportionment shall be made another way.

## 64G Liability of executors or administrators for tax on the profits or gains of a trade, profession or vocation[269]

In the case of the death of a person who, if he or she had not died, would have been chargeable to income tax for any year under Articles 64A to 64E, the tax which would have been so chargeable –

(a) shall be assessed and charged on the person's executors or administrators; and

(b) shall be a debt due from and payable out of the person's estate.

## 64H Deduction from profits or gains of trade or profession for premiums payable[270]

(1) Where any land in Jersey is occupied for the purposes of any trade or profession, a deduction shall be allowed, in calculating the full amount of the balance of the profits or gains arising from that trade or profession, for any premium paid in consideration of the grant of a lease or sub-lease, or for the assignment of a lease, of that land to the extent that the premium has been charged to tax under Schedule A of this Law.

(2) In this Article "land" and "premium" have the same meanings as in Part 8.

## 65 General provisions as to period of computation for offices, employments and pensions[271]

(1) Tax is charged under Case II of Schedule D –

(b) in the case of an office or employment, on the full amount of the emoluments of the office or employment received in the year of assessment;

(c) in the case of a pension, on the full amount of the emoluments of the pension arising in the year of assessment.[272]

(1A) Paragraph (1) applies, in the case described in sub-paragraph (b) thereof –

(a) whether the emoluments are for the year in which they are received or for some other year of assessment;

(b) whether or not the office or employment is held at the time the emoluments are received.[273]

(1B) Where paragraph (1) applies in the case described in sub-paragraph (b) thereof, in the case of emoluments received after the death of the person who held the office or employment concerned, tax charged on the emoluments –

(a) shall be assessed and charged on the deceased's heirs, executors or administrators; and

(b) shall be a debt due from and payable out of the deceased's estate.[274]

## 65A Meaning of receipt of emolument[275]

(1) For the purposes of Article 65(1), in the case described in sub-paragraph (b) thereof, emoluments which take the form of a benefit not consisting of money shall be treated as received at the time when the benefit is provided.

(2) For the purposes of Article 65(1), in the case described in sub-paragraph (b) thereof, emoluments to which paragraph (1) of this Article does not apply shall be treated as received at the time found in accordance with the following rules (taking the earlier or earliest time in a case where more than one rule applies) –

(a) the time when payment is made of or on account of the emoluments;

(b) the time when a person becomes entitled to payment of or on account of the emoluments;

(c) in a case where the emoluments are from an office or employment with a company, the holder of the office or employment is a director of the company and sums on account of the emoluments are credited in the company's

accounts or records, the time when sums on account of the emoluments are so credited;

(d) in a case where the emoluments are from an office or employment with a company, the holder of the office or employment is a director of the company and the amount of the emoluments for a period is determined before the period ends, the time when the period ends;

(e) in a case where the emoluments are from an office or employment with a company, the holder of the office or employment is a director of the company and the amount of the emoluments for a period is not known until the amount is determined after the period has ended, the time when the amount is determined.

(3) Paragraph (2)(c), (d) or (e) applies whether or not the office or employment concerned is that of director.

(4) Paragraph (2)(c), (d) or (e) applies if the holder of the office or employment is a director of the company at any time in the year of assessment in which the time mentioned in the sub-paragraph concerned falls.

(5) For the purposes of the rule in paragraph (2)(c), any fetter on the right to draw the sums shall be disregarded.

(6) In paragraph (2), "director" means –

(a) in relation to a company whose affairs are managed by a board of directors or similar body, a member of that board or similar body;

(b) in relation to a company whose affairs are managed by a single director or similar person, that director or person; and

(c) in relation to a company whose affairs are managed by the members themselves, a member of the company.

(7) In paragraph (2), "director", in relation to a company, also includes any person in accordance with whose directions or instructions the company's directors (as defined in paragraph (6)) are accustomed to act and, for this purpose, a person is not to be deemed to be a person in accordance with whose directions or instructions the company's directors are accustomed to act by reason only that the directors act on advice given by the person in a professional capacity.

(8) In this Article, "company" means any body corporate or unincorporated association but does not include a partnership.

## 65B Emoluments: benefits in kind[276]

(1) In this Article and in Schedules 2 and 3 –

"benefit" means so much of any emoluments as consists of a benefit (other than salaries, fees, wages, perquisites, profits or gains) –

(a) derived by the office holder or employee or by a member of that person's family or household from that office or employment or from its commencement or termination or in consequence of a change in its terms; and

(b) provided by the office holder's or employee's employer;

"employer" includes any person connected with the employer.

(2) In assessing the emoluments of an office or employment for the purposes of Article 65 there shall be left out of account –

(a) any benefit disclaimed by the office holder or employee, whether for his or her own use or the use of a member of that person's family or household; and

(b) any benefit, or amount attributable to any benefit, specified in Schedule 2.

(3) An office holder or employee shall be entitled, in any year of assessment, to a deduction in respect of the first £250 of the aggregate amount of benefits assessed for the purposes of Article 65.[277]

(4) Subject to paragraph (5) –

(a) where the benefit consists of a transfer of ownership of property, the amount attributable to the benefit shall be the open market value of the property at the time of the transfer;

(b) where the benefit consists of the payment or discharge of any pecuniary liability of the office holder or employee or of a member of that person's family or household, the amount attributable to the benefit shall be the amount paid by the employer; and

(c) where the benefit consists of the provision of property for use, without transfer of ownership, the amount attributable to the benefit shall be determined in accordance with Schedule 3.[278]

(5) There shall be deducted from the amount attributable to any benefit any sums paid by the office holder or employee in respect of the benefit.

(7) The Minister may, by Order, amend Schedules 2 and 3.

## 66 [279]

## 67 [280]

## 68 [281]

## 69 [282]

## 69A Restriction on deduction for emoluments of office or employment[283]

(1) Where –

(a) any emoluments arising from an office or employment would, apart from this Article, be deducted in computing the amount of the profits or gains of a period ending on or after 1st January 2001 on which tax shall be charged for a year of assessment; and

(b) the emoluments are not paid before the end of the period of 12 months beginning with the end of that period,

the Comptroller, if he or she is of the opinion that the main purpose of deferral of payment of the emoluments is the avoidance or reduction of the liability of any person to income tax, may refuse to allow their deduction for that period.[284]

(2) In this Article the time when emoluments are paid shall be determined in accordance with Article 65A as if "paid" were substituted for "received" throughout that Article.[285]

## 70 General rules as to deductions not allowable[286]

Subject to the provisions of this Law, in computing the amount of the profits or gains to be charged, no sum shall be deducted in respect of –

(a) any disbursements or expenses, not being money wholly and exclusively laid out or expended for the purposes of the trade, profession, employment or vocation;

(b) any disbursements or expenses of maintenance of the parties, their families or establishments, or any sums expended for any other domestic or private purposes distinct from the purposes of such trade, profession, employment or vocation;

(c) the rent assessed and charged under Schedule A pursuant to Article 51(1)(a) of any dwelling-house or domestic offices or any part thereof, except such part as is used for the purposes of the trade or profession:

Provided that where any such part is so used, the sum so deducted shall not exceed 2/3 of the said rent bona fide paid for the said dwelling-house or offices, unless in any case the Comptroller is of the opinion that having regard to all the circumstances, some greater sum ought to be deducted;

(d) any sum expended for repairs of premises occupied, or for the supply, repairs or alterations of any implements, utensils or articles employed for the purposes of the trade, profession, employment or vocation, beyond the sum actually expended for those purposes;

(e) any loss not connected with or arising out of the trade, profession, employment or vocation;

(f) any capital withdrawn from, or any sum employed or intended to be employed as capital in such trade, profession, employment or vocation;

(g) any capital employed in improvements of premises occupied for the purposes of the trade, profession, employment or vocation;

(h) any interest on sums disallowed under any provision of this Article;

(i) any debts, except bad debts proved to be such to the satisfaction of the Comptroller or the Commissioners, and doubtful debts to the extent that they are respectively estimated to be bad, and, in the case of the bankruptcy or insolvency of a debtor, the amount which may reasonably be expected to be received on any such debts shall be deemed to be the value thereof;

(j) any average loss beyond the actual amount of loss after adjustment;

(k) any sum recoverable under an insurance or contract of indemnity;

(l) any annual interest, or any annuity or other annual payment payable out of the profits or gains;

(m) any royalty or other sum paid in respect of the user of a patent.

## 70A Deduction on account of Social Security contributions[287]

(1) Notwithstanding anything in Article 70, in computing the profits or gains to be charged in respect of a trade or profession under Schedule D there shall be allowed to be deducted as expenses in any year an amount equal to the relevant percentage of the Class 2 contributions which the individual or, in the case of a trade or profession carried on in partnership, the individuals carrying on the trade or

profession are liable to pay in that year under the Social Security (Jersey) Law 1974, as Class 2 insured persons.[288]

(1A) In paragraph (1), the "relevant percentage" means –

(a) in relation to the year 2002 and ensuing years up to and including 2011, 52%;

(b) in relation to the year 2012 and ensuing years –

(i) for Class 2 contributions calculated with reference to the difference between the standard monthly earnings limit and the upper monthly earnings limit, 100%,

(ii) for Class 2 contributions not falling within clause (i), 52%.[289]

(2) In this Article –

(a) "Class 2 contributions";

(b) "Class 2 insured person";

(c) "standard monthly earnings limit"; and

(d) "upper monthly earnings limit",

have the same meaning as in the Social Security (Jersey) Law 1974.[290]

## 70B Deduction on account of depositors' compensation levy[291]

Despite Article 70, in computing the profits or gains to be charged in respect of a trade or profession under Schedule D, a bank may deduct as expenses in any year an amount equal to any depositors' compensation levy paid by the bank to the Jersey Resolution and Depositors Compensation Authority in that year.

## 70C Deductions on account of foreign tax paid[292]

(1) Despite Article 70, in computing the profits or gains to be charged in respect of a trade under Schedule D there is allowed to be deducted as expenses in any year an amount equal to the amount of foreign tax payable in respect of that trade except where the person has claimed a credit in respect of that foreign tax under Article 112 or Part 14A.

(2) In this Article "foreign tax" has the same meaning as in Article 114A.

## 70D Employer's contributions into group life insurance scheme[293]

(1) Despite Article 70, in computing the profits or gains to be charged in respect of a trade or profession under Schedule D there is allowed to be deducted as expenses in any year an amount equal to the sum of contributions payable by the person liable to tax in respect of that trade or profession into a group life insurance scheme that is wholly and exclusively for the benefit of the person's employees.

(2) However, paragraph (1) applies only if –

(a) the death benefits payable under the scheme do not exceed the total of 5 times the emoluments received by the deceased employee during the year immediately preceding his or her death; and

(b) where the employer is a company, no employee who is a beneficiary of the scheme owns more than 20% of the shares of the company.

(3) In this Article "employee" means a person who is paid wages or salary regardless of whether the person is employed or is an office holder.

## 70E Deductions for expenditure on regulatory compliance activity[294]

(1) In computing the profits or gains to be charged in respect of a trade or profession under Schedule D there is allowed to be deducted as expenses an amount equal to 150% of eligible expenditure for the purposes of regulatory compliance activity.

(2) For the purposes of paragraph (1) eligible expenditure is expenditure in the 2024 year of assessment and subsequent years on –

(a) computer hardware;

(b) software, including software subscriptions and licences; and

(c) training that is delivered by an external provider on hardware or software.

## 70F Deductions for accounting fees[295]

(1) Despite Article 70, in computing the profits or gains to be charged in respect of a trade or profession under Schedule D there is allowed to be deducted as expenses an amount equal to the amount incurred on fees charged for accounting services.

(2) The fees to which paragraph (1) apply must be attributed –

(a) to the accounting period for which they were incurred; or

(b) in the case of a trade or profession that has ceased trading, in the final accounts before the cessation of trading.

## 74 General partnerships[296]

(1) For the purposes of this Law, a trade or profession carried on by a general partnership with a view to profit or gain is to be treated as carried on in partnership by its partners and not by the general partnership as such.

(2) Accordingly, the property of the general partnership is to be treated for those purposes as partnership property of the partners and not as property of the general partnership.

(3) Subject to the provisions of this Article, the provisions of this Law apply to the profits and gains of a partner in a general partnership.

## 75 Changes of proprietor

(1) [297]

(2) If at any time any person succeeds to any trade, profession or vocation which until that time was carried on by another person and the case is not one to which Article 75A applies, the income tax payable for all years of assessment by the person succeeding as aforesaid shall be computed as if he or she had set up or commenced the trade, profession or vocation at that time, and the tax payable for all years of assessment by the person who until that time carried on the trade, profession or vocation shall be computed as if it had then been discontinued.

In this paragraph, references to a person include references to a partnership.[298]

(3) In the case of the death of a person who, if he or she had not died, would under the provisions of this Article have become chargeable to income tax for any year, the income tax which would have been so chargeable shall be assessed and charged on his or her executors or administrators and shall be a debt from and payable out of his or her estate.

## 75A Change of partner[299]

(1) Where this Article applies a partnership's trade, profession, business or vocation is deemed to have ceased and a new partnership's trade, profession, business or vocation is deemed to commence.

(2) This Article applies where there is a change in the partners of a partnership and that change represents a change of 50% or more –

(a) in the entitlement of the assets in the partnership before the change in partners; or

(b) in the collective voting entitlement of the partnership.

(3) For the purposes of Article 106A, the basis period ends on the date that the partnership is deemed to have ceased and a new basis period commences on the date the partnership is deemed to have commenced.

## 76 [300]

## 76A Limited partnerships[301]

(1) Subject to the provisions of this Article, the provisions of this Law apply to the profits or gains of a partner in a limited partnership.

(2) Paragraph (1) shall not apply to the profits or gains derived from international activities of a partner in a limited partnership who is not resident in Jersey.

(3) For the purposes of this Law, a trade, profession, business or vocation carried on by a limited partnership is to be treated as carried on in partnership by its partners and not by the limited partnership as such.[302]

(3A) Accordingly, the property of the limited partnership is to be treated for those purposes as partnership property of the partners and not as property of the limited partnership.[303]

(4) Articles 86 and 87 shall not apply in a case where the general partner of a limited partnership responsible for making the annual payment referred to in those Articles is not resident in Jersey.[304]

(5) [305]

(6) In this Article –

"general partner" means a person who is so named in, or is identifiable through, the partnership agreement and if more than one shall mean each general partner;

"limited partner" means a person who is so named in, or is identifiable through, the partnership agreement and if more than one shall mean each limited partner;

"limited partnership" means a partnership consisting of one or more persons who are general partners and one or more persons who are limited partners;

"partner" means a limited partner or a general partner;

"partnership agreement" means any agreement in writing of the partners as to the affairs of a limited partnership and the rights and obligations of the partners among themselves;

"profits or gains" does not include profits or gains of a capital nature.[306]

## 76B Incorporated limited partnerships[307]

(1) For the purposes of this Law, a trade, profession, business or vocation carried on by an incorporated limited partnership with a view to profit or gain shall be treated as carried on in partnership by its partners, and not by the incorporated limited partnership as such.

(2) Accordingly, the property of the incorporated limited partnership shall be treated for those purposes as partnership property of the partners, and not as property of the incorporated limited partnership.

(3) Subject to the provisions of this Article, the provisions of this Law apply to the profits or gains of a partner in an incorporated limited partnership.

(4) Paragraph (3) shall not apply to the profits or gains derived from international activities of a partner in an incorporated limited partnership who is not resident in Jersey.

(5) [308]

(6) Articles 86 and 87 shall not apply in a case where the general partner of an incorporated limited partnership responsible for making the annual payment referred to in those Articles is not resident in Jersey.[309]

(7) [310]

(8) In this Article –

"incorporated limited partnership", "general partner", "limited partner", "partner" and "partnership agreement" have the same meanings as they have in the Incorporated Limited Partnerships (Jersey) Law 2011;

"profits or gains" does not include profits or gains of a capital nature.[311]

## 76C Separate limited partnerships[312]

(1) For the purposes of this Law, a trade, profession, business or vocation carried on by a separate limited partnership with a view to profit or gain shall be treated as carried on in partnership by its partners, and not by the separate limited partnership as such.

(2) Accordingly, the property of the separate limited partnership shall be treated for those purposes as partnership property of the partners, and not as property of the separate limited partnership.

(3) Subject to the provisions of this Article, the provisions of this Law apply to the profits or gains of a partner in a separate limited partnership.

(4) Paragraph (3) shall not apply to the profits or gains derived from international activities of a partner in a separate limited partnership who is not resident in Jersey.

(5) [313]

(6) Articles 86 and 87 shall not apply in a case where the general partner of a separate limited partnership responsible for making the annual payment referred to in those Articles is not resident in Jersey.[314]

(7) [315]

(8) In this Article –

"separate limited partnership", "general partner", "limited partner", "partner" and "partnership agreement" have the same meanings as they have in the Separate Limited Partnerships (Jersey) Law 2011;

"profits or gains" does not include profits or gains of a capital nature.[316]

## 76D Limited liability partnerships[317]

(1) For the purposes of this Law, a trade, profession, business or vocation carried on by a limited liability partnership with a view to profit or gain shall be treated as carried on in partnership by its partners, and not by the limited liability partnership as such.

(2) Accordingly, the property of the limited liability partnership shall be treated for those purposes as partnership property of the partners, and not as property of the limited liability partnership.

(3) Subject to the provisions of this Article, the provisions of this Law apply to the profits or gains of a partner in a limited liability partnership.

(4) Paragraph (3) shall not apply to the profits or gains derived from international activities of a partner in a limited liability partnership who is not resident in Jersey.

(5) [318]

(6) Articles 86 and 87 shall not apply where a payment referred to in those Articles is made by or through a limited liability partnership.

(7) [319]

(8) [320]

(9) [321]

(10) In this Article –

(a) "declaration", "limited liability partnership", "partner" and "secretary" have the same meaning as they have in the Limited Liability Partnerships (Jersey) Law 2017; and

(b) "profits or gains" does not include profits or gains of a capital nature.[322]

## 76E Foreign limited liability partnerships[323]

(1) Where the Comptroller approves a foreign limited liability partnership, the partnership is treated as a limited liability partnership registered under Article 18 of the Limited Liability Partnerships (Jersey) Law 2017 for the purposes of this Law and Article 76D applies to it.[324]

(2) The Comptroller may approve legislation made in another jurisdiction ("approved legislation") under which limited liability partnerships are or may be established.[325]

(3) The Comptroller, upon application by the partnership –

(a) may approve a specific foreign limited liability partnership; and

(b) must approve a foreign limited liability partnership established under approved legislation.[326]

(4) At the start of each year, the Comptroller must publish a list of approved legislation and must, as soon as practicable, update the list during that year.[327]

(5) [328]

(6) [329]

(7) [330]

(8) [331]

(9) [332]

(10) [333]

*Case II*

## 77 Fees and subscriptions to professional bodies, learned societies, etc.

(1) Subject to the following provisions of this Article, any annual fee or subscription paid to a body of persons approved for the purposes of this Article by the Comptroller may be deducted from the emoluments of any office or employment assessed to tax, if defrayed out of those emoluments.

(2) The Comptroller may, on the application of the body, approve for the purposes of this Article any body of persons not of a mainly local character whose activities are carried on otherwise than for profit and are solely or mainly directed to all or any of the following objects, that is to say –

(a) the advancement or spreading of knowledge (whether generally or among persons belonging to the same or similar professions or occupying the same or similar positions);

(b) the maintenance or improvement of standards of conduct and competence among the members of any profession;

(c) the indemnification or protection of members of any profession against claims in respect of liabilities incurred by them in the exercise of their profession.

(3) If the activities of a body approved for the purposes of this Article are to a significant extent directed to objects other than those mentioned in paragraph (2), the Comptroller may determine that such specified part only of any annual subscription paid to the body may be deducted under this Article as corresponds to the extent to which its activities are directed to objects mentioned in that paragraph; and in doing so the Comptroller shall have regard to all relevant circumstances and, in particular, to the proportions of the body's expenditure attributable to the furtherance of objects so mentioned and other objects respectively.

(4) A fee or subscription shall not be deducted under this Article from the emoluments of any office or employment unless –

(a) the fee is payable in respect of a registration (or retention of a name in a roll or record) or certificate which is a condition or one of alternative conditions of the performance of the duties of the office or employment;

(b) the subscription is paid to a body the activities of which, so far as they are directed to the objects mentioned in paragraph (2), are relevant to the office or employment, that is to say, the performance of the duties of the office or employment is directly affected by the knowledge concerned or involves the exercise of the profession concerned.

(5) Any approval given and any determination made under this Article may be withdrawn, and any such determination varied, so as to take account of any change of circumstances; and where a body is approved for the purposes of this Article, in pursuance of an application made before the end of any year of assessment, a

deduction may be made under this Article in respect of a subscription paid to the body in that year, whether the approval is given before or after the end of that year.

(6) A body may appeal to the Commissioners against a decision made by the Comptroller under this Article by giving notice in writing to the Comptroller within 21 days of receiving notification of the decision.[334]

(7) Part 6 applies, with the necessary modifications, to an appeal under paragraph (6) as if it were an appeal against an assessment.[335]

### 77AA Social Security allowances[336]

(1) This Article applies to payments of benefits under the Social Security (Jersey) Law 1974, other than payments of incapacity benefit, parental allowance, parental grant and death grant.[337]

(2) A payment of benefit to which this Article applies shall –

(a) be charged to income tax under Case II of Schedule D; and

(b) be deemed for all the purposes of this Law to be earned income.[338]

(3) [339]

(4) [340]

*Case IIA*[341]

### 77A Interpretation of Articles 77A to 77E[342]

(1) In Articles 77A to 77E –

"attributable earnings" shall be construed in accordance with Article 77B;

"client" means the person referred to in the definition "intermediary services vehicle" providing payment (whether or not in cash) to an ISV for the supply of the services referred to in that definition;

"individual" means the individual referred to in the definition "intermediary services vehicle" who supplies services to the client;

"intermediary services vehicle" means a company who receives payment from a person pursuant to arrangements with that person for the supply to that person of the services of an individual who owns more than 2% of the ordinary share capital in the company, or of another individual connected with an individual who owns more than 2% of the ordinary share capital in the company, in circumstances where, disregarding the interposition of the company, had the arrangements taken the form of a contract between the individual supplying the services and the other person, the other person would be an employer of the individual within the meaning of Article 1A of the Employment (Jersey) Law 2003;

"ISV" means an intermediary services vehicle;

"payment" means payment in any form, whether or not in cash;

"relevant arrangements" mean the arrangements referred to in the definition "intermediary services vehicle" between the ISV, the individual and the client.

(2) The States may, by Regulations –

(a) amend the definition "intermediary services vehicle" in paragraph (1) so that it includes such type of body corporate or partnership as the States may specify generally or by description; and

(b) amend the percentages of shareholding specified in the definition "intermediary services vehicle".

### 77B Basis of computation under Case IIA[343]

(1) Subject to Articles 77C and 77D, tax under Case IIA of Schedule D is computed on the full amount of payments made by a client to an ISV in a year of assessment for the supply of services by an individual to the client pursuant to the relevant arrangements as if those payments were earnings of the individual chargeable to tax under Case II (such payments being referred to as "attributable earnings").

(2) This Article applies only to payments made to an ISV in respect of services supplied by an individual who, at the time of supplying the services, is resident in Jersey.

### 77C Deductions under Case IIA[344]

There shall be deducted from the attributable earnings –

(a) any payments made by the ISV to the individual in the year of assessment by way of remuneration for services provided by the individual to the client pursuant to the relevant arrangements;

(b) any contributions paid by the ISV under the Social Security (Jersey) Law 1974 in the year of assessment as the employer of the individual in respect of services provided by the individual to the client pursuant to the relevant arrangements; and

(c) any payments made by the ISV, pursuant to the relevant arrangements, which, if paid by the individual, the individual would have been entitled to deduct under this Law in computing profits or gains chargeable to tax under Case II of Schedule D (regardless of whether the individual is chargeable to tax under Case II of Schedule D).

### 77D Circumstances where Case IIA does not apply[345]

(1) An individual is not liable to taxation under Case IIA in a year of assessment where the aggregate value of the payments made to one or more ISVs by one or more clients for the supply of services by the individual under relevant arrangements in the year of assessment was less than £45,000.

(2) The States may, by Regulations, amend the amount referred to in paragraph (1).

### 77E Treatment of attributable earnings for other purposes[346]

(1) Any amount charged to tax as attributable earnings (after taking into account any deduction allowed under Article 77C) shall not be chargeable to tax under Case II or Case V of Schedule D or treated as a distribution for the purposes of Case III(f) or Case IX of Schedule D.

(2) In calculating an individual's allocated share of specified profits for the purposes of Case IX of Schedule D, the ISV shall, when calculating the amount of the ISV's

specified profits for any particular period, disregard any amounts chargeable to tax under Case IIA in respect of payments received by the ISV during that period.

*Case III*

## 78 Basis of computation under Case III

(1) Subject to the provisions of this Article, tax under Case III of Schedule D shall be computed on the full amount of the profits or income arising in the year of assessment.

(1A) Tax in respect of distributions of a company shall not be charged under Case III of Schedule D on any of the following –

(a) so much of a distribution as is made out of realised capital profits of the company;

(b) so much of a distribution as represents a return of share capital where the company received new consideration in respect of the issue of that share capital;

(c) so much of a distribution as represents repayment of the principal amount advanced to the company by a member or a person connected with a member;

(d) so much of a distribution as an individual can prove to the satisfaction of the Comptroller has been made out of the same profits as those that have been used to determine that an earlier distribution to that individual is a relevant distribution for the purposes of Case IX of Schedule D.[347]

(1B) For the purposes of paragraph (1A)(b) –

(a) the reference to share capital includes stated capital of a no par value company and share premium;

(b) "new consideration" has the meaning set out in Article 3AE(6).[348]

(1C) For the purposes of paragraph (1A)(c), in the case of a company with a share capital, "member" includes any person who is deemed to own shares in the company under Article 82A(1)(a).[349]

(2) Save as otherwise provided in this Law, all profits or income in respect of which any person is chargeable under Case III of Schedule D may be assessed and charged in one sum.

## 79 Pensions chargeable under Case III

Tax shall be computed on the full amount of a pension subject to the deduction of any income tax which has been paid in respect of the pension in the place where it has arisen.[350]

## 79A Credit for tax paid on full attribution or deemed dividends[351]

(1) This Article applies if an individual satisfies the conditions in paragraph (2).

(2) The conditions are that –

(a) the individual had a liability to pay tax in a year of assessment between 2009 and 2012 (inclusive) in respect of –

(i) a deemed dividend assessable under Article 81D or Article 81G as it was in force for that year of assessment; or

(ii) a company's profits under Article 85F as it was in force for that year of assessment;

(b) the individual has received a dividend assessable under Case III that derives from the profits that were assessed on the individual under Article 81D or 81G or under Article 85F; and

(c) those profits –

(i) have not already been distributed to the individual; and

(ii) have not resulted in a claim for a tax credit by the individual or any other person in a previous year of assessment.

(3) In paragraph (2)(a), a reference to an individual includes the individual's spouse or civil partner if that spouse or civil partner had a liability to pay tax under Article 121 or 122B (as they were in effect prior to 1 January 2025) and profits were assessed on them under Article 81D or 81G or under Article 85F.

(4) If this Article applies, a tax credit at the standard rate is offset against the individual's liability to tax in respect of the dividend referred to in paragraph (2)(b) to the extent referred to in paragraph (2)(c).

(5) This Article does not apply to an assessment on an amount based on the assessable profits of a company under Article 134A or Schedule D Case IIA.

*Cases IV and V*

## 80 Basis of computation under Cases IV and V

(1) Subject to the provisions of this Article, tax under Case IV or Case V of Schedule D shall be computed on the full amount of the income arising in the year of assessment whether the income has been or will be received in Jersey or not, subject, in the case of income not received in Jersey –

(a) to the same deductions and allowances as if it had been so received;

(b) to the deduction, where such a deduction cannot be made under, and is not forbidden by, any other provision of this Law, of any sum which has been paid in respect of income tax in the place where the income has arisen;

(c) to a deduction on account of any annual interest or any annuity or other annual payment payable out of the income to a person not resident in Jersey; and

(d) to a deduction in the case of income arising from a profession, office, employment or vocation of any sums, not being of a capital nature, necessarily expended for the purpose of earning the income, including any sums so expended in maintaining a place of residence in the place where the income arises,

and the provisions of this Law (including those relating to the delivery of statements) shall apply accordingly.[352]

(1A) [353]

(1B) [354]

(2) Paragraph (1) shall not apply to any individual who satisfies the Comptroller that he or she is not ordinarily resident in Jersey for the year of assessment (and applies as

modified by Article 80A where an individual becomes, or ceases to be, ordinarily resident).[355]

(3) In the case mentioned in paragraph (2), the tax shall be computed –

(a) in the case of tax chargeable under Case IV, on the full amount, so far as the same can be computed, of the sums received in Jersey in the year of assessment, without any deduction or abatement;

(b) in the case of tax chargeable under Case V, on the full amount of the actual sums received in Jersey in the year of assessment from remittances payable in Jersey, or from property imported, or from money or value arising from property not imported, or from money or value so received on credit or on account in respect of any such remittances, property, money or value brought or to be brought into Jersey, without any deduction or abatement other than is allowed, under the provisions of this Law, in respect of profits or gains charged under Case I of Schedule D.[356]

(3A) Tax in respect of distributions, within the meaning of Article 3AE(1)(a) only, of a company that is non-resident in Jersey is not charged under Case V of Schedule D on so much of any such distribution as is made out of the realised capital profits of the company.[357]

(3B) Tax in respect of distributions, within the meaning of Article 3AE(1)(c) only, of a company is not charged under Case V of Schedule D on so much of a distribution as represents repayment of the principal amount advanced to the company by a member, or a person connected with a member, where the principal amount was advanced on a commercial basis.[358]

(4) A person may appeal to the Commissioners against a decision made by the Comptroller under paragraph (2) about the person's ordinary residence by giving notice in writing to the Comptroller within 3 months of receiving notification of the decision.[359]

(5) Part 6 applies, with the necessary modifications, to an appeal under paragraph (4) as if it were an appeal against an assessment.[360]

(6) All income in respect of which a person is chargeable under Case IV or Case V of Schedule D may respectively be assessed and charged in one sum.

## 80A Application of Article 80: individuals who become, or cease to be, ordinarily resident[361]

(1) Article 80 applies with the modifications in paragraph (2) where –

(a) an individual who is not resident in Jersey becomes ordinarily resident in Jersey; or

(b) an individual who is ordinarily resident in Jersey ceases to be resident in Jersey.

(2) Paragraph (1) of Article 80 –

(a) applies in relation to the individual, for a relevant year of assessment, as if the reference in that paragraph to the income arising in the year of assessment were a reference to the income arising in Period A; and

(b) does not apply in relation to the individual, for a relevant year of assessment, in relation to income arising otherwise than in Period A.

(3) In a case within paragraph (1)(a) –

(a) a "relevant year of assessment" means a year of assessment –

(i) for which the individual is treated as being ordinarily resident in Jersey, and

(ii) which immediately follows a year of assessment for which the individual is treated as being not resident in Jersey;

(b) "Period A", in relation to a relevant year of assessment, means the period –

(i) beginning with the day on which the individual's circumstances change in such a way as to result in the individual being treated as ordinarily resident in Jersey for the relevant year of assessment, and

(ii) ending with the last day of that year.

(4) In a case within paragraph (1)(b) –

(a) a "relevant year of assessment" means a year of assessment –

(i) for which the individual is treated as being ordinarily resident in Jersey, and

(ii) which immediately precedes a year of assessment for which the individual is treated as being not resident in Jersey;

(b) "Period A", in relation to a relevant year of assessment, means the period –

(i) beginning with the first day of the relevant year of assessment, and

(ii) ending with the day on which the individual's circumstances change in such a way as to result in the individual being treated as not resident in Jersey for the following year of assessment.

*Cases VI and VII*[362]

## 81 Basis of computation under Cases VI and VII

(1) Save as provided by Articles 86(2)(e), 131J(2)(a), 131L(1) and 131P(6), tax under Case VI or Case VII of Schedule D shall be computed on the full amount of the profits or gains arising in the year of assessment.[363]

(2) The nature of the profits or gains, and the basis on which the amount thereof has been computed, shall be stated to the Comptroller.

(3) Every such statement and computation shall be made to the best of the knowledge and belief of the person in receipt of or entitled to the profits or gains.

## 81A Transactions in certificates of deposit[364]

(1) Where a person acquires the right to receive the amount (with or without interest) stated in a certificate of deposit issued to the person or any other person, any profits or gains arising to him or her from the disposal of that right or, except so far as it is a right to receive interest, from its exercise shall, if not falling to be taken into account as a trading receipt, be treated as annual profits or gains chargeable to tax under Case VI of Schedule D.

(2) Where a person sustains a loss in a transaction which, if a profit had arisen from it, would be chargeable to tax by virtue of paragraph (1) of this Article, then, if he or she is chargeable to tax under Schedule D in respect of the interest payable on the amount stated in the certificate of deposit concerned, in computing the amount of

interest chargeable to tax the amount of the person's loss shall be deducted from the interest and, if tax has been overpaid, he or she shall be entitled to repayment of the amount overpaid.

(3) In this Article, "certificate of deposit" means a document relating to money, in any currency, which has been deposited with the issuer or some other person, being a document which recognizes an obligation to pay a stated amount to bearer or to order, with or without interest, and being a document by the delivery of which, with or without endorsement, the right to receive that stated amount, with or without interest, is transferable.

*Case VIII*[365]

**81B** [366]

## 81C Basis of computation under Case VIII[367]

Tax under Case VIII of Schedule D shall be computed –

(a)

(d) on the full amount attributable, in the year of assessment, to a shareholder loan, in accordance with Article 81O.[368]

**81CA** [369]

**81CB** [370]

**81D** [371]

**81E** [372]

**81F** [373]

**81FA** [374]

**81FB** [375]

**81G** [376]

**81GA**[377]

**81GB**[378]

**81H**[379]

**81I**[380]

**81J**[381]

**81K**[382]

**81L**[383]

**81M**[384]

**81N**[385]

## 81O Shareholder loans[386]

(1) A shareholder loan is a loan –

(a) to an individual resident in Jersey who owns shares in a company to which Article 123C or 123D applies (referred to in this Article as "the borrower") or to a member of that individual's family or household;

(b) made, paid by or derived from that company –

(i) where the company is a company described in sub-paragraph (a) from the day of its incorporation, on or after that day,

(ii) where the company becomes a company described in sub-paragraph (a) in a year of assessment, on or after the first day of that year.[387]

(2) For the purposes of paragraph (1), the cases in which a company is to be regarded as making a loan to an individual shall include a case where –

(a) that individual incurs a debt from the company; or

(b) a debt due from that individual to a third person is assigned to the company.

(3) For the purposes of paragraph (1), a loan is derived from a company to a borrower or to member of his or her family or household where –

(a) the company makes a loan or advance which, apart from this paragraph, is not a shareholder loan; and

(b) some person other than the company makes a payment or transfers property to, or releases or satisfies, in whole or in part a liability of, the borrower or of a member of the borrower's family or household.

(4) However, the following loans and debts shall not be shareholder loans –

(a) a loan advanced at a commercial rate where –

(i) the ordinary business carried on by the company includes money lending, and

(ii) the company is authorized, pursuant to an enactment, to carry on a business which includes money lending;

(b) a debt incurred for the supply by the company of goods or services in the ordinary course of its trade or business, unless the period of credit given exceeds 6 months or is longer than that normally given to the company's customers;

(c) any loan charged to tax as the emolument of any office or employment, by virtue of Article 65B.

(5) The amount attributable to a shareholder loan for the year of assessment in which it is made or paid by, or otherwise derived from, the company shall be the aggregate of the amounts paid by the company in that year in respect of the loan, less the aggregate of the sums repaid or reimbursed by the borrower to the company in that year in respect of the loan.

(6) Where a borrower charged to tax for a year of assessment in respect of a shareholder loan proves, to the satisfaction of the Comptroller, that he or she has made a repayment or reimbursement to the company in respect of that loan in a subsequent year of assessment, the borrower shall be entitled to a credit against his or her liability to tax for the subsequent year in an amount equal to the product of –

$$\frac{S}{O} \times T$$

Where –

S = the amount repaid or reimbursed by the borrower in the subsequent year of assessment

O = the amount attributable to the loan, in accordance with paragraph (5), for the year in which it is made, paid by, or otherwise derived from the company

T = the amount of tax charged on the borrower pursuant to this Article for the year in which the loan is made, paid by, or otherwise derived from the company.

(7) [388]

(8) [389]

(9) [390]

(10) [391]

(11) In determining, for the purposes of this Article, the sums repaid or reimbursed by the shareholder, there shall be disregarded any payment of interest.

## 81P Shareholder loans: statements to be provided to borrower[392]

(1) Where a company makes a shareholder loan, the secretary of the company or other officer performing the duties of secretary shall, no later than 31st March following the year in which the loan is made or paid by or otherwise derived from the company, provide the borrower with a statement, in writing, showing the amount attributable to the loan for that year, in accordance with Article 81O.

(2) Where, in any year following the year in which a loan described in paragraph (1) is made or paid by or otherwise derived from the company, the borrower makes a repayment or reimbursement in respect of the loan, the secretary of the company or other officer performing the duties of secretary shall, no later than 31st March following the year in which the repayment or reimbursement is made, issue the borrower with a statement, in writing, showing –

(a) the amount repaid or reimbursed by the borrower in the year;

(b) the amount attributable to the loan, in accordance with Article 81O, for the year in which it was made or paid by or otherwise derived from the company.

(3) If the secretary of the company or other officer performing the duties of secretary does not comply with paragraph (1) or (2), he or she shall be guilty of an offence and liable to a fine of level 3 on the standard scale.

(4) In this Article "the borrower" has the same meaning as in Article 81O.

*Case IX*[393]

## 81Q Interpretation of Articles 81Q to 81Z[394]

(1) In Articles 81Q to 81Z –

"individual's allocated share of specified profits" shall be construed in accordance with the relevant provisions of Article 81T, 81U, 81V, 81W, 81X, 81Y and 81YA, as the case requires;

"relevant company" means –

(a) a company to which Article 123C applies;

(b) a company to which Article 123D applies; or

(c) a company which is a registered person;

"relevant distribution" shall be construed in accordance with Article 81R;

"relevant financial period" means a financial period of a relevant company ending after 31st December 2011 where the year of assessment in which the financial period ends is the year of assessment immediately preceding a current year of assessment;

"relevant time" means a time at which a distribution is made to an individual if, at that time, the individual owns more than 2% of the ordinary share capital of the company;

"share ownership" refers to the period during which a person owns more than 2% of the ordinary share capital of a company;

"specified profits" means –

(a) in relation to a financial period of a company to which Article 123C applies, the balance of the income, profits and gains on which the company is charged under Schedule D at the rate of 0% after –

(i) the making of any deduction or the giving of any allowance or relief to which the company is entitled under this Law,

(ii) the deduction of any amount paid, before the last day of the following financial period, out of such income, profits and gains as a dividend on preference shares of the company, and

(iii) the deduction of any distribution received in the financial period which is chargeable to tax under Case III(f) of Schedule D (but not including any dividend which is included in the value of D in paragraph 11(5) or 12(4) of Schedule 5);

(b) in relation to a financial period of a company to which Article 123D applies, the balance of the income, profits and gains on which the company is charged under Schedule D at the rate of 10% after –

(i) the making of any deduction or the giving of any allowance or relief to which the company is entitled under this Law,

(ii) the deduction of any amount paid, before the last day of the following financial period, out of such income, profits and gains as a dividend on preference shares of the company, and

(iii) the deduction of any distribution received in the financial period which is chargeable to tax under Case III(f) of Schedule D (but not including any dividend which is included in the value of D in paragraph 11(5) or 12(4) of Schedule 5);

(c) in relation to the financial period of a registered person, the balance of income, profits and gains on which the registered person would be charged under Schedule D at the rate of 0% if the registered person were not a registered person after –

(i) the making of any deduction or the giving of any allowance or relief to which the registered person would be entitled under this Law if the person were not a registered person,

(ii) the deduction of any amount paid, before the last day of the following financial period, out of such income, profits and gains as a dividend on preference shares of the registered person, and

(iii) the deduction of any distribution received in the financial period which is chargeable to tax under Case III(f) of Schedule D (but not including any dividend which is included in the value of D in paragraph 11(5) or 12(4) of Schedule 5).[395]

(2) The States may, by Regulations, amend the percentage specified in the definitions "relevant time" and "share ownership" in paragraph (1).

(3) For the purposes of Articles 81Q to 81Z –

(a) any reference to a distribution being made to an individual is a reference to a distribution being made directly to the individual or to a distribution where the individual is otherwise entitled to it; and

(b) any reference to the amount of a distribution shall, where the distribution is other than for a cash amount, refer to the market value of the distribution at the time it is made.

## 81R Meaning of "relevant distribution"[396]

(1) Except where paragraph (4) applies, a relevant distribution is –

(a) a distribution made to an individual at a relevant time; or

(b) such amount of a distribution made to an individual at a relevant time that is equal to the individual's allocated share of specified profits at the relevant time.

(2) For the purposes of paragraph (1) –

(a) sub-paragraph (a) applies if the amount of the distribution is equal to or less than the individual's allocated share of specified profits at the relevant time;

(b) sub-paragraph (b) applies if the amount of the distribution is greater than the individual's allocated share of specified profits at the relevant time.

(3) If more than one distribution is made to an individual by the same company at a relevant time, the amount of a distribution in paragraphs (1) and (2) shall be read as referring to the aggregate value of those distributions.

(4) An individual may, by notice in writing to the Comptroller in such form as the Comptroller may determine, elect that paragraph (1) shall not apply to distributions made to the individual by one or more companies specified by the individual.

(5) An election under paragraph (4) must be made no later than 2 years after the end of the first year of assessment in respect of which the election is to take effect.

(6) Following an election under paragraph (4), paragraph (1) shall not apply to distributions made by a specified company during the year of assessment in respect of which the election takes effect and ensuing years until a revocation of that election takes effect in accordance with paragraph (7).

(7) An individual may revoke an election under paragraph (4) with respect to one or more specified companies no later than 2 years after the end of the year of assessment in respect of which the revocation is to take effect.

(8) Any distribution made to an individual at a relevant time in a year of assessment by a company in respect of which paragraph (1) does not apply is a relevant distribution.

## 81S Basis of computation under Case IX[397]

Tax under Case IX of Schedule D shall be computed on the full amount of relevant distributions made by a relevant company to an individual resident in Jersey in the year of assessment.

## 81T Initial calculation of individual's allocated share of specified profits[398]

(1) This Article applies for the purpose of calculating an individual's allocated share of specified profits in a relevant company at a relevant time in a year of assessment ("current year of assessment") where –

(a) the distribution is made to the individual in or after year of assessment 2013 following a relevant financial period of the company;

(b) the whole or part of that relevant financial period fell within the individual's current period of share ownership; and

(c) the distribution is the first distribution made to the individual in the circumstances described in sub-paragraphs (a) and (b).

(2) The individual's allocated share of specified profits for the purposes of paragraph (1) shall be calculated as follows –

(a) Step 1

calculate the amount as follows –

SP x (A/B)

Where –

SP is the aggregate of the company's specified profits for each financial period of the company the whole or part of which falls within the individual's current period of share ownership, up to and including the relevant financial period, but excluding any profits for a financial period ending on or before 31st December 2011;

A is the number of shares comprised in the ordinary share capital of the company which are owned by the individual at the relevant time;

B is the number of shares comprised in the ordinary share capital of the company at the relevant time;

(b) Step 2

calculate the amount as follows –

P – Q

Where –

P is the amount calculated under Step 1;

Q is the amount of any distribution chargeable to tax under Case III(f) of Schedule D (or, if more than one, the aggregate value of the distributions) made by the company to the individual prior to the relevant time during the individual's current period of share ownership (disregarding so much of any distribution made out of the profits of a financial period ending on or before 31st December 2011), less the amount of so much of the distribution, if any, that is exempt from tax under Article 78;

(c) Step 3

determine the amount in accordance with paragraph (3) or (4), as the case may be.[399]

(3) If the amount calculated under Step 2 is greater than, or equal to, the amount of the distribution (or aggregate value of distributions if more than one) made to the individual at the relevant time, the individual's allocated share of specified profits is the amount calculated under Step 1.

(4) If the amount calculated under Step 2 is less than the amount of the distribution (or aggregate value of distributions if more than one) made to the individual at the relevant time, the individual's allocated share of specified profits is whichever is the higher amount of the following –

(a) the amount calculated under Step 2; or

(b) £0.

(5) Where the individual is an individual to whom paragraph 11 or 12 of Schedule 5 applies, for the purposes of the calculation under Step 1 there shall be added to the amount that is SP the amount that is calculated in accordance with paragraph 11 or 12 of that Schedule, as the case may be.

## 81U Calculation of individual's allocated share of specified profits following the initial calculation under Article 81T in the same year of assessment[400]

(1) This Article applies for the purpose of calculating an individual's allocated share of specified profits in a relevant company at a relevant time ("current relevant time"), such current relevant time occurring in the same year of assessment as a previous relevant time for which a calculation has been made under Article 81T.

(2) The amount to be calculated is determined by applying the following steps –

(a) Step 1

Calculate the amount under clause (i) or (ii) as follows –

(i) where the proportion of shares owned by the individual in the company remained constant since the immediately previous relevant time –

X – Y

Where –

X is the individual's allocated share of specified profits at the immediately previous relevant time;

Y is the amount of the relevant distribution (or aggregate value of relevant distributions if more than one) made to the individual at the immediately previous relevant time,

(ii) where the proportion of shares owned by the individual in the company has not remained constant since the immediately previous relevant time –

Calculate the amount as follows –

(X – Y) x ((E/F)/(A/B))

Where –

X is the individual's allocated share of specified profits at the immediately previous relevant time;

Y is the amount of the relevant distribution (or aggregate value of relevant distributions if more than one) made to the individual at the immediately previous relevant time;

A is the number of shares comprised in the ordinary share capital of the company which were owned by the individual at the immediately previous relevant time;

B is the number of shares comprised in the ordinary share capital of the company at the immediately previous relevant time;

E is the number of shares comprised in the ordinary share capital of the company which are owned by the individual at the current relevant time;

F is the number of shares comprised in the ordinary share capital of the company at the current relevant time;

(b) Step 2

calculate the amount as follows –

P – Q

Where –

P is the amount calculated under Step 1;

Q is the amount determined in accordance with paragraph (3);

(c) Step 3

Determine the amount in accordance with paragraph (4) or (5), as the case may be.

(3) If, at the immediately previous relevant time –

(a) Article 81T(3) or paragraph (4) below applied, Q is the same value as Q calculated under Article 81T(2)(b) or under Step 2 above at the immediately previous relevant time, as the case may be;

(b) Article 81T(4) or paragraph (5) below applied, Q is calculated as follows –

G + H

Where –

G is the amount of the distribution (or, if more than one, the aggregate value of the distributions) made to the individual at the immediately previous relevant time chargeable to tax under Case III(f) of Schedule D (disregarding so much of the distribution, if any, made out of the profits of a financial period of the company, such financial period ending on or before 31st December 2011), less the value of so much of the amount of the distribution, if any, that is exempt from tax under Article 78;

H is the amount (if any) by which the value of Q exceeded the value of P for the purposes of Article 81T(2)(b) or Step 2 above at the immediately previous relevant time, as the case may be.

(4) If the amount calculated under Step 2 is greater than, or equal to, the amount of the distribution (or aggregate value of distributions if more than one) made to the individual at the current relevant time, the individual's allocated share of specified profits is the amount calculated under Step 1.

(5) If the amount calculated under Step 2 is less than the amount of the distribution (or aggregate value of distributions if more than one) made to the individual at the current relevant time, the individual's allocated share of specified profits is whichever is the higher amount of the following –

(a) the amount calculated under Step 2; or

(b) £0.

## 81V Calculation of individual's allocated share of specified profits for the first time in each subsequent year of assessment[401]

(1) This Article applies for the purposes of calculating an individual's allocated share of specified profits at a relevant time ("current relevant time") in a year of assessment ("current year of assessment"), such current relevant time occurring for the first time in a year of assessment in any year following a year of assessment in which Article 81T applied during an individual's current period of share ownership.

(2) The amount to be calculated is determined by applying the following steps –

(a) Step 1

calculate the amount as follows –

SP x (A/B)

Where –

SP is the aggregate of the company's specified profits for each financial period of the company beginning with the financial period ending in the year of assessment in which a distribution was last made to that individual up to and including the relevant financial period (which may be the same period);

A is the number of shares comprised in the ordinary share capital of the company which are owned by the individual at the current relevant time;

B is the number of shares comprised in the ordinary share capital of the company at the current relevant time;

(b) Step 2

calculate the amount in clause (i) or (ii) as follows –

(i) where the proportion of shares owned by the individual in the company remained constant since the immediately previous relevant time –

X – Y

Where –

X is the individual's allocated share of specified profits at the immediately previous relevant time;

Y is the amount of the relevant distribution (or aggregate value of relevant distributions if more than one) made to the individual at the immediately previous relevant time,

(ii) where the proportion of shares owned by the individual in the company has not remained constant since the immediately previous relevant time –

(X – Y) x ((E/F)/(A/B))

Where –

X is the individual's allocated share of specified profits at the immediately previous relevant time;

Y is the amount of the relevant distribution (or aggregate value of relevant distributions if more than one) made to the individual at the immediately previous relevant time;

A is the number of shares comprised in the ordinary share capital of the company which were owned by the individual at the immediately previous relevant time;

B is the number of shares comprised in the ordinary share capital of the company at the immediately previous relevant time;

E is the number of shares comprised in the ordinary share capital of the company which are owned by the individual at the current relevant time;

F is the number of shares comprised in the ordinary share capital of the company at the current relevant time;

(c) Step 3

add together the amounts obtained after applying Step 1 and Step 2;

(d) Step 4

calculate the amount as follows –

P – Q

Where –

P is the amount calculated under Step 3;

Q is the amount determined in accordance with paragraph (3);

(e) Step 5

Determine the amount in accordance with paragraph (4) or (5), as the case may be.[402]

(3) If, at the immediately previous relevant time –

(a) Article 81T(3), 81U(4), 81W(4) or paragraph (4) below applied, Q is the same value as Q calculated under Article 81T(2)(b), 81U(2)(b), 81W(2)(b) or Step 4 above, at the immediately previous relevant time, as the case may be;

(b) Article 81T(4), 81U(5), 81W(5) or paragraph (5) below applied, Q is calculated as follows –

G + H

Where –

G is the amount of the distribution (or, if more than one, the aggregate value of the distributions) made to the individual at the immediately previous relevant time chargeable to tax under Case III(f) of Schedule D (disregarding so much of the distribution, if any, made out of the profits of a financial period of the company, such financial period ending on or before 31st December 2011), less the value of so much of the amount of the distribution, if any, that is exempt from tax under Article 78;

H is the amount (if any) by which the value of Q exceeded the value of P for the purposes of Article 81T(2)(b), 81U(2)(b), 81W(2)(b) or under Step 4 above, at the immediately previous relevant time, as the case may be.

(4) If the amount calculated under Step 4 is greater than, or equal to, the amount of the distribution (or aggregate value of distributions if more than one) made to the individual at the current relevant time, the individual's allocated share of specified profits is the amount calculated under Step 3.

(5) If the amount calculated under Step 4 is less than the distribution (or aggregate value of distributions if more than one) made to the individual at the current relevant time, the individual's allocated share of specified profits is whichever is the higher amount of the following –

(a) the amount calculated under Step 4; or

(b) £0.

(6) For the purposes of calculating the amount of SP in Step 1, if there is more than one financial period ending in the year of assessment in which a distribution was last made to the individual, the company shall calculate the specified profits of the company starting with the first financial period ending in that year of assessment.

## 81W Calculation of individual's allocated share of specified profits following the initial calculation under Article 81V in the same year of assessment[403]

(1) This Article applies for the purposes of calculating an individual's allocated share of specified profits at a relevant time ("current relevant time") in a year of assessment ("current year of assessment"), such current relevant time occurring at any time in a year of assessment following an initial calculation under Article 81V for that year of assessment during an individual's current period of share ownership.

(2) The amount to be calculated is determined by applying the following steps –

(a) Step 1

Calculate the amount under clause (i) or (ii) as follows –

(i) where the proportion of shares owned by the individual in the company remained constant since the immediately previous relevant time –

X – Y

Where –

X is the individual's allocated share of specified profits at the immediately previous relevant time;

Y is the amount of the relevant distribution (or aggregate value of relevant distributions if more than one) made to the individual at the immediately previous relevant time,

(ii) where the proportion of shares owned by the individual in the company has not remained constant since the immediately previous relevant time –

Calculate the amount as follows –

(X – Y) x ((E/F)/(A/B))

Where –

X is the individual's allocated share of specified profits at the immediately previous relevant time;

Y is the value of the relevant distribution (or aggregate value of relevant distributions if more than one) made to the individual at the immediately previous relevant time;

A is the number of shares comprised in the ordinary share capital of the company which were owned by the individual at the immediately previous relevant time;

B is the number of shares comprised in the ordinary share capital of the company at the immediately previous relevant time;

E is the number of shares comprised in the ordinary share capital of the company which are owned by the individual at the current relevant time;

F is the number of shares comprised in the ordinary share capital of the company at the current relevant time;

(b) Step 2

calculate the amount as follows –

P – Q

Where –

P is the amount calculated under Step 1;

Q is the amount determined in accordance with paragraph (3);

(c) Step 3

Determine the amount in accordance with paragraph (4) or (5), as the case may be.

(3) If, at the immediately previous relevant time –

(a) Article 81V(4) or paragraph (4) below applied, Q is the same value as Q calculated under Article 81V(2)(d) or under Step 2 above at the immediately previous relevant time;

(b) Article 81V(5) applied or paragraph (5) below applied, Q is calculated as follows –

G + H

Where –

G is the amount of the distribution (or, if more than one, the aggregate value of the distributions) made to the individual at the immediately previous relevant time chargeable to tax under Case III(f) of Schedule D (disregarding so much of the distribution, if any, made out of the profits of a financial period of the company, such financial period ending on or before 31st December 2011), less the amount of so much of the distribution, if any, that is exempt from tax under Article 78;

H is the amount (if any) by which the value of Q exceeded the value of P for the purposes of Article 81V(2)(d) or under Step 2 above at the immediately previous relevant time, as the case may be.

(4) If the amount calculated under Step 2 is greater than, or equal to, the distribution (or aggregate value of distributions if more than one) made to the individual at the current relevant time, the individual's allocated share of specified profits is the amount calculated under Step 1.

(5) If the amount calculated under Step 2 is less than the distribution (or aggregate value of distributions if more than one) made to the individual at the current relevant time, the individual's allocated share of specified profits is whichever is the higher amount of the following –

(a) the amount calculated under Step 2; or

(b) £0.

## 81X Calculation of individual's allocated share of specified profits where distribution made to a company[404]

(1) This Article applies where –

(a) a relevant company ("receiving company") receives a distribution ("company distribution") from another relevant company ("distributing company");

(b) at the time of the company distribution, an individual owns more than 2% of the ordinary share capital of the distributing company; and

(c) the individual owns at least one share of the ordinary share capital in the distributing company by virtue of Article 82A through his or her ownership of shares in the receiving company.[405]

(2) When the distributing company makes a company distribution, the distributing company shall –

(a) calculate the individual's deemed proportion of the company distribution as follows –

D x (A/B)

Where –

D is the amount of the company distribution (or aggregate value of distributions if more than one);

A is the number of shares comprised in the ordinary share capital of the distributing company which are deemed to be owned by the individual by virtue of Article 82A through his or her ownership of shares in the receiving company at the time the company distribution is made;

B is the number of shares comprised in the ordinary share capital of the distributing company which are owned by the receiving company at the time the company distribution is made;

(b) calculate the individual's allocated share of specified profits in the distributing company as follows –

(i) Step 1

calculate the individual's allocated share of specified profits in the distributing company in accordance with the relevant provisions in Article 81T, 81U, 81V or 81W, as if –

(A) the time a company distribution is made were a relevant time,

(B) at the time of the company distribution, the distribution were made to the individual,

(C) the value of Q in any provision requiring the deduction of Q were deemed to be nil,

(D) provisions requiring the deduction of Y were to require, instead, the deduction of the amount calculated in accordance with paragraph (3) or (4) at the immediately previous relevant time where, both at the immediately previous relevant time and the current relevant time, the ownership of all the shares by the individual in the distributing company were by virtue of the individual's ownership of shares in the receiving company,

(ii) Step 2

If, in respect of a previous distribution to the distributing company ("company A") from another company, an amount has been attributed to the individual's allocation of specified profits in company A under paragraph (3) or (4) ("previous attribution") –

(A) if no distribution has been made directly to the individual from company A since the previous distribution, add the amount of the previous attribution to the amount calculated under Step 1 (unless this amount has previously been added to an amount calculated under Step 1), or

(B) if there has been such a distribution ("direct distribution") and the amount of the direct distribution is less than the amount of the previous attribution, add the amount of the previous attribution less the amount of the direct distribution to the amount calculated under Step 1 (unless this amount has previously been added to an amount calculated under Step 1).[406]

(3) If the amount of the individual's deemed proportion of the company distribution calculated under paragraph (2)(a) ("first amount") is equal to or less than the amount of the individual's allocation of specified profits in the distributing company calculated under paragraph (2)(b), the first amount is attributed to the individual's allocation of specified profits in the receiving company for the purposes of paragraph (5), (6), (6A) or (6B), as the case may be.[407]

(4) If the amount of the individual's deemed proportion of the company distribution calculated under paragraph (2)(a) is more than the amount of the individual's allocation of specified profits in the distributing company calculated under paragraph (2)(b), the amount of that individual's allocated share of specified profits in the distributing company is attributed to the individual's allocation of specified profits in the receiving company for the purposes of paragraph (5), (6), (6A) or (6B), as the case may be.[408]

(5) When the receiving company makes a distribution to the individual at a relevant time and the proportion of shares owned by the individual in the receiving company has remained constant since the company distribution, the receiving company shall, at that relevant time, add the amount calculated under paragraph (3) or (4), as the case may be, to the amount calculated under whichever of the following provisions is applicable –

(a) Article 81T(2)(a);

(b) Article 81U(2)(a);

(c) Article 81V(2)(a);

(d) Article 81W(2)(a).

(6) When the receiving company makes a distribution to the individual at a relevant time and the proportion of shares owned by the individual in the receiving company has not remained constant since the company distribution, the receiving company shall, at that relevant time –

(a) calculate an amount as follows –

X x ((E/F) / (A/B))

Where –

X is the amount calculated under paragraph (3) or (4), as the case may be;

A is the number of shares comprised in the ordinary share capital of the receiving company which were owned by the individual at the time of the company distribution;

B is the number of shares comprised in the ordinary share capital of the receiving company at the time of the company distribution;

E is the number of shares comprised in the ordinary share capital of the receiving company which are owned by the individual at the current relevant time;

F is the number of shares comprised in the ordinary share capital of the receiving company at the current relevant time;

(b) add the amount calculated under sub-paragraph (a) to the amount calculated under whichever of the following provisions is applicable –

(i) Article 81T(2)(a),

(ii) Article 81U(2)(a),

(iii) Article 81V(2)(a),

(iv) Article 81W(2)(a).[409]

(6A) When the receiving company makes a distribution to the individual at a relevant time and, at that time, no provision in Article 81T, 81U, 81V or 81W applies and the proportion of shares owned by the individual in the receiving company has remained constant since the company distribution –

(a) the amount calculated under paragraph (3) or (4), as the case may be, being attributed to the individual's allocation of specified profits, is the amount that is taken into account in determining how much of the distribution is a relevant distribution for the purposes of Article 81R; and

(b) the time of the distribution by the receiving company is treated as having occurred at a relevant time under Article 81T.[410]

(6B) When the receiving company makes a distribution to the individual at a relevant time and, at that time, no provision in Article 81T, 81U, 81V or 81W applies and the proportion of shares owned by the individual in the receiving company has not remained constant since the company distribution –

(a) the following amount, being the amount that is attributed to the individual's allocation of specified profits, is the amount that is taken into account in determining how much of the distribution is a relevant distribution for the purposes of Article 81R –

X x ((E/F) / (A/B))

Where –

X is the amount calculated under paragraph (3) or (4), as the case may be;

A is the number of shares comprised in the ordinary share capital of the receiving company which were owned by the individual at the time of the company distribution;

B is the number of shares comprised in the ordinary share capital of the receiving company at the time of the company distribution;

E is the number of shares comprised in the ordinary share capital of the receiving company which are owned by the individual at the relevant time;

F is the number of shares comprised in the ordinary share capital of the receiving company at the relevant time; and

(b) the time of the distribution by the receiving company is treated as having occurred at a relevant time under Article 81T.[411]

(7) Where an individual can prove to the satisfaction of the Comptroller that, by virtue of this Article, the individual is chargeable to tax on a distribution under Case IX of Schedule D in respect of which the same specified profits have been used to determine whether or not an earlier distribution is a relevant distribution, the amount of tax that the individual is liable to pay in respect of the later distribution shall be reduced by a credit equal to the amount of any tax paid in respect of the earlier distribution.

## 81Y Connected persons[412]

(1) This Article applies where an individual ("A"), being an individual who does not own more than 2% of the ordinary share capital of a relevant company, becomes an owner of more than 2% of the ordinary share capital of the relevant company following a transfer of shares ("transfer") by another individual ("B") who is a connected person with A and who, at the time of the transfer, owns more than 2% of the ordinary share capital in that company.

(2) At the time of the transfer, an amount shall be calculated as follows (without itself conferring any tax liability on B) –

(a) Step 1

calculate the amount of B's allocated share of specified profits in the company, in accordance with the relevant provisions of Article 81T, 81U, 81V or 81W, and, if applicable, Article 81X, as if –

(i) the time of the transfer were a relevant time,

(ii) at the time of the transfer a distribution of nil value were made to B, where B owns shares in the company directly,

(iii) the value of Q in those provisions were deemed to be nil, and

(iv) where B owns at least one share of the ordinary share capital in the company ("transferring company") under Article 82A by virtue of his or her ownership of shares in another company ("receiving company"), the transferring company were deemed to have made a company distribution to the receiving company, within the meaning of Article 81X as if the transferring company were the "distributing company" within the meaning of that Article and such deemed company distribution were of nil value at the time of the transfer to A (whether or not the receiving company is a relevant company);

(b) Step 2

calculate an amount as follows –

Z x (E/F)

Where –

Z is the amount calculated under Step 1;

E is the number of shares comprised in the ordinary share capital in the company owned by B at the time of the transfer that are transferred to A;

F is the number of shares comprised in the ordinary share capital in the company owned by B at the time of the transfer.[413]

(3) For the purpose of calculating A's allocated share of specified profits –

(a) the first time a distribution is made to A by the company; or

(b) the first time a company distribution, within the meaning of Article 81X, is made by the company,

following the receipt of shares by A, the transfer shall be treated as having occurred at a relevant time under Article 81T and, for the purpose of the provisions in Article 81U or 81V and, if applicable, Article 81X, (whichever provisions are applicable at the time of the distribution described in sub-paragraph (a) or (b)), the amount calculated under paragraph (2) shall be deemed to be X for the purposes of those provisions and the value of Y shall be nil.

## 81YA Application of Articles 81T to 81Y following revocation of an election under Article 81R[414]

(1) In this Article, "election distribution" means a relevant distribution made to an individual by a company during a year of assessment in respect of which an individual has made an election under Article 81R(4) specifying that company.

(2) This Article applies where, with respect to a specified company –

(a) an individual has revoked an election under Article 81R(4); and

(b) the company makes the first distribution to the individual at a relevant time in or after the first year of assessment in respect of which the revocation takes effect.

(3) For the purposes of calculating the individual's allocated share of specified profits at the time the first distribution described in sub-paragraph (b) is made, Articles 81T to 81Y apply as if –

(a) a year of assessment in which an election distribution was made to the individual by the company was a year of assessment in respect of which an election did not apply; and

(b) for the purpose of the calculation X – Y in any of those Articles, if the amount of an election distribution (or aggregate value of election distributions if more than one) made to the individual at the immediately previous relevant time was greater than the individual's allocated share of specified profits at the immediately previous relevant time, the value of X – Y were nil.

## 81Z Companies limited by guarantee[415]

(1) Tax shall be charged under Case III(f) or Case IX of Schedule D in respect of distributions made to the members of a company limited by guarantee as if –

(a) that company had an ordinary share capital wholly owned by the members comprising such number of shares at or during any time for the purposes of any of the provisions relating to Case III(f) and Case IX as the Comptroller deems reasonable in all the circumstances; and

(b) without prejudice to the Comptroller's discretion under sub-paragraph (a), each member owned one share or such other number of shares as the members may agree (which need not necessarily be the same for each member) and certified to the Comptroller.

(2) Tax shall not be charged by virtue of paragraph (1) if the tax that would be so chargeable falls below such amount as may be determined by the Comptroller.

*Miscellaneous provisions as to Schedule D*

## 82 Persons chargeable

(1) Subject to paragraph (2) of this Article, Articles 131J(2)(a), 131L(1) and 131P(6) and any other provision of this Law, tax under Schedule D shall be charged on and paid by the persons or bodies of persons receiving or entitled to the income in respect of which tax under that Schedule is, in this Law, directed to be charged.[416]

(2) Tax on a shareholder loan shall be charged on and paid by the borrower described in Article 81O(1).[417]

## 82A Ownership of shares[418]

(1) For the purposes of Schedule D –

(a) an individual shall be deemed to own shares if the individual has any interest in them (whether equitable, legal or contractual) other than an interest as a bare nominee or bare trustee, and whether such interest is direct or through, or

partly through one, or a series of, bodies corporate, trusts, partnerships or foundations;

(b) an individual shall be deemed to own shares –

(i) if the individual has any right to acquire or dispose of the shares,

(ii) if the individual has any right to vote in respect of the shares,

(iii) if the individual has any right to acquire, to receive, or participate in distributions of the company, or

(iv) if the individual's consent is necessary for the exercise of any right of other persons interested in them, or if other persons interested in them can be required, or are accustomed, to exercise their rights in accordance with the individual's instructions.[419]

(2) An individual shall not be deemed to own shares by virtue only of having entered into an agreement pursuant to which title to them shall pass to the individual at a future date.

## 82AA Disposal of shares[420]

For the purposes of Schedule D an individual shall be deemed to have disposed of shares if the individual ceases to own those shares within the meaning of Article 82A.

## 82B Payment of tax by trustees[421]

## 83 Deduction from profits of interest paid by coupon

The amount represented by coupons, which have been issued by any firm or undertaking, the whole of whose profits and income from every source are liable to tax under this Law, shall be deducted from the profits of that firm or undertaking assessable to tax under Schedule D.[422]

## 84 Tax computed on profits of previous period to be charged though no profits in year of assessment

Where it is provided by this Law that income tax under Schedule D in respect of profits or gains or income from any source is to be computed by reference to the amount of the profits or gains or income of some period preceding the year of assessment, tax as so computed shall be charged for that year of assessment notwithstanding that no profits or gains or income arise from that source for or within that year of assessment.

## 85 Statement of profits to include all sources of income chargeable under Schedule D

Every statement of profits to be charged under Schedule D which is made by any person –

(a) on his or her own account; or

(b) on account of some other person for whom he or she is chargeable, or who is chargeable in his or her name,

shall include every source of income so chargeable.

*Alternative basis of computation for Cases III to VI*[423]

## 85A Companies to which alternative basis of computation for Cases III to VI applies[424]

This Article applies to a company –

(a) which is regarded as resident in Jersey or which has a permanent establishment in Jersey; and

(b) which is not –

(i) a financial services company,

(ii) a utility company, or

(iii) a trading company.

## 85B General provision as to alternative period of computation for company to which Article 85A applies[425]

(1) Notwithstanding Articles 78, 80 and 81 but subject to Articles 85C to 85E, tax shall be computed under the relevant Cases, in the case of a company to which Article 85A applies, on the full amount of its income, profits and gains arising in the financial period ending in the year of assessment.

(2) The relevant Cases are, for the purposes of paragraph (1) and Articles 85C to 85E, Cases III to VI of Schedule D.

## 85C Change of financial period and accounting date of company to which Article 85A applies[426]

(1) Where, by virtue of a change in the financial period for a company to which Article 85A applies, there are 2 or more accounting dates for it in a year of assessment, tax shall be charged under the relevant Cases on the aggregate of the full amounts of the balance of profits or gains for each financial period ending on those dates.

(2) Where –

(a) there is a change in the financial period for a company to which Article 85A applies;

(b) the new accounting date is in the year of assessment immediately following the year of assessment in which the preceding accounting date fell; and

(c) the Comptroller is of the opinion that the change is not made in good faith and for the purpose of facilitating the good management of the company,

the Comptroller may charge tax under the relevant Cases, for the year of assessment in which the new accounting date falls, on the full amount of the balance of the company's income, profits and gains for the period of 12 months ending on that date.

(3) Where –

(a) there is a change in the financial period for a company to which Article 85A applies;

(b) the new accounting date is neither in the same year of assessment as the preceding accounting date nor in the year of assessment immediately following that year; and

(c) the Comptroller is of the opinion that the change is not made in good faith and for the purpose of facilitating the good management of the company,

the Comptroller may –

(i) determine an accounting date in the year of assessment immediately following the year of assessment in which the preceding accounting date fell; and

(ii) charge tax under the relevant Cases, for the year of assessment in which the determined accounting date falls, on the full amount of the balance of the company's income, profits and gains for the period of 12 months ending on that date.

(4) The accounting date determined under paragraph (3) shall be the same day, in the same month, as the new accounting date.

## 85D Incorporation of company to which Article 85A applies[427]

(1) Subject to paragraph (2), where a company is a company to which Article 85A applies for its first year of assessment, tax shall first be charged under the relevant Cases, for the year of assessment in which the first financial period ends, on the full amount of the balance of the company's income, profits and gains arising in that period.

(2) Where the first financial period of the company does not end in the first year of assessment or the second year of assessment, the Comptroller shall determine an accounting date in the second year of assessment for it.

(3) Subject to paragraph (4), the accounting date determined under paragraph (2) shall be the same day, in the same month, as the accounting date which falls in the third year of assessment.

(4) Where there is more than one accounting date in the third year of assessment, the first of those dates shall be used for the purposes of paragraph (3).

(5) Where income, profits and gains are charged to tax under the relevant Cases in the second year of assessment by virtue of an accounting date being determined under paragraph (2), tax shall be charged under the relevant Cases for the third year of assessment on the full amount of the income, profits or gains of the first financial period, after deduction of an amount equal to the income, profits or gains charged to tax in the second year of assessment by virtue of paragraph (2).

(6) For the purposes of this Article –

"first financial period" means the financial period beginning on the day the company is incorporated;

"first year of assessment", in relation to a company, means the year in which it is incorporated;

"second year of assessment" means the year following the first year of assessment;

"third year of assessment" means the year following the second year of assessment.

### 85E Apportionment of income, profits or gains of company to which Article 85A applies[428]

(1) Where the period for which tax is to be charged under the relevant Cases on the full amount of the balance of the income, profits and gains of a company to which Article 85A applies does not coincide with a financial period, the full amount of the income, profits and gains for the financial periods which overlap with the period for which tax is to be charged shall be apportioned so as to arrive at the full amount of the income, profits and gains for the period for which tax is to be charged.

(2) Where the full amount of the balance of the income, profits and gains for the period for which tax is to be charged, determined in accordance with paragraph (1), does not, in the opinion of the Comptroller, fairly represent the full amount of balance of the income, profits and gains of the period for which tax is to be charged, the Comptroller may direct that the apportionment shall be made another way.

### 85F [429]

### 85FA [430]

### 85G [431]

### 85H [432]

## PART 11

PRINCIPAL PROVISIONS AS TO INTEREST, DIVIDENDS, DISTRIBUTIONS, ANNUAL PAYMENTS, ETC[433]

### 86 Payments out of profits or gains already taxed

(1) Where any annuity, or any other annual payment (whether payable within or out of Jersey) is payable wholly out of profits or gains brought into charge to tax –

(a) no assessment shall be made upon the person entitled to the annuity or annual payment;

(b) the whole of the profits or gains shall be assessed and charged with tax on the person liable to the annuity or annual payment, without distinguishing the annuity or annual payment;

(c) the person liable to make the payment, whether out of the profits or gains charged with tax or out of any annual payment liable to deduction, or from which a deduction has been made, shall be entitled, on making the payment, to deduct and retain out of it a sum representing the amount of the tax thereon at the standard rate for the year in which the amount payable becomes due; and

(d) the person to whom the payment is made shall allow the deduction on receipt of the residue of the payment, and the person making the deduction shall be

acquitted and discharged of so much money as is represented by the deduction, as if that sum had been actually paid.[434]

(2) Where any yearly interest of money (whether payable within or outside Jersey) is payable by an individual resident in Jersey under an agreement entered into before 1st January 2004 wholly out of profits or gains brought into charge to tax –

(a) no assessment shall be made upon the person entitled to the interest;

(b) the whole of the profits or gains shall be assessed and charged with tax on the person liable to the interest;

(c) the individual liable to make the payment, whether out of the profits or gains charged with tax or out of any annual payment liable to deduction, or from which a deduction has been made, shall be entitled on making the payment to deduct and retain out of it a sum representing the amount of tax thereon at the standard rate for the year in which the amount payable becomes due;

(d) the person to whom payment is made shall allow the deduction on receipt of the residue of the payment, and the individual making the deduction shall be acquitted and discharged of so much money as is represented by the deduction, as if that sum had actually been paid;

(e) the individual making the payment shall be assessed and charged with tax under Schedule D Case VI on so much of the payment as does not qualify for relief under any of Articles 90AB to 90AD.[435]

(2A) Paragraph (2) shall not apply where the person liable to make the payment has elected, by written notice delivered to the Comptroller, for its disapplication.[436]

(2B) An election under paragraph (2A) –

(a) shall have effect from the first day of January following the election; and

(b) is irrevocable.[437]

(3) Where any royalty or other sum paid in respect of the user of a patent is paid by an individual resident in Jersey wholly out of profits or gains brought into charge to tax, the person paying the royalty or sum shall be entitled, on making the payment, to deduct and retain out of it a sum representing the amount of the tax thereon at the standard rate for the year in which the amount payable becomes due.[438]

## 87 Payments not made out of profits or gains already taxed

(1) Subject to paragraphs (3) to (5), where –

(a) any interest of money, annuity or other annual payment charged with tax under Schedule D; or

(b) any royalty or other sum paid in respect of the user of a patent,

is not payable or not wholly payable out of profits or gains brought into charge, the person by or through whom any payment thereof is made shall, on making the payment, deduct out of it a sum representing the amount of the tax thereon at the standard rate in force at the time of payment or, in the case of an annuity, such lesser sum as the Comptroller may direct to be deducted.[439]

(2) Where any such payment as aforesaid is made by or through any person, that person shall forthwith deliver to the Comptroller an account of the payment, or of so much thereof as is not made out of profits or gains brought into charge, and of the tax deducted out of the payment or out of that part thereof, and the Comptroller shall assess and charge the payment for which an account is so delivered on that person.

(3) Paragraph (1) shall only apply to a payment of any interest of money mentioned in sub-paragraph (a) thereof where the person by or through whom the payment is made is an individual resident in Jersey.[440]

(4) Paragraph (1) shall only apply to any annuity or other annual payment mentioned in sub-paragraph (a) thereof where the person or persons by or through whom the payment is made is or are –

(a) an individual resident in Jersey; or

(b) an assurance company carrying on life assurance business.[441]

(5) Paragraph (1) shall only apply to a payment mentioned in sub-paragraph (b) thereof where the person by or through whom the payment is made is an individual resident in Jersey.[442]

(6) This Article does not apply to any annuity paid under a retirement annuity contract approved under Article 131B or 131C.[443]

## 87A Payments made under covenant[444]

(1) For the purposes of Articles 86 and 87, the term "annual payment" includes a payment made under covenant if and only if –

(a) it is made otherwise than for consideration in money or money's worth;

(b) the payments (of which the payment in question is one) become payable for a period which may exceed 4 years; and

(c) the covenant is not capable of earlier termination under any power exercisable without the consent of the persons for the time being entitled to the payments.

(2) Notwithstanding paragraph (1), a payment made to any person, with the exception of a payment to a charity, shall be treated for all the purposes of this Law as the payer's income and that income shall be computed without any deduction being made on account of the payment and the payment shall not form part of the income of the person to whom it is made or of any other person.[445]

(3) For the purposes of this Article, "charity" means a body of persons, or trust, the income from the property of which is exempt from income tax by virtue of Article 115(a), (aa) or (c).[446]

## 87B Donations to charity[447]

(1) For the purposes of this Article a gift to a charity by a person (the "donor") is a qualifying donation if –

(a) it takes the form of a payment of a sum of money;

(b) it is not subject to a condition as to repayment;

(c) it is not a payment from which there is a right or obligation to deduct tax under any other Article of this Law;

(d) neither the donor nor any person connected with the donor receives a benefit in consequence of making it;

(e) it is not conditional on or associated with, nor part of an arrangement involving, the acquisition of property by the charity, otherwise than by way of gift, from the donor or a person connected with the donor;

(f) the sum paid is not less than £50;

(g) the sum paid does not, when aggregated with any other qualifying donations already made in the year of assessment by the donor and by any other person connected with the donor, exceed £500,000; and

(h) the donor is resident in Jersey at the time the gift is made.[448]

(2) Where a gift is a qualifying donation it shall be treated for all the purposes of this Law as if the making of the gift were the making of a payment under covenant of an amount equal to the grossed-up amount of the gift, being a payment falling to be made at the time the gift is made.

(3) The receipt by a charity of a gift which is a qualifying donation shall be treated as the receipt, under deduction of income tax at the standard rate in force at the time of payment, of an annual payment.

(4) For the purposes of this Article –

(a) "charity" means a body of persons, or trust, the income from the property of which is exempt from income tax by virtue of Article 115(a) or (c);

(b) the reference, in relation to a gift, to the grossed-up amount is to the amount which after deducting income tax at the standard rate for the year of assessment leaves the amount of the gift.

## 88 Deduction of tax from Jersey dividends and other distributions[449] [450]

(1) The profits or gains to be charged on any body of persons shall be computed in accordance with the provisions of this Law on the full amount of the same before any dividend thereof is declared in respect of any share, right or title thereto.

(2) Where, pursuant to paragraph (1), a dividend is declared out of profits or gains charged to tax on any body of persons at the standard rate, the body of persons shall, except where paragraph (2A) applies, be entitled when paying the dividend to deduct tax at the standard rate from it.[451]

(2A) A company is not entitled to deduct tax under paragraph (2) from a distribution which is chargeable to tax under Case IX of Schedule D.[452]

(3) Where, pursuant to paragraph (1) and Article 123D, a dividend is declared out of profits or gains charged to tax on any body of persons at the rate of 10%, the body of persons shall be entitled, when paying the dividend, to deduct tax at that rate from it.

(4) Where, pursuant to paragraph (1) and Article 123C, a dividend is declared out of profits or gains charged to tax on any body of persons at the rate of 0%, the body of persons shall not be entitled, when paying the dividend, to make any deduction from it in respect of tax.

(5) Where a deduction is made from a dividend pursuant to this Article –

(a) the person chargeable to tax on the dividend shall, unless the person is a company to which Article 123C applies, be entitled to a credit; and

(b) the amount of tax that person is liable to pay in respect of the dividend shall be reduced by the amount of the credit.[453]

(5A) Subject to paragraph (5B), the credit shall be of an amount equal to the amount of the deduction.[454]

(5B) If the person chargeable to tax on the dividend is a company to which Article 123D applies, the credit shall be of an amount equal to whichever is the lesser of –

(a) 10% of the gross dividend; and

(b) the amount of the deduction.[455]

(5C) [456]

(5D) [457]

(5E) [458]

(6) In this Article –

(a) a reference to a dividend shall include a distribution made by a company;

(b) a reference to deduction of tax from a dividend, shall, in the case of a distribution, refer to deduction from the value of the distribution.[459]

## 88A Distributions from MNE group entity[460]

(1) This Article applies if a distribution is declared out of the profits or gains charged to tax of a relevant MNE group entity under the MCIT Law.

(2) If this Article applies, the person chargeable to tax on the distribution under this Law is entitled to a credit and the amount of tax that person is liable to pay in respect of the distribution is reduced by the amount of the credit.

(3) The amount of the credit is calculated by the Comptroller on a just and reasonable basis.

## 89 Explanation of income tax deductions to be annexed to dividend warrants, other distributions, etc.[461]

(1) Every warrant, cheque or other order drawn or made in payment of any dividend declared or interest distributed by any body of persons, but not including a warrant, cheque or other order drawn or made in payment of a distribution chargeable to tax under Case IX of Schedule D made out of profits or gains that are not charged on a company at the rate of 10%, shall have annexed to it or be accompanied by a statement, in writing, showing in respect of each portion (if any) of the payment as is made out of profits or gains charged on the body of persons at, respectively, the standard rate, the rate of 10% and the rate of 0% –

(a) the gross amount of that portion;

(b) the rate of tax charged on the body of persons in respect of that portion;

(c) the amounts of tax deducted from the portion pursuant to Article 88(2) or (3), if any;

(d) the amount of the portion actually paid.[462]

(1A) In respect of distributions made by a company which are chargeable to tax under Case IX or Case III(f) of Schedule D, the company shall, within one month after the end of the year of assessment in which such distributions are made, provide to each individual to whom such distributions have been made a statement of the following in relation to that year of assessment –

(a) the amount or value of the distributions made to the individual which are chargeable to tax under Case III(f) of Schedule D;

(b) the amount of so much of any distribution made to the individual as is exempt from tax under Article 78; and

(c) the amount or value of the distributions made to the individual which are chargeable to tax under Case IX of Schedule D.[463]

(1B) In respect of distributions made by a company to another company which are chargeable to tax under Case III(f) of Schedule D, the company shall, at the time the distribution is made or as soon as reasonably practicable afterwards, provide to the company receiving the distribution a statement of the following –

(a) the amount or value of the distribution;

(b) the amount or value of the distribution which is chargeable to tax under Case III(f) of Schedule D;

(c) the amount or value of so much of the distribution (if any) which is exempt from tax under Article 78; and

(d) the amount, if any, to be attributed to an individual's allocated share of specified profits under Article 81X(3) or (4).[464]

(2) If a company fails to comply with a requirement of this Article, the company commits an offence and is liable to a fine not exceeding level 2 on the standard scale:

Provided that the aggregate amount of any fines imposed under this Article on any company in respect of offences connected with any one distribution of dividends or interest shall not exceed level 3 on the standard scale.[465]

(3) In this Article –

(a) a reference to a dividend shall include a distribution made by a company;

(b) a reference to a portion of the payment of a dividend shall, in the case of a distribution, refer to a portion of the value of the distribution.[466]

(4) The States may, by Regulations, amend the period referred to in paragraph (1A) in relation to the time by which a statement must be provided.[467]

## 89A Relief in respect of interest paid to finance houses[468]

(1) Notwithstanding anything in Article 86 or 87, interest payable in Jersey on an advance from a finance house shall be paid without deduction of tax.

(2) Subject to paragraph (3), the person by whom the interest is payable shall, where the interest has been paid out of profits or gains brought into charge to tax, be entitled to such relief of tax, if any, as is allowed under any of Articles 90AB to 90AD on the amount of the interest.[469]

(3) No relief shall be given unless the Comptroller is satisfied that the interest has been or will be brought into account in the statement delivered or to be delivered for the purpose of income tax by the finance house making the advance.

(4) In this Article "finance house" means a person, including a partnership, carrying on the trade of moneylender in Jersey but excludes a bank to which Article 90 refers.

## 90 Relief in respect of interest paid to banks[470]

Where interest payable in Jersey on an advance from a bank carrying on a bona fide banking business in Jersey is paid to the bank without deduction of tax out of profits or gains brought into charge to tax, the person by whom the interest is paid shall be entitled to such relief of tax, if any, as is allowed under any of Articles 90AB to 90AD of this Law on the amount of the interest:

Provided that no relief shall be given unless the Comptroller is satisfied that the interest has been or will be brought into account in the return delivered or to be delivered for the purpose of income tax by the bank making the advance.

**90AA** [471]

## 90AB Deduction in respect of loan costs: commercial letting[472]

(1) This Article applies where a person ("P") pays interest of money which he or she cannot deduct, in computing his or her income chargeable to tax, under any other provision of this Law.[473]

(2) Where –

(a) the interest is payable on a loan incurred for the purpose of –

(i) acquiring land,

(ii) acquiring or extending a building,

(iii) acquiring shares in a company whose assets consist of land or buildings, or

(iv) paying off another loan, interest on which would have been eligible for relief under this paragraph, by reference to land or a building, had the loan not been paid off; and

(b) in a year of assessment, all or part of the land or building (or, where paragraph (a)(iii) applies, all or part of any of the land or buildings) is let, or available to let, on open market terms to a third party,

P is entitled to a deduction, equal to the loan cost amount for that year, from the income arising from the letting of the land or building.[474]

(2A) The "loan cost amount" for a year of assessment is the total of –

(a) the amount of interest incurred on the loan in relation to that year; and

(b) the amount of incidental expenses, in relation to the loan, attributable to that year.[475]

(2B) "Incidental expenses", in relation to a loan, means fees paid wholly and exclusively for the purposes of obtaining or securing the loan.[476]

(2C) For the purposes of paragraph (2) –

(a) monies held on current account are to be disregarded for the purposes of determining whether the company's assets consist of land or buildings; and

(b) "third party" means a person other than –

(i) P, or

(ii) a person connected with P.[477]

(2D) Paragraph (2) is subject to Article 90AE.[478]

(3) [479]

(4) Where –

(a) part of the land or building is occupied by P or a person connected with P;

(b) part (but not the whole) of the land or building is let or available to let in the year of assessment; or

(c) the whole or any part of the land or building is let, or available to let, for only part of the year of assessment,

P is entitled under paragraph (2) to a deduction equal to such part only of the loan cost amount as is just and reasonable to attribute to the letting, having regard to all the relevant circumstances.[480]

(5) [481]

## 90AC Relief in respect of interest payments: machinery and plant[482]

(1) This Article applies where a person pays interest of money which he or she cannot deduct, in computing his or her income chargeable to tax, under any other provision of this Law.[483]

(2) Subject to Article 90AE, where the interest is payable on a loan incurred by a person for the purpose of –

(a) enabling the person to buy machinery or plant for use wholly and exclusively in a trade or profession carried on by him or her; or

(b) paying off another loan, interest on which would have been eligible for relief under this paragraph had the loan not been paid off,

the person by whom the interest is payable shall be entitled to relief of tax on the amount of the interest paid out of profits or gains of the trade or profession brought into charge to tax.[484]

(3) Subject to Article 90AE, where the interest is payable on a loan incurred by a person for the purpose of –

(a) enabling him or her to buy any machinery or plant for use wholly and exclusively for the purposes of his or her office or employment; or

(b) paying off another loan interest on which would have been eligible for relief under this paragraph had the loan not been paid off,

the person by whom the interest is payable shall be entitled to relief of tax on the amount of interest paid out of profits or gains of the office or employment brought into charge to tax.[485]

## 90AD Relief in respect of interest payments: acquisition of trade, partnership share or trading company[486]

(1) This Article applies where a person pays interest of money which he or she cannot deduct, in computing his or her income chargeable to tax, under any other provision of this Law.[487]

(2) Subject to Article 90AE, where –

(a) the interest is payable on a loan incurred by a person for the purpose of –

(i) acquiring a trade, or

(ii) paying off another loan, interest on which would have been eligible for relief under this paragraph had the loan not been paid off;

(b) throughout the period from the application of the proceeds of the loan until the interest is paid, the person has been the proprietor of the trade; and

(c) the person shows that, in the period described in sub-paragraph (b), he or she has not recovered any capital from the trade apart from any amount taken into account under Article 90AF,

the person by whom the interest is payable shall be entitled to relief of tax on the amount of the interest paid out of profits or gains of the trade brought into charge to tax.[488]

(3) Subject to Article 90AE, where –

(a) the interest is payable on a loan incurred by a person for the purpose of –

(i) acquiring a share in a partnership which carries on a trade or profession, or

(ii) paying off another loan, interest on which would have been eligible for relief under this paragraph had the loan not been paid off;

(b) throughout the period from the application of the proceeds of the loan until the interest is paid, the person has been a partner in the partnership; and

(c) the person shows that, in the period described in sub-paragraph (b), he or she has not recovered any capital from the partnership, apart from any amount taken into account under Article 90AF,

the person by whom the interest is payable shall be entitled to relief of tax on the amount of the interest paid out of his or her share of the profits or gains of the partnership brought into charge to tax.[489]

(4) Subject to Article 90AE, where –

(a) the interest is payable on a loan incurred by a person for the purpose of –

(i) acquiring a qualifying interest in a trading company or in a relevant holding company, or

(ii) paying off another loan, interest on which would have been eligible for relief under this paragraph had the loan not been paid off; and

(b) that person shows that, in the period from the application of the proceeds of the loan until the interest is paid, he or she has not recovered any capital from the trading company, apart from any amount taken into account under Article 90AF,

the person by whom the interest is payable shall be entitled to relief of tax on the amount of the interest paid out of profits or gains derived from the trading company in which the qualifying interest is acquired and brought into charge to tax.[490]

(4A) For the purposes of paragraph (4), an individual has a qualifying interest in a company if –

(a) the individual holds more than 50% of the ordinary share capital of the company; or

(b) the individual –

(i) holds more than 5% of the ordinary share capital of the company, and

(ii) is engaged in the trading activities carried on by the company or (in relation to a relevant holding company) by a company within the trading group.[491]

(4B) For the purposes of paragraph (4), a person, other than an individual, has a qualifying interest in a company if the person holds 20% or more of the ordinary share capital of the company.[492]

(5) For the purposes of this Article –

(a) a company is a "relevant holding company" if –

(i) it is a holding company of a trading group, and

(ii) it holds, directly or indirectly, 100% of the ordinary share capital of each of the trading companies in the trading group;

(b) "holding company", "trading company" and "trading group" have the same meanings as in Schedule A1.[493]

## 90AE Provisions supplementary to Articles 90AB to 90AD: general[494]

(1) In this Article and in Articles 90AB to 90AD "loan" includes any borrowing.[495]

(2) Articles 90AB to 90AD shall not apply to a loan unless it is made –

(a) in connection with the application of money; and

(b) on the occasion of, or within what is in the circumstances a reasonable time from, the application of the money,

and those Articles shall not apply to a loan the proceeds of which are applied for some other purpose before being applied as mentioned in any of those Articles.[496]

(2A) Where the Comptroller determines that, having regard to all relevant circumstances, including any guarantee or security given, either or both of the following circumstances exist –

(a) the amount of a loan to which Article 90AB applies exceeds the amount which a lender could reasonably be expected to lend to the person by whom the interest is payable on a commercial basis;

(b) the amount of interest which is payable by a person on a loan to which any of Articles 90AB to 90AD applies exceeds the amount which a lender could reasonably be expected to charge such a person on a commercial basis,

the Comptroller shall determine the amount of interest to be eligible for relief (or, where Article 90AB applies, the loan cost amount by reference to which the person is entitled to a deduction), the amount being such as is just and reasonable having regard to all the relevant circumstances.[497]

(3) Where only a portion of a loan fulfils the conditions required under Article 90AB for entitlement to a deduction by reference to the loan cost amount, or under Article 90AC or 90AD for interest on the loan to be eligible for tax relief, such portion of the loan cost amount or (as the case may be) the total interest payable on the whole of the loan shall be treated as eligible for relief or deduction under the Article as equates to the portion of the loan fulfilling those conditions.[498]

(3A) [499]

(4) [500]

(5) Where any of Articles 90AB to 90AD applies to a loan ("the replacement loan") applied to pay off another loan ("the original loan") –

(a) any condition or restriction applicable thereunder to the original loan shall apply to the original loan and the replacement loan as if they were one loan; and

(b) any reference to the application of the proceeds of the replacement loan (apart from the reference by virtue of which the replacement loan is eligible for, as the case may be, the marginal income deduction or relief) shall be treated as a reference to the application of the proceeds of the original loan.[501]

## 90AF Provisions supplementary to Article 90AD: recovery of capital from trade, partnership or company[502]

(1) If, at any time after the application of the proceeds of a loan or other borrowing described in paragraph (2), (3) or (4) of Article 90AD, the person by whom the interest is payable has recovered any amount of capital from the trade, partnership or company without using that amount in repayment of the loan or other borrowing, that person shall be treated, for the purposes of the said paragraph (2), (3) or (4), as

if he or she had at that time repaid that amount out of the loan or other borrowing so that, out of the interest otherwise eligible for relief (or, where paragraph (3) of Article 90AE applies, out of the portion so eligible) and payable for any period after that time, there shall be deducted an amount equal to interest on the amount of capital so recovered.

(2) For the purposes of paragraph (1), a person shall be treated as having recovered an amount of capital from the trade, partnership or company if, whether directly or indirectly –

(a) he or she receives consideration of that amount or value for the sale, exchange or assignment of the trade, his or her interest in the partnership or any part of the share capital of the company or of repayment of any part of that share capital;

(b) the trade, partnership or company repays that amount of a loan or advance from him or her, or the trade or partnership returns that amount of capital to him or her; or

(c) he or she receives consideration of that amount or value for assigning any debt due to him or her from the trade, partnership or company.

(3) Where a sale, exchange or assignment referred to in paragraph (2) is not a bargain made at arm's length, the sale, exchange or assignment shall be deemed to be for a consideration of an amount equal to the market value of what is disposed of.

## 90A Maintenance payments[503]

(1) This Article applies to any payment due on or after 1st January 1997 which is made under an order of a Court (whether in Jersey or elsewhere) or under a written or oral agreement by an individual –

(a) as one of the parties to a marriage or civil partnership (including a marriage or civil partnership which has been dissolved or annulled) to or for the benefit of the other party to the marriage or civil partnership and for the maintenance of the other party; or

(b) to any person for the benefit, maintenance or education of himself or herself or of any other person,

other than a payment made under an existing obligation.[504]

(2) Notwithstanding anything in Article 86 or 87, a payment to which this Article applies shall be made without deduction of tax.

(3) Notwithstanding anything in Article 86 or 87, a payment to which this Article applies shall not be a charge on the income of the individual liable to make it, and accordingly –

(a) the individual's income shall be computed without any deduction being made on account of the payment; and

(b) the payment shall not form part of the income of the person to whom it is made or of any other person.

(4) A payment to which this Article applies which arises outside Jersey shall not be within the charge to tax under Case V of Schedule D if, because of this Article, it would not have been within the charge to tax under Case III had it arisen in Jersey.

(5) No deduction shall be made under Article 80(1)(c) on account of any payment to which this Article applies.

(6) In this Article and in Articles 90B and 90C, "existing obligation" means a binding obligation –

(a) under an order made by a Court (whether in Jersey or elsewhere) before 1st January 1997;

(b) under a deed executed or written agreement made before 1st January 1997;

(c) under an oral agreement made before 1st January 1997, written particulars of which have been received by the Comptroller before the end of June 1997; or

(d) under an order made by a Court (whether in Jersey or elsewhere) on or after 1st January 1997, or under a written agreement made on or after that date, where the order or agreement replaces, varies or supplements an order or agreement within this paragraph,

but subject to paragraph (7).

(7) An obligation within paragraph (6)(d) is an existing obligation only if the order or agreement replaced, varied or supplemented provided for such payments to be made for the benefit, maintenance or education of the same person.

## 90B Marginal income deduction in respect of qualifying maintenance payments[505]

(1) In this Article "qualifying maintenance payment" means –

(a) a periodical payment (not being a lump sum or an instalment of a lump sum) due on or after the first day of January 1997 which –

(i) is made under an order of a court in Jersey or in the United Kingdom or in a member State of the EU, or under a written agreement the proper law of which is the law of Jersey or of the United Kingdom or of a member State of the EU,

(ii) is made by one of the parties to a marriage or civil partnership (including a marriage or civil partnership which has been dissolved or annulled) –

(A) to or for the benefit of the other party and for the maintenance of the other party, or

(B) for the benefit, maintenance or education of a person in respect of whom either party has or has had an entitlement to an exemption threshold increase under Article 95,

(iii) is due at a time when the 2 parties are not a married couple living together, or, as the case may be, are not civil partners living together, and

(iv) is not a payment in respect of which relief from tax is available to the individual making the payment under any provision of this Law other than this Article,

other than a payment made under an existing obligation; or

(b) a periodical payment (not being a lump sum or an instalment of a lump sum) due on or after the first day of January 2004 which –

(i) is made under an order of a court in Jersey or in the United Kingdom or in a member State of the EU, or under a written agreement the proper law of which is the law of Jersey or of the United Kingdom or of a member State of the EU,

(ii) is made by a parent to or for the benefit, maintenance or education of the parent's child for whom the parent does not have parental responsibility,

(iii) is due at a time when the parents of the child are not living together, and

(iv) is not a payment in respect of which relief from tax is available to the individual making the payment under any provision of this Law other than this Article,

other than a payment made under an existing obligation.[506]

(2) Notwithstanding Article 90A(3)(a) but subject to paragraph (3) of this Article, an individual making a claim for the purpose shall be entitled to a marginal income deduction in an amount equal to the aggregate amount of any qualifying maintenance payments made by the individual which fall due in that year.[507]

(3) The amount which may be deducted under paragraph (2) shall not exceed £2,600.

(4) For the purposes of paragraph (1)(a)(iii), 2 parties to a marriage are not a married couple living together, and the parties to a civil partnership are not civil partners living together, if –

(a) they are separated under an order of a Court of competent jurisdiction or by agreement of separation; or

(b) they are in fact separated in such circumstances that the separation is likely to be permanent.[508]

(5) [509]

## 90C Marginal income deduction in respect of maintenance payments under existing obligations[510]

(1) This Article applies to a payment due on or after 1st January 1998 which is made under an existing obligation.

(2) Notwithstanding anything in Article 86 or 87, a payment to which this Article applies shall be made without deduction of tax.

(3) An individual making a payment to which this Article applies shall be entitled, for the year of assessment in which the payment falls due, to a marginal income deduction of an amount determined in accordance with paragraph (4).[511]

(4) The amount to be determined in an individual's case shall be equal to the aggregate amount of the payments made by the individual to which this Article applies which fall due in that year, except that it shall not in any event exceed an amount equal to the aggregate amount of any payments due in the year of assessment 1997 under an existing obligation and in respect of which the individual was entitled to make a deduction in computing the individual's income for that year.[512]

(5) Where, pursuant to paragraph (3), an individual is entitled to a marginal income deduction in respect of a payment, the payment shall form part of the income of the recipient, but subject to paragraph (6).[513]

(6) The amount which, by virtue of paragraph (5), is treated as forming part of the recipient's income for a year of assessment by reason of payments made by an individual shall not exceed an amount equal to the aggregate amount of any payments made by that individual under an existing obligation which formed part of the recipient's income for the year of assessment 1997.

(7) A payment to which this Article applies shall be within the charge to tax under Case III or (if it arises outside Jersey) Case V of Schedule D but the tax chargeable shall be computed on the payments falling due in the year of assessment, so far as paid in that or any other year.

(8) No deduction shall be made under Article 80(1)(c) on account of any payment to which this Article applies.

(9) [514]

**90D** [515]

# PART 12

PERSONAL ALLOWANCES AND RELIEFS

**92** [516]

## 92A Exemption from income tax for individuals whose income is not over the exemption threshold[517]

(1) An individual is exempt from income tax for a year of assessment if the individual's relevant income for that year is not more than the individual's exemption threshold.

(2) In this Article –

"exemption threshold", for an individual, is the low income threshold plus any increase in the threshold to which the individual is entitled under a provision in this Part;

"low income threshold" is £21,250;

"relevant income", for an individual for a year of assessment, means the individual's total income for the year of assessment less the marginal income deduction (if any) to which the individual is entitled.[518]

## 92AA Taxation of individuals whose income is over the exemption threshold[519]

(1) An individual whose relevant income for a year of assessment is more than the exemption threshold is subject to tax charged at the standard rate on the individual's total income for the year of assessment.

(2) If Article 92C (marginal rate of tax) applies to an individual for a year of assessment, the amount of tax payable by the individual for the year of assessment is reduced in accordance with that Article.

(3) In this Article, "exemption threshold" and "relevant income" have the meanings given in Article 92A(2).

## 92B Increase in exemption threshold for certain child care payments[520]

(1) An individual who is entitled to an increase in the exemption threshold under Article 95 for a year of assessment in respect of a child aged under 13 (a "qualifying

child") is entitled to a further increase in the exemption threshold in respect of the qualifying child if, for the year of assessment –

(a) the individual has qualifying income;

(b) the individual has made a qualifying child care payment for the child's care.

(2) The amount of the increase that the individual is entitled to in respect of each qualifying child is the lesser of –

(a) the amount that the individual paid in the year of assessment in qualifying child care payments for the child's care, less the amount of any payment or grant made by the Minister for Education and Lifelong Learning for the child's care; and

(b) the maximum increase that applies to the child, less the amount of any payment or grant made by the Minister for Education and Lifelong Learning for the child's care.[521]

(3) The total amount of increase that an individual is entitled to for a year of assessment is the lesser of –

(a) the sum of the amounts to which the individual is entitled under paragraph (2); and

(b) the individual's qualifying income for the year of assessment.

(4) If, for a year of assessment, 2 or more individuals are entitled to an increase in the exemption threshold under this Article in respect of the same child, the increase must be apportioned between them –

(a) in proportions agreed between the individuals; or

(b) if there is no agreement, in proportions determined by the Comptroller, to be determined to the best of the Comptroller's judgement and in accordance with any evidence provided to the Comptroller by the individuals.

(5) An amount apportioned to an individual under paragraph (4) must not exceed the amount the individual paid in qualifying child care payments for the qualifying child for the year of assessment.

(6) The Comptroller may require an individual to provide the Comptroller with a certificate from the person to whom the individual makes a qualifying child care payment.

(7) The certificate –

(a) must state –

(i) the name and address of the person,

(ii) if the person is a registered day carer, the person's registration number,

(iii) if the person is a nanny, the person's reference number from the Jersey Child Care Trust,

(iv) the full name and date of birth of the qualifying child, and

(v) the amount received in the year of assessment for care of the qualifying child; and

(b) for the purposes of Article 137, is a statement made by the individual in connection with a claim for relief.

(8) In this Article –

"maximum increase", in relation to a qualifying child, means –

(a) for a qualifying child whose date of birth is between 1st January and 31st August inclusive and who in the year of assessment has not attained the age of 4 years, £20,950;

(b) for a qualifying child whose date of birth is between 1st September and 31st December inclusive and who is aged 4 or under on 31st December of the year of assessment, £20,950; or

(c) for any other child, £8,050;

"qualifying child care payment" means a payment made –

(a) for the care of a qualifying child to a registered day carer or to a nanny accredited by the Jersey Child Care Trust; or

(b) if the qualifying child is below compulsory school age, for the attendance of the child in a nursery school or nursery class under Regulations made under Article 9 of the Education (Jersey) Law 1999;

"qualifying income" –

(a) means income arising from a trade, profession, office, employment or vocation chargeable to tax under Case I, II or IIA of Schedule D or under Schedule A by virtue of Article 51(1)(b) or (c) (which apply to income from commercial dealings in Jersey land or from exploitation of Jersey land); but

(b) does not include –

(i) income received or receivable by an individual from the individual's spouse or civil partner, or

(ii) the first £5,900 of the individual's income under sub-paragraph (a);

"registered day carer" means a day carer registered under the Day Care of Children (Jersey) Law 2002 (including day carers treated as registered by virtue of Article 13 of that Law).[522]

## 92C Marginal relief[523]

(1) An individual whose total income exceeds the threshold applicable in the individual's case by virtue of Article 92A shall be entitled, for any year of assessment, to have the amount of income tax payable in respect of his or her total income reduced so that it does not exceed an amount equal to 26% of the amount by which the individual's total income exceeds that threshold.[524]

(2) In calculating an individual's total income for the purposes of paragraph (1), that total shall be reduced by any marginal income deduction to which the individual is entitled under Article 90B or 90C.[525]

(3) For the year of assessment 2015 and ensuing years, a credit is allowable against the income tax payable by virtue of the application of paragraphs (1) and (2).[526]

(4) The amount of the credit is the lower of –

(a) the result of the calculation $\frac{A}{B} \times C$

Where –

A = the income tax payable after the application of paragraphs (1) and (2)

B = the person's total income

C = the income liable to foreign tax,

or

(b) the amount of foreign tax paid.[527]

(5) In calculating the amount of credit under paragraph (4) Article 112 has effect subject to the following modifications –

(a) as if the reference to credit were a reference to the credit calculated under paragraph (4) of this Article;

(b) as if the reference in paragraph (2) to income tax chargeable were a reference to income tax payable;

(c) as if paragraph (3) were omitted;

(d) as if the reference in paragraph (5) to paragraph (3) were a reference to paragraph (4) of this Article; and

(e) as if for the words "the rate mentioned in paragraph (3) of this Article" in paragraph (7) there were substituted the words "the amount of credit calculated under Article 92C(4).".[528]

(6) In paragraph (4) "foreign tax" and "income tax" have the same meaning as in Article 112(1).[529]

## 93 Deductions from assessable income

The amount of the income of an individual which is chargeable to income tax shall be ascertained by making from the assessable income of the individual deductions in accordance with and subject to the provisions of this Part hereafter following.

## 94 [530]

## 95 Children[531]

(1) If an individual proves that the individual has living at any time within the year of assessment any child who –

(a) is under the age of 16 years, or

(b) if 16 years of age or over at the commencement of that year, was receiving full-time instruction at any school,

the individual is, subject to the provisions of this Article, entitled in respect of each child to an increase in his or her exemption threshold of £3,950.[532]

(2) For the purposes of paragraph (1), "child" includes a step-child and a child whose parents have married each other after the child's birth.

(3) If an individual proves –

(a) that for the year of assessment the individual has the custody of and maintains at the individual's own expense any child who –

(i) is under the age of 16 years at the commencement of that year, or

(ii) if over the age of 16 years at the commencement of that year, is receiving full-time instruction at any school; and

(b) that –

(i) neither the individual nor any other individual is entitled to an exemption threshold increase in respect of the same child under paragraph (1) or under any of the other provisions of this Part, or

(ii) if any other individual is entitled to such an increase, that that other individual has relinquished the individual's claim thereto,

the individual shall be entitled in respect of the child to the same exemption threshold increase as if the child were a child of the individual's.

(4) In the case of a child who is entitled in the child's own right to an income exceeding £3,950 a year the exemption threshold increase under paragraph (1) is reduced by the amount of the excess.[533]

(5) For the purpose of paragraph (4) there is disregarded any income to which a child is entitled in the child's own right in a year of assessment being income that is earned income of the child.

(6) Where, for any year of assessment, 2 or more individuals are entitled to an exemption threshold increase under this Article in respect of the same child, the increase shall be apportioned between them in such proportion as they agree, or, in default of agreement, in proportion to the amount or value of the provision made by them respectively (otherwise than by way of payments deductible in computing their respective total incomes) for the child's maintenance and education for the year of assessment.

(7) An apportionment may be made under paragraph (6) even though an exemption threshold increase in respect of the child in question has already been allowed to any individual.

(8) In this Article "receiving full-time instruction at any school" does not include receiving "higher education" within the meaning of the Education (Jersey) Law 1999.

## 98A Additional allowance in respect of children[534]

(1) If, in the case of a year of assessment the individual is resident with a child as defined by paragraph (1AA), the individual is entitled to an increase in his or her exemption threshold as described in paragraph (1A) if either –

(a) the individual –

(i) does not have a spouse or civil partner, or

(ii) has a spouse or civil partner who is not living with him or her and whom the individual does not wholly maintain during the year of assessment; or

(b) the individual is a person who –

(i) has a spouse or civil partner living with him or her, or

(ii) has a spouse or civil partner who is not living with him or her and whom the individual wholly maintains during the year of assessment,

and, in either case, the spouse or civil partner was, throughout the year of assessment, totally incapacitated by physical or mental infirmity.[535]

(1AA) For the purposes of paragraph (1), "child" means a person who –

(a) is under the age of 25 years on 31st August in the year of assessment;

(b) if 16 years of age or over at the commencement of the year of assessment, was receiving, during that year of assessment, full time instruction at any school

or full time "higher education" within the meaning of the Education (Jersey) Law 1999;

(c) on 31st August in the year of assessment is not 21 years of age or over and married or in a civil partnership; and

(d) on 31st August in the year of assessment has not been living financially independently of his or her parents for the 3 year period immediately preceding that date.[536]

(1A) Subject to paragraphs (2) to (5), the individual is entitled to an increase in his or her exemption threshold of £5,900 (which may be additional to any exemption to which the individual is entitled under Article 95).[537]

(2) Not more than one exemption threshold increase shall be allowed to an individual under this Article for any year.[538]

(3) Where –

(a) 2 persons who are not married to each other live together as if they were spouses for the whole or any part of a year of assessment; and

(b) apart from this paragraph each of them would be entitled to an exemption threshold increase under paragraph (1A),

neither of them shall be entitled to such an increase except in respect of the youngest of the children in respect of whom either would be entitled to an increase.[539]

(3A) Where –

(a) a couple who are not in a civil partnership with each other live together as if they were civil partners for the whole or any part of a year of assessment; and

(b) apart from this paragraph each of them would be entitled to an exemption threshold increase under paragraph (1A),

neither of them shall be entitled to such an increase except in respect of the youngest of the children in respect of whom either would be entitled to an increase.[540]

(4) Where more than one individual is entitled to relief under this Article in respect of the same child, the increase under paragraph (1A) shall be apportioned between them in such proportions as they may agree or, in default of such agreement, in proportion to the length of the periods for which the child was resident with them respectively in the year of assessment.[541]

(4A) [542]

(4B) An apportionment may be made under paragraph (4) notwithstanding that an exemption threshold increase in respect of the child in question has already been allowed to any individual.[543]

(5) Where for any year of assessment an individual is entitled under this Article to apportioned amounts in respect of 2 or more children, the exemption threshold increase to which the individual is entitled shall be equal to the sum of those amounts, or the amount referred to in paragraph (1A), whichever is the lesser.[544]

## 99 Increase in exemption threshold for certain spouses and civil partners[545]

(1) This Article applies to an individual ("partner A") for a year of assessment if –

(a) partner A entered into a marriage or civil partnership before 1st January 2022 with another individual ("partner B");

(b) partner A and partner B have lived together without any periods of separation since 31st December 2021;

(c) partner A and partner B were ordinarily resident in Jersey in the 2021 year of assessment and have not ceased to be ordinarily resident in Jersey; and

(d) partner A's relevant income for the year of assessment is more than partner B's relevant income for the year.

(2) If the result of the following calculation is greater than nil, partner A is entitled to an increase in the exemption threshold of that amount for the year of assessment –

$$33{,}200 - A - (B - C) = D$$

where –

A is the low income threshold as defined in Article 92A(2);

B is partner B's total income for the year of assessment;

C is the lower of –

(i) partner A's earned income for the year of assessment,

(ii) partner B's earned income for the year of assessment, and

(iii) £8,200;

D is the amount in pounds of the increase to which the individual is entitled (if greater than nil).[546]

(3) Partner A and partner B must provide the Comptroller with any information necessary for the Comptroller to perform the calculation in paragraph (2).

(4) In paragraph (1) "relevant income" has the meaning given in Article 92A(2).[547]

**101** [548]

**101A** [549]

**101B** [550]

**102** [551]

**103** [552]

## 104 No relief in respect of charges on income

An individual shall not be entitled to any allowance or relief under the preceding provisions of this Part in respect of any income, the tax on which the individual is entitled to charge against any other person or to deduct, retain or satisfy out of any payment which the individual is liable to make to any other person.

## 105 Partners

(1) Partners carrying on a trade, profession or vocation together, who are entitled to the profits thereof in shares, and others holding joint interest in property, may claim allowance or relief under the provisions of this Part according to their respective shares and interests, in the same manner as in the case of several interests.

(2) For the purposes of this Article, the income of a partner from a partnership carrying on any trade, profession or vocation, shall be deemed to be the share to which he or she is entitled during the year to which the claim relates in the partnership profits, such profits being calculated according to the provisions of this Law.[553]

## 106 [554]

# PART 12A

CAPITAL ALLOWANCES[555]

## 106A Allowances and balancing adjustments[556]

(1) Subject to the provisions of this Part, where a person carrying on a trade has incurred capital expenditure on the provision of machinery or plant wholly and exclusively for the purposes of the trade and, in consequence of his or her incurring the expenditure, the machinery or plant belongs, or has belonged, to the person, allowances and charges shall be made to and on the person in accordance with the following provisions of this Article.

(2) For any year of assessment for the basis period of which a person within paragraph (1) has qualifying expenditure as defined in paragraph (4), which exceeds any disposal value to be brought into account by the person in accordance with paragraph (5), there shall be made to the person an allowance of an amount equal to 25% of the excess:

Provided that if the year of assessment is the year of assessment in which occurs the permanent discontinuance of the trade, an allowance (in this Part referred to as a "balancing allowance") shall be made to that person equal to the whole of the excess.[557]

(2A) The percentage for the excess under paragraph (2) –

(a) is proportionately reduced if the financial period or financial periods forming the basis of the year of assessment is less than 12 months; and

(b) is proportionately increased if the financial period or financial periods forming the basis of the year of assessment is more than 12 months.[558]

(3) For any year of assessment for the basis period of which a person's qualifying expenditure is less than the disposal value which the person is to bring into account, there shall be made on the person a charge (in this Part referred to as a "balancing charge"), and the amount on which the charge is made shall be an amount equal to the difference.

(4) For the purposes of this Article, a person's qualifying expenditure is the aggregate of –

(a) the amount of capital expenditure incurred by the person on the provision for the purposes of the trade of machinery or plant, being expenditure incurred in

the basis period or at any previous time, and not being expenditure which, or any part of which, has formed part of the person's qualifying expenditure for any previous basis period; and

(b) if for the year of assessment immediately preceding the year of assessment in question there was an excess of qualifying expenditure over disposal value, the balance of that excess after deducting any allowances made by reference thereto.

(4A) However, if Article 106AB applies, the qualifying expenditure of a person who succeeds to a trade is determined under Article 106AB(2)(c).[559]

(5) For the purposes of this Article, the disposal value to be brought into account by a person is the disposal value (calculated in accordance with paragraph (6)) of all machinery or plant on the provision of which for the purposes of the trade the person has incurred capital expenditure and in respect of which one of the following events occurs, namely –

(a) the machinery or plant ceases to belong to the person;

(b) the person loses possession of the machinery or plant in circumstances where it is reasonable to assume the loss is permanent;

(c) the machinery or plant ceases to exist as such (as a result of destruction, dismantling or otherwise);

(d) the machinery or plant begins to be used wholly or partly for purposes which are other than those of the trade; or

(e) the trade is permanently discontinued, or is treated by virtue of any provision of this Law as permanently discontinued and Article 106AB does not apply,

and that is the first such event to occur.[560]

(6) Subject to paragraph (6A), the disposal value of any machinery or plant depends on the event by reason of which it falls to be taken into account and –

(a) unless sub-paragraph (b) applies, if that event is the sale of the machinery or plant, equals the net proceeds to the person in question of the sale, together with any insurance moneys received by the person in respect of the machinery or plant by reason of any event affecting the price obtainable on the sale and, so far as it consists of capital sums, any other compensation of any description so received;

(b) if that event is the sale of the machinery or plant at a price lower than that which it would have fetched if sold in the open market, equals the price which the machinery or plant would have fetched if sold in the open market;

(c) if that event is the demolition or destruction of the machinery or plant, equals the net amount received by the person in question for the remains of the machinery or plant, together with any insurance moneys received by the person in respect of the demolition or destruction and, so far as it consists of capital sums, any other compensation of any description so received;

(d) if that event is the permanent loss of the machinery or plant otherwise than in consequence of its demolition or destruction, equals any insurance moneys received by the person in respect of the loss and, so far as it consists of capital sums, any other compensations of any description so received;

(e) in the case of any other event, equals the price which the machinery or plant would have fetched if sold in the open market at the time of the event:

Provided that the disposal value of any machinery or plant shall in no case exceed the capital expenditure incurred by the person in question on the provision of the machinery or plant for the purposes of the trade.[561]

(6A) Where a partnership is deemed to have ceased under Article 75A, the deemed disposal value of the plant and machinery is –

(a) the price which it would fetch if sold on the open market; or

(b) if the price which it would fetch if sold on the open market exceeds the capital expenditure incurred by the partnership on the provision of the machinery or plant for the purposes of the partnership, the value of capital expenditure.[562]

(6B) Where a partnership is deemed to have commenced under Article 75A it is deemed to have acquired that plant and machinery at the same value it is deemed to have been disposed of under paragraph (6A).[563]

(7) An allowance may be made to a person in respect of any machinery or plant notwithstanding that it appears that the provision of the machinery or plant was partly for purposes other than those of the trade carried on by the person, but the allowance to be made in respect thereof shall be so much only of the allowance that would fall to be made if the provision of the machinery or plant were wholly or exclusively for the purposes of the trade as may be just and reasonable having regard to all the relevant circumstances of the case and, in particular, to the extent to which the machinery or plant is to be used for the said other purposes.

(8) For the purposes of paragraph (7), the allowance shall be computed as if each item of machinery or plant was provided for the purposes of some other trade separate from the trade actually carried on, and the discontinuance of that separate trade shall be deemed to have occurred on the date on which the machinery or plant in question ceases to be used for any purposes of the trade actually carried on.

## 106AB Special provisions if assets transferred to successor to trade[564]

(1) This Article applies if –

(a) a person (the "successor") succeeds to a trade in the circumstances described in Article 75(2);

(b) all of the plant and machinery in the trade is transferred to the successor; and

(c) all parties to the succession notify the Comptroller in writing that they wish for this Article to apply.[565]

(1A) This Article also applies if a partner (the "successor") succeeds a partner (the "predecessor") in a partnership and Article 75A does not apply.[566]

(2) If this Article applies, –

(a) the person who discontinues the trade (the "predecessor") is not required to bring into account a disposal value under Article 106A(5);

(b) the predecessor's annual allowance for the year in which the succession occurs is calculated under Article 106A(2) (as adjusted, if necessary, by Article 106A(2A)); and

(c) the successor's qualifying expenditure for the year in which the succession occurs is the sum of –

(i) the predecessor's qualifying expenditure for the plant and machinery calculated under Article 106A(4), less the predecessor's allowance for the year; and

(ii) the successor's qualifying expenditure calculated under Article 106A(4), less any amount spent on acquiring the plant and machinery acquired as part of the succession.

## 106B Special provisions as to glasshouses[567]

(1) Subject to the provisions of this Part, where a person carrying on a trade has incurred capital expenditure on the provision of a glasshouse used for the purposes of the person's trade and, in consequence of the person's incurring the expenditure, the glasshouse belongs, or has belonged, to the person, he or she shall be deemed to have incurred expenditure of that amount on the provision of machinery or plant and the provisions of Article 106A shall apply to the person accordingly, except that for the words "25%" in paragraph (2) of that Article there shall be substituted the words "10%".

(2) Notwithstanding any other provision of this Part, where any glasshouse which is used by the person to whom it belongs for the purposes of his or her trade ceases, for any reason whatsoever, to belong to that person and commences to belong to some other person, the glasshouse shall be deemed to have been sold by the first mentioned person to the second mentioned person for a sum equal to the amount of capital expenditure on the provision of the glasshouse still unallowed immediately before the glasshouse ceased to belong to the first mentioned person.

(3) For the purposes of paragraph (2), the amount of capital expenditure still unallowed means, in respect of the provision of a glasshouse for the purposes of the trade, the capital expenditure incurred thereon, as reduced by any allowances for capital expenditure and deductions on account of wear and tear made by reference thereto.

## 106BA Special provision as to regulatory compliance activity[568]

(1) This Article applies to capital expenditure in the 2024 year of assessment and subsequent years on hardware or software for use in regulatory compliance activity ("eligible expenditure").

(2) But this Article does not apply if –

(a) the expenditure has been deducted under Article 70E; or

(b) the hardware or software is transferred between connected persons (within the meaning of Article 3A) and the person transferring the hardware or software acquired it before 1st January 2024.

(3) If this Article applies –

(a) hardware or software acquired for the purposes of regulatory compliance activity is treated for the purposes of this Part as if it is plant or machinery;

(b) for "25%" in Article 106A(2), there is substituted "150%"; and

(c) if the hardware or software is disposed of in conditions where Article 106A(5) applies, the balancing charge is determined in accordance with paragraphs (4) and (5).

(4) Except where paragraph (5) applies, if hardware or software is disposed of the person that incurred the eligible expenditure is liable to a balancing charge equal to 100% of the disposal value (calculated in accordance with Article 106A(6)), for the basis period in which the disposal occurs.

(5) If hardware or software if hardware or software is disposed and the person that incurred the eligible expenditure and the person to which the hardware or software is transferred are connected persons –

(a) the disposal value is deemed to be the price that the hardware or software would fetch if sold on the open market; and

(b) the person that incurred the eligible expenditure is liable to a balancing charge –

(i) equal to 100% of the deemed disposal value for the basis period in which the disposal occurs if the disposal occurs 3 or more financial periods after the hardware or software is acquired, or

(ii) equal to 150% of the deemed disposal value for the basis period in which the disposal occurs if the disposal occurs fewer than 3 financial periods after the hardware or software is acquired.

## 106C Miscellaneous and general[569]

(1) References in this Part to capital expenditure incurred by a person do not include any expenditure in respect of which a deduction has been or will be made under Part 10.

(2) References in this Part to a trade shall be deemed to include references to a profession, vocation, employment or office.

(3) In considering the allowance or charge which shall be made to or on a person for a year of assessment under this Part, there shall be left out of account the proportion of the expenditure on the provision of the machinery or plant met out of a grant paid or to be paid out of the revenues of the States.[570]

(4) Where a person brings into use for the purposes of a trade carried on by the person machinery or plant which –

(a) belongs to the person in consequence of his or her having incurred capital expenditure on its provision for purposes which were such that the expenditure has not been taken into account in computing any allowance or deduction to be made to the person under this Law; or

(b) belongs to the person in consequence of a disposition by way of gift by reason of which the donor was required by virtue of Article 106A(5) to bring into account a disposal value equal to the price which the machinery or plant would have fetched if sold in the open market at the time of the gift,

the said Article 106A shall have effect as if that person had incurred capital expenditure on the provision of the machinery or plant for the purposes of the trade in the basis period related to its bringing into use for those purposes, the amount of that expenditure being taken as the price which the machinery or plant would have fetched if sold in the open market on the date when it was so brought into use.

(5) In this Part "basis period" means, in the case of a person to or on whom an allowance or charge falls to be made in charging the profits of the person's trade, the period on the profits of which tax for the year of assessment falls to be finally computed in respect of that trade.[571]

(6) Any allowance or balancing allowance falling to be made to a person in taxing his or her trade shall be made as a deduction in charging the profits or gains of the trade to income tax.

(7) Any balancing charge falling to be made on a person for any year of assessment in taxing his or her trade shall be made by means of an assessment to income tax on the profits or gains of that trade.

(8) Where full effect cannot be given to any allowance in any year of assessment, owing to there being no profits or gains of the trade chargeable for that year or owing to the profits or gains chargeable being less than the allowance, the allowance or part of the allowance to which effect has not been given, as the case may be, shall, for the purpose of making the assessment for the following year, be added to the amount of such allowance for that year and deemed to be part of that allowance, or, if there is no such allowance for that year, be deemed to be the allowance for that year, and so on for succeeding years.

# PART 13

RELIEF FOR LOSSES, ETC.

## 107 Right to have income for year of assessment adjusted by reference to losses

(1) Subject to paragraph (1A), where any person sustains a loss in any trade, profession, employment or vocation carried on by the person either solely or in partnership, he or she may, on giving notice in writing to the Comptroller within 2 years after the year of assessment, apply for an adjustment of his or her liability by reference to the loss and to the aggregate amount of his or her income for that year calculated according to this Law.[572]

(1A) A company to which Article 123C or 123D applies shall not be entitled to make an application under paragraph (1).[573]

(2) The Comptroller shall authorize repayment of so much of the sum paid for tax as would represent the tax on income equal to the amount of the loss.[574]

(3) Where repayment has been made to a person for any year under this Article, no further relief shall be granted in respect of the amount of the loss for any previous or subsequent year.[575]

## 107A Right to carry back losses[576]

(1) Subject to paragraph (1A), where a person has in any trade, profession or vocation carried on by him or her, either solely or in partnership, sustained a loss (to be computed in like manner as profits or gains under the provisions of this Law applicable to Cases I and II of Schedule D) in respect of which relief has not been wholly given under Article 107, the person shall be entitled, on giving notice in writing to the Comptroller within 2 years after the end of the year in which the loss has been sustained, to claim that any portion of the loss for which relief has not been so given shall be carried back and, as far as may be, deducted from the amount of profits or gains on which he or she has been assessed in respect of that trade, profession or vocation under Schedule A, pursuant to Article 51(1)(b) or (c) or under Schedule D for the immediately preceding year of assessment.[577]

(1A) A company to which Article 123C or 123D applies shall not be entitled to give notice under paragraph (1).[578]

(2) The Comptroller shall authorize repayment of so much of the sum paid for tax as would represent the tax on income equal to the loss carried back; and where

repayment has been made to a person for any year under this Article, no further relief shall be granted in respect of the amount of the loss for any subsequent year.[579]

(3) In the application of this Article to a loss sustained by a partner in partnership, the "amount of profits or gains on which the person has been assessed" shall, in respect of any year, be taken to mean such portion of the amount on which the partnership has been assessed under Schedule A or Schedule D, as the case requires, in respect of the trade, profession or vocation as the partner would be required under this Law to include in a return of the partner's untaxed income for that year.[580]

(4) In this Article "immediately preceding year of assessment" means the year immediately preceding the year in which the loss has been sustained.[581]

## 108 Right to carry forward losses to future years

(1) Where a person has in any trade, profession or vocation carried on by him or her, either solely or in partnership, sustained a loss (to be computed in like manner as profits or gains under the provisions of this Law applicable to Cases I and II of Schedule D) in respect of which relief has not been given, or has been partially given, under Article 107 or under any other provision of this Law, the person may claim that any portion of the loss for which relief has not been so given shall be carried forward and, as far as may be, deducted from or set off against the amount of profits or gains on which he or she is assessed in respect of that trade, profession or vocation under Schedule A, pursuant to Article 51(1)(b) or (c), or under Schedule D for any subsequent year of assessment:

Provided that in so far as relief in respect of any loss has been given to any person under this Article he or she shall not be entitled to claim relief in respect of that loss under any other provision of this Law.[582]

(2) In the application of this Article to a loss sustained by a partner in a partnership, the "amount of profits or gains on which the person is assessed" shall, in respect of any year, be taken to mean such portion of the amount on which the partnership is assessed under Schedule A or Schedule D, as the case requires, in respect of the trade, profession or vocation as the partner would be required under this Law to include in a return of the partner's untaxed income for that year.[583]

(3) Any relief under this Article shall be given as far as possible from the first subsequent assessment and, so far as it cannot be so given, then from the next assessment and so on.[584]

## 110 Amount of assessment under Article 87 to be allowed as a loss for certain purposes

Where a person has been assessed to income tax for any year of assessment under Article 87 in respect of a payment made wholly and exclusively for the purposes of a trade, profession or vocation, the amount on which tax has been paid under that assessment shall, for the purposes of Article 108, be treated as though it were a loss sustained in that trade, profession or vocation, and relief in respect thereof shall be allowed accordingly:

Provided that no relief shall be allowed under this Article in respect of any such payment or any part of any such payment which is not ultimately borne by the person assessed or which is charged to capital.

### 110A Losses arising from possessions out of Jersey[585]

(1) Where a person sustains a loss of income arising from possessions out of Jersey (such a loss to be computed in like manner as income under the provisions of this Law applicable to Case V of Schedule D), the person may, on giving notice in writing to the Comptroller within 2 years after the year of assessment, claim for the amount of such loss to be deducted from any other income on which he or she is assessed under Case V of Schedule D.

(2) Except where paragraph (3) applies, a deduction following a claim under paragraph (1) may be made only from income arising in the same year of assessment as the loss.

(3) Where the loss arises from possession of land out of Jersey, the loss (or such portion of the loss in respect of which no relief has been given) may be carried forward to be deducted from income arising from the same possession of land out of Jersey on which the person is assessed under Case V of Schedule D in any subsequent year of assessment.

(4) For the purposes of this Article "land" includes buildings and other structures on land.

### 110B Capital allowance may be allowed as loss[586]

(1) For the purposes of Articles 107 and 107A, a person may elect to treat a capital allowance to which the person is entitled under Article 106A(2) as a loss sustained in the person's trade, profession or vocation.

(2) Article 106C(8) does not apply to an amount treated as a loss under this Article.

## PART 14

RELIEF FROM DOUBLE TAXATION

### 111 Double taxation arrangements

(1) If the States by Act declare that arrangements specified in the Act have been made with the Government of any territory outside Jersey with a view to affording relief from double taxation in relation to income tax and any tax of a similar character imposed by the laws of that territory, and that it is expedient that those arrangements should have effect, the arrangements shall have effect in relation to income tax notwithstanding anything in any enactment.

(2) Where any arrangements have effect by virtue of this Article, the obligation as to secrecy imposed by virtue of this Law shall not prevent the disclosure to any authorized officer of the Government with which the arrangements are made of such information as is required to be disclosed under the arrangements.

### 112 Tax credits

(1) The provisions of this Article shall have effect where, under arrangements having effect under Article 111, tax payable in respect of any income in the territory with the Government of which the arrangements are made is to be allowed as a credit against tax payable in respect of that income in Jersey; and in this Article "foreign

tax" means any tax payable in that territory which under the arrangements is to be allowed and "income tax" means tax chargeable under this Law.

(2) The amount of the income tax chargeable in respect of the income shall be reduced by the amount of the credit:

Provided that credit shall not be allowed against income tax for any year of assessment unless the person entitled to the income is resident in Jersey for that year.

(3) The credit shall not exceed the amount which would be produced by computing the amount of the income in accordance with the provisions of this Law and then charging it to income tax at a rate ascertained by dividing the income tax chargeable (before allowance of credit under any arrangements having effect under Article 111, Part 14A (in the case of a qualifying company as defined in that Part) or Part 14B) on the total income of the person entitled to the income by the amount of his or her total income.[587]

(5) Without prejudice to the provisions of paragraph (3) of this Article, the total credit for foreign tax to be allowed to a person for any year of assessment under all arrangements having effect under Article 111, Part 14A (in the case of a qualifying company as defined in that Part) or Part 14B, shall not exceed the total income tax payable by him or her for the year of assessment, less any tax which he or she is entitled to charge against any other person or to deduct, retain or satisfy out of any payment which he or she is liable to make to any other person.[588]

(6) In computing the amount of the income –

(a) no deduction shall be allowed in respect of foreign tax (whether in respect of the same or any other income);

(b) where the income tax chargeable depends on the amount received in Jersey, the said amount shall be increased by the appropriate amount of the foreign tax in respect of the income;

(c) where the income includes a dividend and under the arrangements foreign tax not chargeable directly or by deduction in respect of the dividend is to be taken into account in considering whether any, and if so what, credit is to be given against income tax in respect of the dividend, the amount of the income shall be increased by the amount of the foreign tax not so chargeable which falls to be taken into account in computing the amount of the credit,

but notwithstanding anything in the preceding provisions of this paragraph a deduction shall be allowed of any amount by which the foreign tax in respect of the income exceeds the credit therefor.

(7) Paragraph (6)(a) and (b) (but not the remainder thereof) shall apply to the computation of total income for the purposes of determining the rate mentioned in paragraph (3) of this Article and shall apply thereto in relation to all income in the case of which credit falls to be given for foreign tax under arrangements for the time being in force under Article 111.

(8) Where –

(a) the arrangements provide, in relation to dividends of some classes, but not in relation to dividends of other classes, that foreign tax not chargeable directly or by deduction in respect of dividends is to be taken into account in considering whether any, and if so what, credit is to be given against income tax in respect of the dividends; and

(b) a dividend is paid which is not of a class in relation to which the arrangements so provide,

then, if the dividend is paid to a company which controls, directly or indirectly, not less than 1/2 of the voting power in the company paying the dividend, credit shall be allowed as if the dividend were a dividend of a class in relation to which the arrangements so provide.

(9) Credit shall not be allowed under the arrangements against income tax chargeable in respect of the income of any person for any year of assessment if he or she elects that credit shall not be allowed in the case of his or her income for that year.

(9A) No claim for an allowance by way of credit under this Article is to be made where relief has been claimed in respect of the same foreign tax by way of a credit under Part 14A (in the case of a qualifying company as defined in that Part) or Part 14B.[589]

(10) Any claim for an allowance by way of credit shall be made not later than 5 years after the end of the year of assessment, and in the event of any dispute as to the amount allowable the claim shall be subject to objection and appeal in like manner as an assessment.

(11) Where the amount of any credit given under the arrangements is rendered excessive or insufficient by reason of any adjustment of the amount of any tax payable either in Jersey or elsewhere, nothing in this Law limiting the time for the making of assessments or claims for relief shall apply to any assessment or claim to which the adjustment gives rise, being an assessment or claim made not later than 5 years from the time when all such assessments, adjustments and other determinations have been made, whether in Jersey or elsewhere, as are material in determining whether any, and if so what, credit falls to be given.

(12) In this Article, a reference to a dividend shall, in relation to a company, refer to a distribution made by a company.[590]

## 113 Effect on dividends of double taxation relief and unilateral relief under Part 14A[591]

(1) The amount of tax which is authorized by Article 88 to be deducted by a company from any dividend shall be determined without taking into account any reduction, by reason of double taxation relief, of the Jersey income tax payable directly or by deduction by the company, but –

(a) notwithstanding anything in this Law, no relief or repayment in respect of the tax deducted or authorized to be deducted from any dividend shall be allowed at a rate exceeding the rate (hereinafter referred to as the "net Jersey rate") of the Jersey income tax payable directly or by deduction by the company after taking into account any double taxation relief or any relief by way of credit under Part 14A (in the case of a qualifying company as defined in that Part); and

(b) where the Jersey income tax payable directly or by deduction by the company is affected by double taxation relief or relief under Part 14A, the particulars to be given by the company in the statement required by Article 89 shall (in addition to the particulars required to be given apart from this Article) include particulars of the net Jersey rate.[592]

(2) Where the whole or any part of any annual payment is payable out of a dividend and the rate of relief or repayment allowable in respect of the tax deducted or authorized to be deducted from the dividend is affected by double taxation relief or relief under Part 14A, the annual payment, or that part thereof, as the case may be, shall be deemed to be paid out of profits or gains not brought into charge to tax and Article 87

shall apply accordingly, but the tax chargeable under the said Article on the person making the payment shall be reduced by an amount equal to tax on the payment or part of the payment at the net Jersey rate applicable to the dividend.[593]

(3) In this Article –

"dividend" means a dividend, including a distribution, from which deduction is authorized by Article 88;

"double taxation relief" means any credit for tax payable in any territory outside Jersey which is allowable against Jersey income tax by virtue of arrangements having effect under Article 111;

"company" means the body of persons paying a dividend or, in the case of a company, making a distribution.[594]

(4) Without prejudice to the general transitional provisions contained in Part 24, the double taxation relief which may be taken into account for the purposes of this Article includes relief for years before the year 1962, and references in paragraph (3) to provisions of this Law shall be construed accordingly as including, in relation to relief for such years, references to the corresponding provisions of the enactments repealed by this Law.

### 114 Power to make Orders

The Minister may make Orders for carrying out the provisions of this Part and the provisions of any arrangements having effect under Article 111.

## PART 14A[595]

UNILATERAL RELIEF FROM TAXATION FOR FOREIGN INCOME OF QUALIFYING COMPANIES

### 114A Interpretation of Part 14A[596]

In this Part –

"foreign income" means annual profits or gains arising or accruing to a qualifying company from a trade carried on out of Jersey or from securities or possessions out of Jersey;

"foreign tax", except in Article 114B(6), means any tax on income or of a similar character to Jersey income tax, imposed by the law of the country or territory from which the foreign income arises or accrues;

"income tax" means tax chargeable under this Law;

"overseas territory" means the country or territory from which foreign income arises or accrues;

"qualifying company" means –

(a) a utility company; and

(b) a financial services company to which Article 123D applies;

"underlying tax" means, in relation to any dividend, foreign tax payable on the profits or gains out of which the dividend is paid;

"withholding tax" means foreign tax –

(a) which is charged directly on a dividend (whether by a charge to tax, or by deduction of tax at source, or otherwise); and

(b) which neither the company paying the dividend nor the qualifying company would have borne, if the dividend had not been paid.

## 114B General principles of unilateral relief[597]

(1) This Part applies where, in respect of foreign income of a qualifying company –

(a) income tax would, apart from this Article and Article 114C, be charged under Case I, Case IV or Case V of Schedule D on the full amount of the foreign income; and

(b) foreign tax is payable in respect of the foreign income, under the law of an overseas territory.

(2) Where this Part applies, the amount of tax chargeable under Schedule D in respect of the foreign income shall be reduced (subject to and in accordance with paragraphs (3) to (10) and Article 114C) by the amount of a credit equal to whichever is the lesser of –

(a) the foreign tax; and

(b) the amount produced by –

(i) computing the amount of the foreign income in accordance with the provisions of this Law, and then

(ii) charging it to income tax at the rate applicable in the case of the qualifying company concerned.

(3) In computing the amount of foreign income in respect of which the credit is to be given no deduction shall be allowed in respect of foreign tax (whether in respect of the same or any other income).

(4) A credit to be given under this Part shall not exceed such credit as would be allowed if all reasonable steps had been taken under –

(a) the laws of the overseas territory; and

(b) any arrangements under Article 111 made in relation to that territory,

to minimise the amount of tax payable in that territory.

(5) For the purposes of paragraph (4), "reasonable steps" include –

(a) claiming or otherwise securing the benefit of reliefs, deductions, reductions or allowances; and

(b) making elections for tax purposes,

and any question as to what would be reasonable steps is to be determined on the basis of what might reasonably be expected to have been done in the absence of relief under this Part.

(6) The total credit for foreign tax to be allowed to a qualifying company for any year of assessment shall not exceed the total income tax payable by the qualifying company for the year of assessment, less any tax which the qualifying company is entitled to charge against any other person or to deduct, retain or satisfy out of any payment which the qualifying company is liable to make to any other person.

(7) For the purposes of paragraph (6) –

"total credit" means the total of credit under this Part and any credit to be allowed to a person for the same year of assessment under arrangements having effect under Article 111; and

"foreign tax" includes both foreign tax for the purposes of this Part and foreign tax as defined in Article 112.

(8) A claim for an allowance by way of credit under this Part shall be made not later than 5 years after the end of the year of assessment, and in the event of any dispute as to the amount allowable the claim shall be subject to objection and appeal in the same manner as an assessment.

(9) Where the amount of any credit is rendered excessive or insufficient by reason of any adjustment of the amount of tax payable in Jersey or elsewhere, nothing in this Law limiting the time for the making of assessments or claims for relief shall apply to any assessment or claim to which the adjustment gives rise, being an assessment or claim made not later than 5 years from the time when all such assessments, adjustments and other determinations have been made, whether in Jersey or elsewhere, as are material in determining whether any, and if so what, credit falls to be given.

(10) No claim for an allowance by way of credit under this Part shall be made where a qualifying company has claimed, in respect of the same foreign tax, relief by way of a credit under Article 112.

### 114C Credit for foreign tax on dividends from subordinate companies[598]

(1) In the case of a dividend paid to a qualifying company from a company out of Jersey, credit under this Part will not be allowed unless the qualifying company controls, directly or indirectly, 10% or more of the voting power in the company (the "subordinate company") paying the dividend.

(2) Where, in the case described in paragraph (1), the qualifying company controls, directly or indirectly, 51% or more of the voting power in the subordinate company –

(a) credit shall be allowed in respect of both underlying tax and withholding tax; and

(b) for the purpose of calculating the amount of such credit, there shall be added to the amount of the dividend such proportion of underlying tax borne by the subordinate company as is properly attributable in respect of the dividend.

(3) Where, in the case described in paragraph (1), the qualifying company controls, directly or indirectly, less than 51% (but no less than 10%) of the voting power in the subordinate company, credit shall be allowed in respect of withholding tax only.

## PART 14B[599]

UNILATERAL RELIEF FROM TAXATION ON FOREIGN INCOME FROM EMPLOYMENT

### 114D Interpretation of Part 14B

In this Part –

"foreign income" means emoluments other than pensions arising from an office or employment exercised outside Jersey;

"foreign tax", except in Article 114E(6) and (7), means any tax on income or of a similar character to Jersey income tax imposed by the law of the country or territory from which the foreign income arises or accrues;

"income tax" means tax chargeable under this Law;

"overseas territory" means the country or territory from which foreign income arises or accrues.

## 114E Unilateral relief from taxation on foreign income from employment

(1) This Article applies if –

(a) in respect of the foreign income of an individual, income tax is chargeable under Case II of Schedule D;

(b) foreign tax is payable in respect of the foreign income under the law of an overseas territory;

(c) the individual is not a high value resident within the meaning of Article 135A;

(d) the individual is ordinarily resident in Jersey; and

(e) no claim for relief by way of a credit under Article 112 has been made in respect of the same foreign tax.

(2) If this Part applies, the amount of tax chargeable under Case II of Schedule D in respect of the foreign income is to be reduced by the amount of a credit equal to the lower of –

(a) the amount of the foreign tax; or

(b) the amount produced by –

(i) computing the amount of the foreign income in accordance with this Law, and

(ii) charging it to income tax at the standard rate.

(3) In computing the amount of foreign income in respect of which the credit is to be given, no deduction is to be allowed in respect of foreign tax (whether in respect of the same or any other income).

(4) A credit to be given under this Part must not exceed the amount of credit that would be allowed if all reasonable steps have been taken to minimise the amount of tax payable in the overseas territory under –

(a) the laws of that territory; and

(b) any arrangements under Article 111 made in relation to that territory.

(5) For the purposes of paragraph (4) –

(a) "reasonable steps" include –

(i) claiming or otherwise securing the benefit of reliefs, deductions, reductions or allowances, and

(ii) making elections for tax purposes; and

(b) questions about what would be reasonable steps are to be determined on the basis of what might reasonably be expected to have been done in the absence of relief under this Part.

(6) The total credit for foreign tax to be allowed for an individual in a year of assessment must not exceed the total income tax payable in respect of Case II of Schedule D for the year of assessment.

(7) For the purposes of paragraph (6) –

"total credit" means the total of credit under this Article and any credit to be allowed to a person for the same year of assessment under arrangements having effect under Article 111; and

"foreign tax" includes both foreign tax for the purposes of this Article and foreign tax as defined in Article 112.

(8) A claim for an allowance by way of credit under this Part may not be made later than 2 years after the end of the year of assessment, and in the event of a dispute about the amount allowable, the claim is subject to objection and appeal in the same manner as an assessment.

(9) If the amount of a credit is rendered excessive or insufficient by reason of an adjustment of the amount of tax payable in Jersey or elsewhere, nothing in this Law limiting the time for the making of assessments or claims for relief applies to any assessment or claim to which the adjustment gives rise.

(10) A credit under this Part is not refundable.

# PART 15

EXEMPTIONS

## 115 Miscellaneous exemptions[600]

(1) Exemption from income tax shall be granted in respect of –

(a) any income derived from the property of a charity registered under the Charities (Jersey) Law 2014, in so far as such income is applied in accordance with that Law;

(aa) any income derived from the property of an excepted foreign charity within the meaning of Article 22 of the Charities (Jersey) Law 2014;

(ab)

(ac) any income derived from the property of a foundation within the meaning of the Foundations (Jersey) Law 2009 or of a trust, if –

(i) the income does not fall within sub-paragraph (a), but all of the purposes of the foundation or trust are charitable purposes, or purposes that are purely ancillary or incidental to any of its charitable purposes, within the meaning of the Charities (Jersey) Law 2014,

(ii) the foundation or trust does not solicit donations, within the meaning of that Law, from the general public, and

(iii) before the income is derived, the foundation or trust notifies the Comptroller in writing that it qualifies for and intends to rely on this exemption,

in so far as such income is applied to the making of donations to charities registered under the Charities (Jersey) Law 2014, or to excepted foreign charities within the meaning of Article 22 of that Law;

(ad) any income derived from the property of a foundation within the meaning of the Foundations (Jersey) Law 2009 or of a trust, if –

(i) the foundation or trust was established in Jersey, before the date on which Article 41 of the Charities (Jersey) Law 2014 comes into force ("the relevant date"), for any of the following purposes –

(A) the advancement of education,

(B) the relief of poverty,

(C) the furtherance of religion,

(D) a purpose beneficial to the whole community,

(E) the service of any church or chapel or any building used solely for the purpose of divine worship,

(ii) the income does not fall within paragraph (a) or (ac), but the foundation or trust was entitled immediately before the relevant date to exemption from income tax under paragraph (a) of this Article as then in force on the income derived from its property, and

(iii) the foundation or trust does not (at any time on or after the relevant date) solicit donations within the meaning of the Charities (Jersey) Law 2014,

in so far as such income is applied to a purpose mentioned in sub-paragraph (i);

(ae) any income derived from the property of a trust listed in clauses (i) to (iv), in so far as such income is applied by the trust to the purpose of providing social housing –

(i) Jersey Homes Trust,

(ii) Les Vaux Housing Trust,

(iii) CTJ Housing Trust,

(iv) FB Cottages Housing Trust,

(v) Clos de Paradis Housing Trust;

(b) any income derived by His Majesty or by any Department of the Government of the United Kingdom from property in Jersey;

(c) any income derived by the States or any of the parishes from their own property;

(d) the official emoluments of the Lieutenant-Governor;

(e) the official emoluments of any servant of His Majesty or of the Government of the United Kingdom paid by His Majesty or the Government of the United Kingdom in respect of any office or employment carried on by the servant in Jersey and in respect of which the servant is liable to pay income tax imposed by the law of the United Kingdom;

(f)

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(h) the remuneration, as prescribed under Article 6 of the Court of Appeal (Jersey) Law 1961, of an ordinary Judge of the Court of Appeal, so long as the Judge is not ordinarily resident in Jersey;

(j) income support or any special payment payable under the Income Support (Jersey) Law 2007;

(l) any sums payable under any Act or enactment of the States which declares that such sums are to be exempt from income tax;

(n) all payments of training grants made to employers by the Minister for Education and Lifelong Learning on the recommendation of the Jersey Training Agency;

(o) payments made for the maintenance of a child being looked after by the Minister for Health and Social Services under the Children (Jersey) Law 2002;

(p) income derived by the Jersey Resolution and Depositors Compensation Authority in the exercise of its functions relating to the Bank Depositors Compensation Scheme established by Part 3 of the Banking Business (Depositors Compensation) (Jersey) Regulations 2009 and continued under Part 7A of the Bank (Recovery, Resolution and Depositors Compensation) (Jersey) Law 2017;

(q) depositors' compensation paid to an eligible depositor under Part 7A of the Bank (Recovery, Resolution and Depositors' Compensation) (Jersey) Law 2017;

(r) dividends paid by The Channel Islands Co-operative Society Limited;

(s) any income, profits or gains arising in the Jersey Bank Resolution Fund established under Article 22 of the Bank (Recovery and Resolution) (Jersey) Law 2017.[601]

(2) The Minister may by Order exempt entities that are directly or indirectly 100% owned by the States or a parish.[602]

## 115A Exemption in respect of redundancy and other termination payments[603]

(1) Subject to the provisions of this Article, exemption from income tax shall be granted in respect of any termination payment made to an employee by or on behalf of an employer.

(2) In this Article 'termination payment' means any payment made to an employee in consequence of the termination of the employee's office or employment, including any redundancy payment, compensation for unfair dismissal or loss of office, compensation for injury, death or disability (whether or not any such payment is calculated on the basis of earnings), but disregarding any payment that falls within the description in paragraph (3).

(3) For the purposes of paragraph (2) there shall be disregarded any payment that has the characteristics of remuneration or deferred pay under the terms and conditions governing the employment including bonuses, holiday pay, payment in lieu of notice, payments whilst suspended from duties, pension and other amounts of a like nature.

(4) Subject to paragraph (5), a termination payment shall be exempt under paragraph (1) in respect of so much of the payment as does not exceed £50,000.

(5) So much of a termination payment that is made as a consequence of injury, death or disability shall be exempt under paragraph (1) without limit.

(6) For the purposes of determining whether a payment is a termination payment for the purposes of this Article it is irrelevant whether it is paid as a result of a contractual or statutory entitlement, an order by a court or tribunal or is voluntary on the part of the employer.

(7) For the purposes of paragraph (1) –

(a) "employee" refers to any person paid wages or salary by another person regardless of whether the first person is employed or is an office holder and "employer" and "employment" shall be construed accordingly; and

(b) the reference to payment made to an employee includes payment to an employee's estate.

## 116 [604]

## 117 Exemption in respect of wounds and disability pensions

(1) Income from wounds and disability pensions to which this paragraph applies shall be exempt from income tax and shall not be reckoned in computing income tax for any of the purposes of this Law.

(2) Paragraph (1) applies to –

(a) wound pensions granted to members of the naval, military or air forces of the Crown;

(b) retired pay of disabled officers granted on account of medical unfitness attributable to or aggravated by naval, military or air force service;

(c) disablement or disability pensions granted to members, other than commissioned officers, of the naval, military or air forces of the Crown on account of medical unfitness attributable to or aggravated by naval, military or air force service;

(d) disablement pensions granted to persons who have been employed in the nursing services of any of the naval, military or air forces of the Crown on account of medical unfitness attributable to or aggravated by naval, military or air force service;

(e) injury or disablement pensions payable under any War Risks Compensation Scheme for the Mercantile Marine;

(f) pensions –

(i) granted to persons on account of disablement, and

(ii) payable under any scheme made under section 3, 4 or 5 of the Pensions (Navy, Army, Air Force and Mercantile Marine) Act 1939 of the United Kingdom;

(g) benefits under a scheme established by an order under section 1(2) of the Armed Forces (Pensions and Compensation) Act 2004 of the United Kingdom payable to persons by reason of illness or injury –

(i) by way of a lump sum, or

(ii) following the termination of service in the naval, military or air forces of the Crown or in the reserve forces.[605]

(2A) If the Secretary of State certifies that a pension or retired pay of a kind referred to in paragraph (2) is only partly attributable to disablement or disability, that paragraph shall apply only to the part attributable to the disablement or disability.[606]

(3) Allowances granted by the Secretary of State under a Royal Warrant, Order in Council, or order administered by the Secretary of State towards the subsistence of dependants, being widows, parents or families of deceased members of the naval, military or air forces of the Crown, shall be exempt from income tax and shall not be reckoned in computing the income of such dependants for any of the purposes of this Law.[607]

(4) Any pay, pension or allowance paid by the government of a country or territory outside Jersey to a person who is resident in Jersey, such pay, pension or allowance being equivalent to any pay, pension or allowance described in paragraph (1), (2) or (3) shall not be reckoned in computing income tax for the purposes of this Law.[608]

## 118 Exemption for savings banks

(2) Exemption from income tax shall be granted under Schedule D in respect of the income of the funds of any savings bank, except savings banks certified under the Trustee Savings Banks Act 1981 of the United Kingdom, so far as such income is applied in the payment or credit of interest to any depositor:

Provided that –

(a) any such interest shall be chargeable under the appropriate Case of Schedule D;

(b) in the year for which exemption is claimed, the bank shall make a return to the Comptroller of–

(i) the name and place of residence of every depositor to whom any interest is paid or credited out of the income of its funds, and of the amount thereof,

(ii) the name and address of every investor through the Stock and Bonds Department and a statement of the interest received on behalf of such investor,

and unless such returns are duly made on or before 1st March in the year following that in respect of which exemption is claimed, the bank shall not be entitled to any relief in respect of such sums:

Provided further that the Comptroller may at the Comptroller's discretion in any year assign an upper limit to the amounts of interest received by depositors and investors which shall render them liable to be included in the returns referred to in sub-paragraph (b) of the foregoing proviso.[609]

## 118A Exemption in respect of States of Jersey securities held by non-residents[610]

Where the Minister issues any securities which he or she has power to issue for the purposes of raising any money or loan with a condition that the interest on the securities shall not be liable to income tax so long as it is shown that the securities are in the beneficial ownership of persons who are not ordinarily resident in Jersey, the interest on securities issued with such a condition shall be exempt from tax.

## 118B Exemption of certain income, profits or gains of a non-resident[611]

(1) Exemption from income tax shall be granted under Schedule D in respect of the following income, profits or gains of a person who is not resident in Jersey –

(a) interest paid in respect of or credited to a deposit with a person registered under the Banking Business (Jersey) Law 1991;

(b) distributions made by a company to the extent that such distributions were made out of profits or gains charged on the company at the rate of 0%;

(ba) dividends on preference shares of a company regarded as resident in Jersey to the extent that such dividends were declared out of profits or gains charged on the company at the rate of 0%;

(c) income arising from a pension payable under the Social Security (Jersey) Law 1974;

(d) income arising or accruing from a purchased life annuity;

(e) interest paid by a company regarded as resident in Jersey;

(f) emoluments other than pensions arising from an office or employment of an individual who is present in Jersey for a total of no more than 60 days in the year of assessment ("a short-term business visitor");

(g) any royalty or other sum paid in respect of the user of a patent;

(h) interest paid by or on behalf of any body of persons established under an enactment;

(i) income distributions from a relevant trust;

(j) dividends paid out by a relevant MNE group entity for which tax has been paid under the MCIT Law.[612]

(1A) A person who is not resident in Jersey and who is paid a dividend from which tax is deducted at the rate of 10% under Article 88(3) shall be exempt from the balance of tax that would, apart from this paragraph, be due in respect of the dividend.[613]

(1B) When calculating the number of days an individual is present in Jersey for the purposes of paragraph (1)(f), any day on which the individual is present in Jersey is included, whether for the whole or part of that day.[614]

(1C) An employer that has employees who are short-term business visitors is not required to –

(a) register under Article 19A(1) if all of the employees are short-term business visitors; or

(b) deliver a return under Article 20 and make deductions under Article 41B in respect of employees who are short-term business visitors.[615]

(2) In this Article –

"relevant trust" means a trust that –

(a) is managed by a trustee resident in Jersey and that is –

(i) a Jersey trust as defined in Article 1 of the Trusts (Jersey) Law 1984; or

(ii) a foreign trust as defined in that Article; but

(b) is not a trust that is approved under any provision of Part 19 of this Law;

"purchased life annuity" has the same meaning as in Article 132.[616]

## 118C Exemption of certain income, profits or gains of an eligible investment scheme[617]

(1) In this Article –

"applicant" means an eligible participant who has made an application under paragraph (2);

"registered person" means an eligible participant who has been registered by the Comptroller under paragraph (5) and who has not ceased to be so registered under paragraph (7).

(2) An eligible participant, other than an eligible participant who has, at any time, ceased to be registered under paragraph (7), may apply to the Comptroller to be registered under paragraph (5).

(3) Such application must be made –

(a) for the year of assessment 2010, not later than 31st March 2011; and

(b) for any other year of assessment in respect of which an eligible participant wishes to be a registered person, not later than –

(i) 30th June in the following year of assessment if the eligible participant has not previously made an application to be a registered person, or

(ii) if the eligible participant has previously made an application to be a registered person under this Article –

(A) 31st March in that year of assessment, or

(B) such later date as the Comptroller may allow in exceptional circumstances, such date being no later than 30th June in the following year of assessment.

(4) An application shall –

(a) be in such form and include a statement of such information as the Comptroller may determine; and

(b) be accompanied by such fee as the Minister may prescribe by Order.

(5) The Comptroller, shall, on receipt of an application that complies with this Article, register the applicant for the purposes of this Article.

(6) If a person is registered under paragraph (5), the person shall become a registered person in the year of assessment in respect of which the application was made on –

(a) 1st January; or

(b) the date the person became an eligible participant,

whichever is later.

(7) A person shall cease to be a registered person –

(a) on 1st January in a year of assessment, if –

(i) the person does not make an application under this Article for that year of assessment, and

(ii) the person was a registered person in the immediately preceding year of assessment; or

(b) on the date on which a person ceases to be an eligible participant,

whichever is the earlier date.

(8) A registered person who ceases to be an eligible participant shall, as soon as practicable, give notice of that fact to the Comptroller.

(9) A registered person shall be exempt from all income tax chargeable under Schedule D on the registered person during the period in which such a person is registered in respect of a year of assessment unless, during such period, any trade is carried on through a permanent establishment in Jersey by the registered person.

(10) For the purposes of paragraph (9) "permanent establishment" shall have the same meaning as in Article 3 as if that meaning applied to a registered person, whether or not a company.

(11) A registered person shall, if required by the Comptroller, deliver to the Comptroller a list showing the names and addresses of each person residing in Jersey who –

(a) owns shares in the registered person, if a company, and the number of shares owned by each such person; or

(b) has an economic interest in the registered person within the meaning of Article 3AD(2)(e), if the registered person is a trustee (other than a company) or limited liability partnership, and the amount of such economic interest.

(12) For the purposes of paragraph (11) a person ("first person") shall be deemed to have an economic interest in another person if the first person is entitled to any of the annual income, profits or gains howsoever arising or accruing to the other person or would be so entitled in the event of a distribution.

## 118D Exemption in respect of international savings schemes[618]

(1) In this Article "international savings scheme" means a scheme or arrangement, or part of a scheme or arrangement, which –

(a) has for its sole purpose the provision of benefits in respect of persons' employment wholly outside Jersey in a trade or undertaking;

(b) is established under irrevocable trusts under Jersey law in connection with a trade or undertaking carried on –

(i) wholly or partly outside Jersey, and

(ii) by a person not resident in Jersey;

(c) has 2 or more trustees or a corporate trustee, subject to regulation by the Jersey Financial Services Commission under an enactment in respect of the carrying on of the business of trustee of the trust under which the scheme is established;

(d) is not a scheme or arrangement approved under Part 19; and

(e) the scheme or arrangement, and the trustees, must comply with –

(i) any prescribed conditions and requirements, and

(ii) any additional conditions and requirements imposed in its case by the Comptroller.[619]

(2) In paragraph (1), for the purpose of determining whether employment is wholly outside Jersey, duties performed in Jersey, the performance of which is merely incidental to the performance of other duties outside Jersey, shall be treated as performed outside Jersey.[620]

(3) Benefits paid from an international savings scheme to a person who is not resident in Jersey are exempt from income tax.

(4) Income derived from the investments and deposits of an international savings scheme is exempt from income tax.

(5) If only part of the scheme or arrangement has the purpose described in paragraph (1)(a), only that part must comply with the requirements of this Article.

## 119 Exemption in respect of United Kingdom savings certificates

(1) The accumulated interest payable in respect of any national or war savings certificate issued by His Majesty's Treasury through the Post Office, under which the purchaser, by virtue of an immediate payment, becomes entitled after the expiration of a specified period to receive some greater sum, shall not be liable to income tax so long as the amount of the certificates held by the person who is for the time being the holder of the certificate does not exceed the amount which an individual is for the time being authorized to hold under regulations made by His Majesty's Treasury.[621]

(2) Where the currency of any national or war savings certificate has been extended under any Act of Parliament of the United Kingdom, the provisions of paragraph (1) shall apply with respect to any interest payable in respect of the certificate for the period after the expiration of the period referred to in the said paragraph (1) up to the date on which it is repaid or redeemed as it applies to the said accumulated interest.

## 119A Exemption of consuls and other official agents[622]

(1) Income arising from any office or employment to which this Article applies shall be exempt from income tax, and no account shall be taken of such income in calculating the amount of income for any income tax purposes.[623]

(2) The offices or employments to which this Article applies are the following, that is to say –

(a) the office of a consul in Jersey in the service of any foreign State; and

(b) the employment of an official agent in Jersey for any foreign State, not being an employment exercised by a citizen of the United Kingdom, Islands and Colonies or exercised in connection with any trade, business or other undertaking carried on for the purposes of profit.

(3) In this Article –

"consul" means a person recognized by the Royal Court as being a consul-general, consul, vice-consul or consular agent; and

"official agent" means a person, not being a consul, who is employed on the staff of any consulate, official department or agency of a foreign State, not being a department or agency which carries on any trade, business or other undertaking for the purposes of profit.

## 120 Exemption of consular officers and employees

(1) Exemption from income tax shall be granted in respect of income arising from a person's office or employment in Jersey as a consular officer or employee in the service of any foreign State to which this Article applies:

Provided that no such exemption shall be granted to a consular employee who, not being a national of that State, is a citizen of the United Kingdom, Islands and Colonies.

(2) Exemption from income tax shall be granted in respect of income arising from securities or possessions outside Jersey, or from a pension paid by or on behalf of a person outside Jersey, to a consular officer or employee in Jersey, in the service of any foreign State to which this Article applies:

Provided that such exemption shall be granted only, to a consular officer or employee who –

(i) is not a citizen of the United Kingdom Islands and Colonies;

(ii) is not engaged in any trade, profession, vocation or employment in Jersey, otherwise than as such a consular officer or employee; and

(iii) either is a permanent employee of that State, or was not ordinarily resident in Jersey immediately before the consular officer or employee became a consular officer or employee in Jersey of that State.

(3) In this Article, "consular employee" includes any person employed for the purposes of the official business of a consular officer at any consulate or consular establishment or at any other premises used for those purposes.

(4) Where an Order in Council has been made under section 24 of the Finance Act 1954 of the United Kingdom directing that that section shall apply to any foreign State, and the Order in Council has been registered by the Royal Court, this Article shall apply to that foreign State subject to any limitations contained in the Order in Council.[624]

## 120AA Exemption in respect of rent-a-room arrangements[625]

(1) Exemption from income tax is granted in respect of the gross receipts from an arrangement to which this Article applies ("a rent-a-room arrangement") where the gross receipts from those arrangements are £10,000 or less in the year of assessment.

(2) Where the gross receipts in the year of assessment exceed £10,000, the whole of those receipts are taxable in accordance with this Law.

(3) A rent-a-room arrangement is an arrangement where –

(a) a person provides a room in the dwelling that is that person's main residence for rent to another person;

(b) the person to whom the room is rented is –

(i) aged 18 or over, and

(ii) not a connected person within the meaning of Article 3A;

(c) the premises in which the room is located are not required to be registered as a guest house under Article 5 of the Tourism (General Provisions) (Jersey) Order 1990; and

(d) the room is not a residential unit within the meaning of Article 2 of the Residential Tenancy (Jersey) Law 2011.

(4) Despite paragraph (3)(b)(i) a room may be occupied by a person under the age of 18 if –

(a) the person has been placed in the room by an appropriate organisation; or

(b) it is rented to and occupied by a person aged 18 or over who has parental responsibility within the meaning of the Children (Jersey) Law 2002 for the person under the age of 18.

(5) In paragraph (4) "an appropriate organisation" means an organisation that the Comptroller is satisfied has in place appropriate policies and procedures to safeguard people under the age of 18 when placing them in accommodation.

### 120AB Relevant MNE group entities[626]

(1) Income, profits and gains of a relevant MNE group entity are not chargeable to income tax under this Law.

(2) A person is a "relevant MNE group entity", for all or part of a year of assessment, if –

(a) it is, for the whole or that part of the year of assessment, a Jersey constituent entity of an MNE group; and

(b) for a fiscal year ending in the year of assessment, the MNE group referred to in paragraph (a) is a chargeable MNE group for the purposes of Part 3 of the MCIT Law.

(3) If a person is a relevant MNE group entity for part (but not the whole) of a year of assessment, the person's income, profits and gains are to be apportioned for the purposes of assessing and charging income tax under this Law –

(a) by reference to the proportion of the year of assessment for which the person is not a relevant MNE group entity; or

(b) on another basis that the Comptroller considers is just and reasonable in all the circumstances.

(4) [627]

(5) Terms used in paragraph (2) have the same meaning as in the MCIT Law.

### 120AC Article 120AB cases: disapplication of certain requirements to provide returns etc.[628]

(1) A requirement to provide a return for a year of assessment, or a period within a year of assessment, imposed by a notice under Article 20B (companies) or Article 20D (foundations) does not apply to a company or foundation that is a relevant MNE group entity (as defined in Article 120AB) for that year or period.

(2) A requirement to provide a return for a year of assessment, or a period within a year of assessment, imposed by a general notice under Article 135C (limited liability companies), does not apply to the secretary of a limited liability company that is a relevant MNE group entity for that year or period.

(3) For the purposes of Article 20E (returns of information by partnerships) –

(a) the requirement in paragraph (1) to notify the Comptroller as to whether the partnership is a relevant partnership does not apply, in relation to a year of assessment, to the responsible partner of a partnership that is a relevant MNE group entity for the whole of a year of assessment; and

(b) a partnership that is a relevant MNE group entity for the whole of a year of assessment is not a relevant partnership for that year.

### 120AD Article 120AB cases: carry forward of losses in subsequent years[629]

(1) This Article applies if –

(a) a person is, for a year of assessment, a relevant MNE group entity (as defined in Article 120AB) in relation to an MNE group;

(b) in a subsequent year of assessment (the "transition year of assessment"), the MNE group ceases to be a chargeable MNE group (and, as a result, the person ceases to be a relevant MNE group entity); and

(c) for the fiscal year ending in the transition year of assessment –

(i) the MNE group has an available loss amount,

(ii) the available loss amount exceeds the amount determined under Article 12(1)(d) of the MCIT Law.

(2) In this Article, "MNE group loss" means the amount of the excess referred to in paragraph (1)(c)(ii).

(3) For the purposes of the transition year of assessment, Article 108 has effect as if –

(a) references in that Article to a loss sustained by the person were references to the amount of the MNE group loss attributable to the person; and

(b) references in that Article to relief under any provision of this Law were references to relief under any provision of the MCIT Law.

(4) For the purposes of each subsequent year of assessment for which the person is not a relevant MNE group entity, Article 108 has effect as if references in that Article to a loss sustained by the person included references to the person's MNE group loss balance.

(5) The "MNE group loss balance", in relation to a person for a year of assessment (the "relevant year"), means the amount of the MNE group loss attributable to the person, for which relief under Article 108 has not been given –

(a) in the transition year; or

(b) in a year of assessment that begins after the transition year (but before the relevant year).

(6) Terms used in this Article have the same meaning as in the MCIT Law.

## PART 16[630]

## PART 16A[631]

## PART 17

SPECIAL PROVISIONS AS TO BODIES CORPORATE[632]

### 123 Bodies Corporate

(1)

(a) a company incorporated under the Loi (1861) sur les Sociétés à Responsabilité Limitée or the Companies (Jersey) Law 1991 shall be regarded as resident in Jersey unless –

(i) its business is centrally managed and controlled outside Jersey in a country or territory where the highest rate at which any company may be charged to tax on any part of its income is 10% or higher, and

(ii) the company is resident for tax purposes in that country or territory;

(b) a company incorporated outside Jersey shall be regarded as resident in Jersey if its business is managed and controlled in Jersey.[633]

(2) The Treasurer, or other officer acting as treasurer for the time being, of any body of persons chargeable to income tax shall be answerable for doing all such acts as are required to be done under this Law, for the purpose of the assessment of such body and for payment of the tax, and for the purpose of the assessment of the officers and persons in the employment of such body:

Provided that, in the case of a company, the person so answerable shall be the secretary of the company or other officer (by whatever name called) performing the duties of secretary.

(3) Every such officer as aforesaid may from time to time retain, out of any money coming into the officer's hands on behalf of the body, so much thereof as is sufficient to pay the income tax charged on the body, and shall be indemnified for all such payments made in pursuance of this Law.

## 123AA Duty of body corporate to notify Comptroller of certain matters[634]

(1) This Article applies to a body corporate, upon –

(a) the body becoming resident for tax purposes in Jersey, or becoming regarded as so resident under Article 123(1)(b); or

(b) where the body does not fall within sub-paragraph (a), the body acquiring a source of income which would, if amounting to a profit or gain, give rise to the body's liability to tax in Jersey.

(2) A body corporate to which this Article applies (in this Article, a "notifiable body") shall, no later than 6 months after becoming a notifiable body, notify the Comptroller in writing, as to –

(a) the date on which the body became a notifiable body;

(b) the matters listed in paragraph (4); and

(c) such other information as the Comptroller may, by general notice or otherwise, require.

(3) Notification under paragraph (2) shall be given by a person listed in paragraph (5) (a "relevant person").

(4) The matters mentioned in paragraph (2)(b) are –

(a) the name of the notifiable body;

(b) the address of the notifiable body's registered office, place of business or permanent establishment;

(c) if different to the address under sub-paragraph (b), the address in Jersey which is the notifiable body's address for the purpose of service of notices under this Law;

(d) the name of the relevant person and, if different to the address under sub-paragraph (b) or (c), the relevant person's address.

(5) Each of the following is a relevant person as mentioned in paragraph (3) –

(a) a natural person who is the secretary of the notifiable body or any other such officer having, in Jersey, the direction, control or management of the body;

(b) a person carrying on in Jersey, for or in connection with the notifiable body, trust company business or fund services business within the meanings given to those expressions by Article 2 of the Financial Services (Jersey) Law 1998;

(c) the notifiable body's agent in Jersey, being a person other than such a person as described in sub-paragraph (b).

(6) A notifiable body which fails to comply with paragraph (2) is liable to a penalty not exceeding £3,000, but liability to a penalty under this Article does not arise if the notifiable body satisfies the Comptroller or, on an appeal under Article 27 as applied by paragraph (9), the Commissioners, that there is a reasonable excuse for the failure.

(7) If a notifiable body had a reasonable excuse for a failure to comply with paragraph (2) but the excuse has ceased, the body is to be treated as having continued to have the excuse if the failure is remedied without unreasonable delay after the excuse has ceased.

(8) If a notifiable body becomes liable to a penalty under this Article, the Comptroller –

(a) may determine the amount of the penalty and, subject to paragraph (9), impose it on the body; and

(b) shall inform the body and, if applicable, the relevant person, in writing of –

(i) the reasons for imposing the penalty,

(ii) the amount of the penalty,

(iii) the date by which, subject to any appeal under paragraph (9), the penalty is due, and

(iv) the body's right of appeal under paragraph (9).

(9) A notifiable body upon which a penalty is imposed by the Comptroller may, no later than 28 days after receiving the information under paragraph (8)(b) –

(a) appeal against the penalty on the ground that liability to the penalty does not arise; and

(b) appeal against the amount of the penalty,

and where a notifiable body does so appeal, the appeal shall be treated for the purposes of Part 6 as though it were an appeal against an assessment.

(10) The application of this Article does not derogate from and is in addition to the application, in relation to a resident company within the meaning given to that expression by the Taxation (Companies – Economic Substance) (Jersey) Law 2019, of any relevant provision of that Law.

## 123A [635]

## 123B [636]

## 123C Tax rate for companies [637]

(1) This Article applies to a company –

(a) which is regarded as resident in Jersey, or which has a permanent establishment in Jersey; and

(b) which is not any of the following –

(i) a company to which Article 123D applies,

(ii) a utility company,

(iii) a registered person within the meaning of Article 118C, such person being exempt from income tax under Article 118C(9), or

(iv) a company in the cannabis industry (as defined in Article 123DA).[638]

(2) Notwithstanding the rate of tax required by Article 1 to be charged for a year of assessment, a company to which this Article applies shall be charged to tax under Schedule D at the rate of 0%.

(3) In this Law, "utility company" means –

(a) The Jersey New Waterworks Company Limited, registered by Act of the Royal Court dated 11th February 1882 in accordance with the provisions of the Loi (1861) sur les Sociétés à Responsabilité Limitée[639];

(b) the Jersey Gas Company Limited continued in existence by Article 2 of the Jersey Gas Company (Jersey) Law 1989;

(c) the Jersey Electricity Company Limited registered by Act of the Royal Court dated 5th April 1924 in accordance with the provisions of the Loi (1861) sur les Sociétés à Responsabilité Limitée;

(d) a person licensed to run part or all of a public telecommunications system under the Telecommunications (Jersey) Law 2002;

(e) a person authorized to convey letters by a licence granted under the Postal Services (Jersey) Law 2004.

(f) a person licensed to carry out port operations under the Air and Sea Ports (Incorporation) (Jersey) Law 2015.[640]

(4) [641]

## 123CAA Exception for profits of importation and supply of hydrocarbon oil[642]

(1) Notwithstanding Article 123C(2), except in relation to a company that falls within the description in paragraph (2), the annual profits or gains of a company to which Article 123C applies which arise from either or both of the following shall be taxed at the standard rate –

(a) the trade of importing hydrocarbon oil to Jersey;

(b) the trade of supplying hydrocarbon oil in Jersey.[643]

(2) The description of a company referred to in paragraph (1) is one which –

(a) does not import hydrocarbon oil to Jersey; and

(b) supplies hydrocarbon oil in Jersey only by means of a retail outlet.[644]

(3) In this Article "hydrocarbon oil" means any petroleum oil, coal tar or oil produced from coal, shale, peat or any other bituminous substance, or any liquid hydrocarbon, except any hydrocarbon or bituminous or asphaltic substance as is –

(a) solid or semi-solid at a temperature of 15 degrees Celsius; or

(b) gaseous at a temperature of 15 degrees Celsius and under a pressure of 1013.25 millibars,

that is ordinarily used as fuel for the propulsion of any vehicle, vessel or aircraft or as boiler or furnace fuel.

(4) In this Article 'retail outlet' means a facility from which hydrocarbon oil is sold directly to the public solely for use as fuel in motor vehicles or boats.[645]

## 123CA Foundations[646]

(1) This Article applies to a foundation which is registered under the Foundations (Jersey) Law 2009.

(2) Notwithstanding the rate of tax required by Article 1 to be charged for a year of assessment, a foundation to which this Article applies shall be charged to tax under Schedule D at the rate of 0%.

## 123D Financial services companies[647]

(1) This Article applies to a financial services company which has a permanent establishment in Jersey.[648]

(2) Notwithstanding the rate of tax required by Article 1 to be charged for a year of assessment, a company to which this Article applies shall be charged to tax under Schedule D at the rate of 10%.

(3) [649]

(4) A "financial services company" is a company described in any of the following sub-paragraphs, namely one which –

(a) is registered under the Financial Services (Jersey) Law 1998 to carry out –

(i) investment business,

(ii) trust company business,

(iii) fund services business, as an administrator, custodian or registrar in relation to an unclassified fund or an unregulated fund, or

(iv) general insurance mediation business as described in either class P or class Q in Part 3 of the Schedule to the Financial Services (Financial Service Business) (Jersey) Order 2009;

(b) is registered under the Banking Business (Jersey) Law 1991, other than a company registered for business continuity under that Law, pursuant to Article 9A of the Banking Business (General Provisions) (Jersey) Order 2002;

(c) holds a permit under the Collective Investment Funds (Jersey) Law 1988 by virtue of being a functionary who is an administrator, registrar or custodian mentioned in Part 2 of the Schedule to that Law;

(d) holds either a Category A or Category B permit under the Insurance Business (Jersey) Law 1996; or

(e) is a company trading in the provision of credit facilities to customers by way of making any advance or granting of any credit including (but not limited to) –

(i) the provision, in connection with the supply of goods by hire purchase, leasing, conditional sale or credit sale, of credit in instalments for which a separate charge is made and disclosed to the customer, and

(ii) any assignment to the company of an advance or credit repayable by the customer to a person other than the company.[650]

(4A) If an LLC would, if it were a company, satisfy any of the criteria in paragraph (4) –

(a) a member of the LLC that is a company is a financial services company; and

(b) a member of the LLC that is an LLC is treated, for the purposes of this paragraph, as satisfying the criteria in paragraph (4) (as are members of that LLC that are LLCs, and so on).[651]

(5) The Minister may by Order amend the definition "financial services company" in paragraph (4).[652]

(6) For the purposes of paragraph (4)(e) –

(a) "customer" shall not include any person which, in relation to the company by which credit facilities are provided, is a connected person, and for this purpose "connected person" has the meaning given by Article 3A(4) and (5); and

(b) the provision of credit facilities to customers does not include such provision where credit facilities are not offered –

(i) to individuals residing in Jersey,

(ii) to businesses operating in Jersey and holding a business licence, or non-resident trading licence, under the Control of Housing and Work (Jersey) Law 2012, or

(iii) for the purpose of financing the acquisition or enhancement of immovable property located in Jersey.[653]

## 123DA Companies in the cannabis industry[654]

(1) A company is in the cannabis industry for the purpose of Article 123C(1)(b)(iv) if it carries on one or more of the following activities –

(a) cultivates cannabis plants;

(b) processes cannabis plants for any purpose;

(c) distributes, sells or further processes cannabis plants that have been cultivated or processed under paragraph (a) or (b) by a connected company.

(2) In this Article –

"cannabis plant" –

(a) has the meaning given to cannabis by Article 1(1) of the Misuse of Drugs (Jersey) Law 1978; but

(b) does not include industrial hemp;

"industrial hemp" means a cannabis plant with a tetrahydrocannabinol content not exceeding 0.2%, cultivated for the purpose of using only –

(a) the mature stalk of the plant;

(b) fibre produced from the mature stalk of the plant; or

(c) the seed of the plant.

## 123E Apportionment on change of status during year[655]

(1) Where, a company is a company to which Article 123C or 123D applies for only part of a year of assessment, the company shall only be charged to tax in accordance with Article 123C or 123D, as the case requires, on the portion of its income, profits or gains on which it is charged to tax under Schedule D for that year that equates to the portion of year for which it is a company to which the relevant Article applies.

(2) This Article is subject to Articles 64C to 64E in the case of the commencement, discontinuance or transfer of a trade, profession or vocation.

### 123EA [656]

### 123F Group relief for companies[657]

(1) This Article applies if a company that is a member of a group suffers a loss for a financial period (the "surrendering company").

(2) Another company that is a member of the same group (the "claimant company") may apply for the relief described in paragraph (7) if –

(a) both the surrendering company and the claimant company are a company to which Article 123C applies; or

(b) both the surrendering company and the claimant company are a company to which Article 123D applies.

(3) The application must be –

(a) made by the claimant company no later than 1 year after the end of the year of assessment in which the financial period for which the surrendering company suffered the loss; and

(b) accompanied by a declaration made by the surrendering company in accordance with paragraph (5).

(4) In its application, the claimant company must state –

(a) its financial period to which the application relates;

(b) its profits or gains for that period.

(5) In its declaration, the surrendering company must state –

(a) its financial period to which the application relates;

(b) its loss for that period;

(c) the amounts (if any) of the loss previously surrendered under this Article and to whom those amounts were surrendered.

(6) The Comptroller must grant the relief if satisfied that, throughout the financial period for which the surrendering company suffered the loss –

(a) both companies were members of the same group; and

(b) both companies were a company to which Article 123C applies or both companies were a company to which Article 123D applies.

(7) The relief granted under this Article is the offset against the claimant company's profits or gains of as much of the surrendering company's loss that is surrendered to the claimant company.

(8) If the claimant company's financial period is not the same as the surrendering company's, only the loss arising in the part of the surrendering company's financial period that overlaps with the claimant company's financial period can be surrendered.

(9) The claimant company can offset against its profits or gains –

(a) in respect of profits and gains that are chargeable to tax under Schedule A under Article 51(1)(b), only those losses of the surrendering company that

arise from any activity the profits or gains of which would be chargeable to tax under Schedule A under Article 51(1)(b); and

(b) in respect of profits or gains that are chargeable to tax under Schedule A under Article 51(1)(c), only those losses of the surrendering company that arise from any activity the profits or gains of which would be chargeable to tax under Schedule A under Article 51(1)(c).

(10) In this Article –

"control", in relation to a company ("controlled company") means the power of 1 or more companies ("controlling company") to secure that the affairs of the controlled company are conducted in accordance with the wishes of the controlling company by means of –

(a) 1 or more of the following –

(i) the holding, directly or indirectly, of more than 50% of shares (whether in the controlled company or another company),

(ii) the possession, directly or indirectly, of more than 50% of voting power in or in relation to the controlled company,

(iii) the holding, directly or indirectly, of more than 50% of powers conferred by the articles of association or other document regulating the controlled company or another company;

(b) the right to more than 50% of the profits and gains of the company;

"group" means a holding company and 1 or more of its subsidiaries and, for the purposes of this definition, a company ("company A") is a subsidiary of another company ("company B") if company B controls company A.

"holding company" means a company that is not controlled by another company;

"loss" of a company does not include any loss arising from any activity the profits or gains of which would be chargeable to tax under Schedule A under Article 51(1)(a);

"profits or gains" of a company do not include profits or gains chargeable to tax under Schedule A under Article 51(1)(a).

### 123G Exception for pension scheme manager, etc.[658]

Articles 123C(2) and 123D(2) are subject to –

(a) any provision of Part 19 that charges income tax on the scheme manager of an approved Jersey scheme, approved drawdown contract or approved trust, as defined in that Part; and

(b) any charge to income tax that arises on any person under Article 131P(6).

## PART 17 1A[659]

LARGE CORPORATE RETAILERS

### 123H Interpretation of Part 17 1A

(1) In this Part –

"associated company" means a company –

(a) whose retail turnover is 60% or more of the total amount it derives during a relevant financial period from any trade carried on in Jersey; and

(b) which is controlled by one or more persons who have control over another company whose retail turnover is 60% or more of the total amount it derives during a relevant financial period from any trade carried on in Jersey;

"control", in relation to a company ("controlled company"), means the power of one or more persons ("controlling person") to secure that the affairs of the controlled company are conducted in accordance with the wishes of the controlling person by means of any of the following (or any combination of them) –

(a) the holding of shares (whether in the controlled company or any other company);

(b) the possession of voting power in or in relation to the controlled company;

(c) the holding of powers conferred by the articles of association or other document regulating the controlled company or any other company;

"group" means 2 or more associated companies which have the same controlling person;

"gross amount retail turnover test" has the meaning given in Article 123J;

"Jersey retail sale" means a retail sale to a person resident in Jersey or who, at the time of the sale, is physically present in Jersey;

"large corporate retailer" has the meaning given in Article 123I;

"percentage retail turnover test" has the meaning given in Article 123K;

"relevant financial period", in relation to a particular year of assessment, means a company's financial period, or aggregate of financial periods if more than one, which is taken into account for the purpose of calculating the company's liability to tax for that particular year of assessment;

"retail sale" means the sale of any goods for consumption or use other than where –

(a) the goods are sold for the purpose of onward sale or supply (including goods sold for the purpose of being incorporated into other goods for onward sale or supply) in the course of a trade or business; or

(b) the goods comprise food or drink which is –

(i) intended for consumption at the point of sale (regardless of whether the food or drink is consumed elsewhere than at the point of sale), or

(ii) prepared to order at the point of sale for immediate consumption off the premises;

"retail turnover" means the cumulative total amount derived from Jersey retail sales during a relevant financial period.

(2) The Minister may, by Order, amend the definition "retail sale".

## 123I Meaning of "large corporate retailer" and application of Article 123C

(1) A "large corporate retailer" is a company which –

(a) is regarded as resident in Jersey or which has a permanent establishment in Jersey;

(b) meets the gross amount retail turnover test; and

(c) meets the percentage retail turnover test.

(2) A company which is a large corporate retailer for a year of assessment is not a company to which Article 123C applies for that year of assessment.

## 123J Meaning of "gross amount retail turnover test"

(1) Subject to paragraph (2), a company meets the gross amount retail turnover test if its retail turnover is not less than £2 million for a relevant financial period.

(2) Subject to paragraph (4), if the relevant financial period for a company is greater or less than 12 months, for the figure of £2 million in paragraph (1), there is substituted the figure calculated as follows –

(A/365) x £2 million

Where –

A is the number of days in the relevant financial period.

(3) Where a company is an associated company, the value of its retail turnover is calculated for the purposes of this Article by aggregating the retail turnover of all the associated companies in the same group.

(4) If an associated company has a relevant financial period that is greater or less than 12 months, for the figure of £2 million in paragraph (1), there is substituted the figure calculated as follows –

(A/365) x £2 million

Where A is the number of days –

(a) in the relevant financial period of the associated company, if all the associated companies in the group have relevant financial periods of the same length; or

(b) in the shortest relevant financial period of an associated company in the group if the relevant financial periods of the associated companies in the group are not all of the same length.

## 123K Meaning of "percentage retail turnover test"

A company meets the percentage retail turnover test if its retail turnover is 60% or more of the total amount it derives during a relevant financial period from any trade carried on in Jersey.

## 123L Computation of tax under Schedule D

(1) In this Article, 'income, profits and gains' means income, profits and gains chargeable under Schedule D for a relevant financial period after deduction of allowances or reliefs except that, for the purpose of calculating the amount of income, profits and gains no account shall be taken of any of the following –

(a) deductions and credits under Article 88; and

(b) credits under Article 112.

(2) A large corporate retailer whose income, profits or gains are of an amount less than £500,000 shall be charged to tax under Schedule D at the rate of 0%.

(3) A large corporate retailer whose income, profits and gains are of an amount greater than £750,000 shall be charged to tax under Schedule D at the rate of 20%.

(4) A large corporate retailer whose income, profits and gains are of an amount that is equal to or greater than £500,000 but not exceeding £750,000 shall be charged to tax under Schedule D of an amount calculated as follows –

(a) Step 1

calculate A x 20%;

(b) Step 2

calculate (£750,000 – A) x 40%;

(c) Step 3

calculate B – C

Where –

A is the amount of profits or gains chargeable to tax under Schedule D;

B is the amount after applying Step 1;

C is the amount after applying Step 2.

(5) References in this Law to a rate charged under this Article mean, in a case where paragraph (4) applies, a rate calculated as follows –

(D/A) x 100

Where –

D is the amount charged to tax under paragraph (4);

A is the amount of profits or gains chargeable to tax under Schedule D.

(6) If a large corporate retailer has a relevant financial period that is greater or less than 12 months, for the figures of £500,000 and £750,000 wherever they appear in paragraphs (2), (3) and (4), there shall be deemed to be substituted the figure calculated as follows –

(A/365) x £500,000 or £750,000 as the case requires

Where A is the number of days in the relevant financial period.

(7) For the purpose of this Article, where a large corporate retailer is an associated company, paragraph (2), (3) or (4), as appropriate, is applied to the aggregate income, profits and gains of all the associated companies in the same group except that, for the purpose of calculating such income, profits and gains, any loss suffered by any associated company in the group shall be deemed as zero (regardless of whether the loss is surrendered under Article 123F).[660]

(8) If an associated company has a relevant financial period that is greater or less than 12 months, for the figures of £500,000 and £750,000 wherever they appear in paragraphs (2), (3) and (4), there shall be deemed to be substituted the figure calculated as follows –

(A/365) x £500,000 or £750,000 as the case requires

Where A is the number of days –

(a) in the relevant financial period of the associated company, if all the associated companies in the group have financial periods of the same length; or

(b) in the shortest relevant financial period of an associated company in the group if the financial periods of associated companies in the group are not all the same length.

(9) Where paragraph (4) applies to any associated companies in a group, the amount charged to tax under Schedule D shall be apportioned between those companies to which paragraph (4) applies on a pro rata basis.

## 123M Application of Article 81O (shareholder loans)

In Article 81O(1), the reference to a company to which Article 123C or 123D applies shall include a reference to a company which is a large corporate retailer and the remaining provisions of that Article and Article 81P shall be construed accordingly.

## 123N Application of Case IX – Articles 81Q to 81Z (company distributions)

(1) This Article applies where a company is either or both of the following –

(a) a company to which Article 123C applies in respect of a year of assessment and, in respect of another year of assessment, a large corporate retailer; or

(b) in respect of a year of assessment, a large corporate retailer chargeable to tax under Article 123L at the rate of 0%,

and such a company is referred to in this Article as a "zero rated retailer".

(2) Articles 81Q to 81Z shall apply to a zero rated retailer with the following modifications –

(a) in Article 81Q(1) –

(i) the definition "relevant company" shall be deemed to include a zero rated retailer,

(ii) in sub-paragraph (a) of the definition "specified profits", the reference to a financial period of a company to which Article 123C applies shall be deemed to include the financial period of a large corporate retailer chargeable to tax under Article 123L at the rate of 0% for that financial period;

(b) in relation to a distribution made by a zero rated retailer, for the purposes of determining when a "relevant time" occurs, as defined in Article 81Q(1), the rate of tax at which the zero rated retailer is charged for the year of assessment in which the distribution is made is irrelevant.

## 123O Application of Article 88 (dividends)

(1) [661]

(2) In the case of a large corporate retailer, Article 88 shall apply with the following modifications –

(a) references to the standard rate in Article 88(2) shall be deemed to refer to the rate charged under Article 123L;

(aa) the reference in Article 88(4) to profits or gains charged to tax on any body of persons at the rate of 0% includes profits or gains charged to tax on a large corporate retailer at 0%, and the reference to Article 123C is treated as omitted;

(b) the reference in Article 88(5)(a) to a person being a company to which Article 123C applies shall include a large corporate retailer taxed at a rate of 0% under Schedule D for that year of assessment;

(c) where the person chargeable to tax on the dividend is a large corporate retailer, Article 88(5A) shall be subject to a requirement that the credit shall be of an amount equal to whichever is the lesser of –

(i) the amount of the deduction from the dividend under Article 88(2), and

(ii) the amount of the dividend multiplied by the rate of tax charged on the person chargeable to tax under Article 123L.[662]

## 123OA Application of Article 89 (explanation of income tax deductions to be annexed to dividend warrants, other distributions, etc.)[663]

In the case of a large corporate retailer, Article 89 applies with the following modifications –

(a) in paragraph (1) the reference to profits or gains charged on the body of persons at, respectively, the standard rate, the rate of 10% and the rate of 0% is deemed to refer to the rate charged under Article 123L;

(b) in paragraph (1)(c), the reference to Article 88(2) is deemed to refer to Article 88(2) as modified by Article 123O(2)(a).

## 123P Application of Articles 107, 107A (relief for losses)

A company which is a large corporate retailer shall not be entitled to make an application under Article 107(1) or 107A(1).

## 123Q Application of Part 14A (foreign company income relief)[664]

(1) In Article 114A, the definition "qualifying company" shall be deemed to include a large corporate retailer and the remaining provisions of Part 14A shall be construed accordingly.

(2) In respect of a qualifying company deemed to be a large corporate retailer under paragraph (1), in calculating the amount of its income, profits and gains for the purposes of Article 123L(1), in addition to any deductions and credits referred to paragraph (1)(a) and (b) of that Article, no account shall be taken of any credit under Article 114B or 114C.

## 123R Application of Article 118B (non-resident exemption)

A person who is not resident in Jersey and who is paid a dividend from which tax is deducted by a large corporate retailer under Article 88 as applied by Article 123O, shall, where the deduction is less than the standard rate, be exempt from the balance of tax that would otherwise be due in respect of the dividend.

## 123S Application of Article 123F (group relief for companies)[665]

Article 123F applies to a large corporate retailer with the following modifications –

(a) a "group", as defined in that Article, may consist of –

(i) only companies that are large corporate retailers, or

(ii) companies, 2 of more of which are large corporate retailers and 1 or more of which is a company to which Article 123C applies; and

(b) the claimant company and surrendering company must each be a large corporate retailer.

## PART 17A[666]

SPECIAL PROVISIONS AS TO INDIVIDUALS UNDER DISABILITY AND DECEASED PERSONS

### 124 Individuals under disability

(1) The delegate or guardian or other person having the direction, control or management of the property or concern of an individual under disability, whether such individual resides in Jersey or not, shall be assessable and chargeable to tax in like manner, and to the like amount, as that individual would be assessed and charged as if that individual were not under disability.[667]

(2) A person who is chargeable in respect of an individual under disability shall be answerable for all matters required to be done under this Law for the purpose of assessment and payment of income tax.

(3) Any person who has been charged under this Law in respect of any individual under disability may retain, out of the money coming into his or her hands on behalf of any such individual, so much thereof from time to time as is sufficient to pay the income tax charged, and shall be indemnified for all such payments made in pursuance of this Law.

### 125 Personal representatives of a deceased person

(1) Where any person dies without having delivered a return of all his or her profits or gains chargeable to income tax with a view to assessment thereon in due course, an assessment in respect of the profits or gains which arose or accrued to the person before the person's death may be made at any time within the year of assessment or within 5 years after the expiration thereof, on the person's heirs, executors or administrators and the amount of the tax thereon shall be a debt from and payable out of the person's estate.[668]

(2) The time allowed by paragraph (1) shall not extend beyond a year and a day from the date of death of the deceased person.

## PART 18[669]

SPECIAL PROVISIONS AS TO INDIVIDUALS TEMPORARILY ABROAD, INDIVIDUALS BECOMING OR CEASING TO BE ORDINARILY RESIDENT, AND NON-RESIDENTS

### 126 Individuals temporarily abroad

Every individual whose ordinary residence has been in Jersey shall be assessed and charged to income tax, notwithstanding that at the time the assessment or charge is made the individual may have left Jersey, if the individual has so left Jersey for the purpose only of occasional residence abroad, and shall be charged as a person actually residing in Jersey on the whole amount of the individual's profits or gains, whether they arise from property in Jersey or elsewhere, or from any allowance, annuity, or stipend (save as herein is excepted), or from any trade, profession, employment or vocation in Jersey or elsewhere.

## 127 Method of charging non-residents and absent residents

A person not resident in Jersey, or who being ordinarily resident therein is absent from Jersey, shall be assessable and chargeable in the name of any attorney, guardian, delegate or other representative having the direction, control or management of the property or concern of such person.[670]

## 128 Responsibilities and indemnification of persons in whose name a non-resident or absent resident is chargeable

(1) A person in whose name a non-resident person or person who is absent from Jersey is chargeable, shall be answerable for all matters required to be done under this Law for the purpose of assessment and payment of income tax.

(2) Any person who has been charged under this Law in respect of any non-resident person or person absent from Jersey as aforesaid may retain, out of money coming into his or her hands on behalf of any such person, so much thereof from time to time as is sufficient to pay the income tax charged, and shall be indemnified for all such payments made in pursuance of this Law.

## 128A Collection of tax on rental income of non-resident landlords[671]

Schedule 3A shall have effect to make provision for the collection of tax on the rental income of non-resident landlords.

## 129 Position under Schedule D of temporary residents

A person shall not be charged to tax under Schedule D as a person residing in Jersey, in respect of profits or gains received in respect of possessions or securities out of Jersey, who is in Jersey for some temporary purpose only and not with any view or intent of establishing his or her residence therein, and who has not actually resided in Jersey at one time or several times for a period equal in the whole to 6 months in any year of assessment, but if any such person resides in Jersey for the aforesaid period he or she shall be so chargeable for that year.

## 129AA Apportionment of reliefs etc for individuals who become, or cease to be, ordinarily resident[672]

(1) This Article applies where –

(a) an individual who is not resident in Jersey becomes ordinarily resident in Jersey; or

(b) an individual who is ordinarily resident in Jersey ceases to be resident in Jersey.

(2) The exemption threshold applicable to the individual, for a relevant year of assessment, is the sum of –

(a) the apportionment fraction of the low income threshold (as defined in Article 92A(2));

(b) the apportionment fraction of any increase in the exemption threshold to which the individual is entitled under Part 12, except for Article 99; and

(c) if paragraph (1)(b) applies and the individual satisfies the requirements of Article 99(1) prior to ceasing to be resident in Jersey, the amount calculated under paragraph (2A) (if that amount is greater than nil).[673]

(2A) The calculation for the purposes of paragraph (2)(c) is –

$$((33{,}200 - A) \times B) - (C - (D \times B)) = E$$

where –

A is the low income threshold as defined in Article 92A(2);

B is the apportionment fraction;

C is the individual's spouse's or civil partner's total income for the year of assessment;

D is the lower of –

(i) the individual's earned income for the year of assessment,

(ii) the individual's spouse's or civil partner's earned income for the year of assessment, and

(iii) £8,200;

E is the amount in pounds of the increase to which the individual is entitled (if greater than nil).[674]

(3) The amount of any relief, reduction, allowance or deduction to which the individual would (apart from this paragraph) be entitled, for a relevant year of assessment, under a provision listed in paragraph (4) is reduced to the apportionment fraction of that amount.

(4) The provisions are –

(a) Article 65B(3) (emoluments: benefits in kind); and

(b) any provision of Part 11 (principal provisions as to interest, dividends, distributions, annual payments etc).

(c) [675]

(5) The apportionment fraction in relation to an individual for a relevant year of assessment is determined in accordance with the following formula –

$$\frac{n}{d}$$

where –

n is the number of days constituting Period A; and

d is the number of days in that year.

(6) In a case within paragraph (1)(a) –

(a) a "relevant year of assessment" means a year of assessment –

(i) for which the individual is treated as being ordinarily resident in Jersey, and

(ii) which immediately follows a year of assessment for which the individual is treated as being not resident in Jersey;

(b) "Period A", in relation to a relevant year of assessment, means the period –

(i) beginning with the day on which the individual's circumstances change in such a way as to result in the individual being treated as ordinarily resident in Jersey for the relevant year of assessment, and

(ii) ending with the last day of that year.

(7) In a case within paragraph (1)(b) –

(a) a "relevant year of assessment" means a year of assessment –

(i) for which the individual is treated as being ordinarily resident in Jersey, and

(ii) which immediately precedes a year of assessment for which the individual is treated as being not resident in Jersey;

(b) "Period A", in relation to a relevant year of assessment, means the period –

(i) beginning with the first day of the relevant year of assessment, and

(ii) ending with the day on which the individual's circumstances change in such a way as to result in the individual being treated as not resident in Jersey for the following year of assessment.

## 129A Apportionment for individuals (other than those who are ordinarily resident) in Jersey for part of year[676]

(1) This Article applies, for any year of assessment, to an individual who –

(a) is not ordinarily resident in Jersey for that year; and

(b) is not in Jersey for the whole of that year.[677]

(2) [678]

(3) Where this Article applies to an individual for a year of assessment, the exemption threshold applicable in the individual's case by virtue of Article 92A, and any reliefs, reduction, allowances and deductions to which the individual would otherwise have been entitled under Parts 11 and 12 and Article 65B(3), shall be reduced to an amount equal to, the relevant fraction of the amounts determined in accordance with the aforementioned provisions.[679]

(3A) For the purposes of paragraph (3), "the relevant fraction", in relation to a year of assessment, is determined in accordance with the following formula –

$$\frac{n}{d}$$

where –

n is the number of days that the individual spends in Jersey in the year of assessment; and

d is the number of days in that year.[680]

(4) For the purposes of this Article –

(a) if an individual is present in Jersey at midnight on a particular day, that day counts as a day spent by the individual in Jersey;

(b) if an individual is not present in Jersey at midnight on a particular day, that day does not count as a day spent by the individual in Jersey.[681]

## 129B Relief for non-residents[682]

(1) In this Article –

(a) "Jersey income" means income which is chargeable to tax on a non-resident under Schedule A or Schedule D and which arises from an activity taking place in Jersey, or which is derived from a scheme or arrangement which is subject to approval by the Comptroller under this Law;

(b) "non-Jersey income", in relation to a non-resident, means income (however derived and regardless of the jurisdiction in which it is derived) which is not Jersey income, including income that is exempt from income tax under this Law;

(c) "qualifying Schedule D income" means income, profits or gains arising or accruing that are charged to tax under Case I or Case II(a) or (b) of Schedule D excluding income, profits or gains which are exempt from income tax under this Law;

(d) "relevant threshold exemption", for an individual, means the low income threshold as defined in Article 92A(2).[683]

(2) A non-resident is entitled to allowances and reliefs under Part 12, subject to the provisions of this Part, for a year of assessment only if the non-resident has qualifying Schedule D income for that year of assessment.

(3) A non-resident who does not have qualifying Schedule D income for a year of assessment is charged to income tax on Jersey income at 0% for that year of assessment if the aggregate of the amount of the non-resident's Jersey income and non-Jersey income for that year of assessment is less than the amount of the relevant threshold exemption.

(4) A non-resident who does not have qualifying Schedule D income for a year of assessment and who is not charged to income tax on Jersey income at 0% under paragraph (3) is entitled to the relief described in paragraph (7) or (8).

(5) Paragraph (7) applies if, under the law of the country or territory outside Jersey in which the non-resident resides or is otherwise chargeable to tax, the non-resident –

(a) is not subject to tax on any of his or her Jersey income; or

(b) is subject to tax on some or all of his Jersey income and is not entitled to any tax relief on any of his or her Jersey income.

(6) Paragraph (8) applies if, under the law of the country or territory outside Jersey in which the non-resident resides or is otherwise chargeable to tax, the non-resident –

(a) is subject to tax on some or all of his or her Jersey income; and

(b) is entitled to tax relief on any of his or her Jersey income.

(7) The relief is that the Jersey income is taxed at a rate ("F%") calculated as follows –

(a) calculate "A": the aggregate amount of the non-resident's Jersey income and non-Jersey income;

(b) calculate "B": the amount of A less the relevant threshold exemption;

(c) calculate "C": either –

(i) the relevant threshold exemption less B or,

(ii) zero,

whichever is higher;

(d) calculate "D": A less C;

(e) calculate "E": the standard rate of income tax x D;

(f) calculate "F%": E/A.

(8) The relief is that the Jersey income is taxed at a rate ("H%") calculated as follows –

(a) calculate F% under paragraph (7);

(b) calculate as a percentage the amount that the non-resident is charged to tax in a country or territory outside Jersey (excluding any tax relief to which he or

she is entitled in that country or territory) divided by the aggregate of the amount of the non-resident's non-Jersey income and Jersey income notified to that country or territory for the purposes of assessment of liability to tax ("G%");

(c) calculate "H%": the higher of F% or G%.

# PART 19

## SPECIAL PROVISIONS AS TO PENSIONS AND PENSION SCHEMES, ANNUITIES, ETC.

*Interpretation*[684]

### 130 Interpretation of Part 19[685]

(1) In this Part –

"approved drawdown contract" means a contract approved under Article 131D;

"approved Jersey occupational pension scheme" means a scheme approved under Article 131;

"approved Jersey retirement annuity contract" means a contract approved under Article 131B;

"approved Jersey retirement trust scheme" means a scheme approved under Article 131CA;

"approved Jersey scheme" means –

(a) an approved Jersey occupational pension scheme;

(b) an approved Jersey retirement annuity contract;

(c) an approved Jersey retirement trust scheme;

"approved trust" means a trust approved under Article 131E;

"dependant" has the meaning given in Article 130A;

"fund value" has the meaning given in Article 130B;

"ill health" has the meaning given in paragraph (3)(a);

"minimum retirement capital" has the meaning given in Article 131FA;

"minimum retirement income" has the meaning given in Article 131F;

"pension holder" means –

(a) in relation to an approved Jersey occupational pension scheme, a member of the scheme, as described in Article 131;

(b) in relation to an approved Jersey retirement annuity contract, the individual by whom the contract was made;

(c) in relation to an approved Jersey retirement trust scheme, the primary beneficiary;

"pension income" means –

(a) in relation to an occupational pension scheme, an income paid for the life of the recipient;

(b) in relation to a retirement annuity contract, any annuity payable under the contract;

(c) in relation to a retirement trust scheme, sums payable under the scheme by way of annuity equivalent;

"pensionable age" has the same meaning as in the Social Security (Jersey) Law 1974;

"prescribed" means prescribed by Order of the Minister;

"primary beneficiary", in relation to a retirement trust scheme, has the meaning given in Article 131CA(1);

"relevant earnings" has the meaning given in Article 130C;

"scheme manager" means –

(a) in the case of an occupational pension scheme that is established as a trust, or in the case of a retirement trust scheme, the trustees;

(b) in the case of an occupational pension scheme that is established otherwise than as a trust, the person having management of the scheme;

(c) in the case of a retirement annuity contract, the person having control of the fund;

(d) in the case of a drawdown contract, the manager;

"secondary beneficiary", in relation to a retirement trust scheme, has the meaning given in Article 131CA(1);

"serious ill health" has the meaning given in paragraph (3)(b).[686]

(2) In this Part –

(a) a reference to the commencement of benefits is, in relation to a pension, a reference to whichever is the earlier of –

(i) an election by the pension holder to receive a lump sum by way of commutation of part of the fund value,

(ii) the day from which pension income is paid to the pension holder, whether or not the pension holder actually receives a payment on that day,

(iii) the pension holder attaining the age of 75; and

(b) where –

(i) a pension holder transfers the whole or part of his or her fund value in an approved Jersey scheme, or in an equivalent scheme (within the meaning of Article 131CG(7)), to an approved Jersey scheme, and

(ii) benefits have commenced from the scheme from which the fund value is transferred,

benefits shall be taken to have commenced from the scheme to which the fund value is transferred.[687]

(3) For the purposes of this Part –

(a) a pension holder is in ill health if –

(i) a medical practitioner has, in writing, provided evidence to the scheme manager that the pension holder is, and will continue to be, incapable of carrying on his or her occupation because of physical or mental impairment, and

(ii) the pension holder has in fact ceased to carry on his or her occupation;

(b) a pension holder is in serious ill health if a medical practitioner has, in writing, provided evidence to the scheme manager that the pension holder is expected to live for less than one year.

## 130A Dependants[688]

(1) For the purposes of this Part, a person is a dependant of a pension holder if he or she was married to, or the civil partner of, the pension holder –

(a) at the date of the pension holder's death; or

(b) if the rules of an occupational pension scheme, retirement annuity contract or retirement trust scheme so provide, on the date when the pension holder first became entitled to a pension under the scheme or contract.

(2) For the purposes of this Part, a child of a pension holder is a dependant of the pension holder if the child –

(a) has not attained the age of 23; or

(b) has attained that age and, in the opinion of the scheme manager, was at the date of the pension holder's death dependent on the pension holder because of physical or mental impairment.[689]

(3) A person who was not married to, or a civil partner of, a pension holder at the date of the pension holder's death and is not a child of the pension holder is a dependant of the pension holder if, in the opinion of the scheme manager, at the date of the pension holder's death –

(a) the person was financially dependent on the pension holder;

(b) the person's financial relationship with the pension holder was one of mutual dependence; or

(c) the person was dependent on the pension holder because of physical or mental impairment.[690]

## 130B Fund value[691]

(1) For the purposes of this Part "fund value" means, at any time –

(a) in relation to a member of an occupational pension scheme that is a defined contribution scheme, or, following the death of the member, his or her estate or any person entitled to a payment from the scheme, as permitted by Article 131(9), the aggregate, at that time, of the amounts accumulated in the scheme for the benefit of the member or of his or her estate or any person, as the case requires;

(b) in relation to a member of an occupational pension scheme that is a defined benefit scheme or, following the death of the member, his or her estate or any person entitled to a payment from the scheme, as permitted by Article 131(9), the capital value of the benefits to which the member, or his or her estate or any person, as the case requires, is entitled at that time, calculated by an actuary;

(c) in relation to an individual who has made a retirement annuity contract or the primary beneficiary of a retirement trust scheme or, following the death of the individual or primary beneficiary, his or her estate or any person entitled to a payment from the contract or scheme, as permitted by Article 131B(7) or 131CA(6), the fund accumulated under the contract or trust at that time.

(2) In paragraph (1) –

"actuary" means a person who is or a body of persons each of whom is a Fellow of the Institute and Faculty of Actuaries;

"defined benefit scheme" means a scheme where the scheme rules define the benefit independently of the contributions payable and benefits are not directly related to the investments of the scheme;

"defined contribution scheme" means a scheme where the benefits of a member under the scheme are determined by reference to contributions paid into the scheme in respect of that member, usually increased by an amount based on profits and gains arising from those contributions.[692]

## 130C Relevant earnings[693]

In this Part, "relevant earnings", in relation to an individual, means the individual's income assessed to tax that –

(a) arises in respect of emoluments (but not pension income) from an office or employment held by the individual;

(b) is charged under Schedule D and is immediately derived by the individual from the carrying on or exercise by the individual of a trade, profession or vocation, either as an individual or as a partner personally acting in a partnership; or

(c) is charged Schedule A by virtue of Article 51(1)(b) (which applies to income from commercial dealings in Jersey land).

*Approvals*[694]

## 131 Approval of Jersey occupational pension schemes[695]

(1) A scheme or, in accordance with paragraph (5), part of a scheme, shall be approved as a Jersey occupational pension scheme if it complies with this Article.

(2) The scheme must be –

(a) a superannuation fund bona fide established under irrevocable trusts; or

(b) a scheme bona fide established,

in connection with some trade or undertaking.

(3) The scheme must have for its sole purpose the provision of an income for life for all or any of –

(a) one or more persons who are or have been employed, in Jersey, in the trade or undertaking; and

(b) following the death of such a person, one or more of his or her dependants.

(4) If a scheme having the purpose described in paragraph (3) also has the further purpose of making a lump sum payment upon the death of a person described in paragraph (3)(a), the purpose described in paragraph (3) includes that further purpose.

(5) If only part of the scheme has the purpose described in paragraph (3) –

(a) only the part of the scheme that has the purpose described in paragraph (3) must comply with paragraphs (6) to (16); and

(b) the approval under this Article shall be of only the part of the scheme that has the purpose described in paragraph (3), and references in this Article to the scheme or, in this Part, to a scheme approved under this Article, shall be construed as references to only so much of the scheme as is so approved.

(6) The scheme may only permit a person –

(a) to become a member of the scheme; or

(b) to contribute to the scheme,

whilst he or she is an employee of the trade or undertaking.

(7) The person carrying on the trade or undertaking (the "employer") must contribute to the scheme.

(8) The scheme –

(a) must provide for the payment of an income for life to a member in accordance with Article 131CB;

(b) may only otherwise provide for payments from the scheme as permitted by this Article and Articles 131CC to 131CG.

(9) The scheme may provide for the payment, following the death of a member, of either or both of –

(a) an income to one or more of the member's dependants –

(i) in the case of a child of the member who is a dependant by reason of Article 130A(2)(a) but who, on attaining the age of 23, would not be a dependant by reason of Article 130A(2)(b), until the child attains the age of 23, or

(ii) in the case of any other dependant, for the life of the dependant;

(b) a lump sum to the member's estate or to any person.[696]

(10) Despite paragraph (8)(a) the scheme may provide for –

(a) the income payable to the member to continue for a term certain, not exceeding 10 years and commencing with the commencement of payment of such income, as described in Article 130(2)(a)(ii), notwithstanding the member's death within that term; and

(b) such income, in the event that the member dies entitled to it, to be capable of assignment to a dependant of the member –

(i) by testamentary disposition made by the member, or

(ii) if the member dies intestate, by the member's personal representatives, in the distribution of the member's estate in accordance with the laws of intestacy.

(11) The scheme may permit a member to receive a return of contributions in accordance with paragraph (12).[697]

(12) The scheme may permit the member to elect to be paid a sum representing the contributions made by the member to the scheme, and any interest accrued on them, where, at the time of the election –

(a) the member has been a member of the scheme for less than 5 years;

(b) the member has ceased to be employed by the employer; and

(c) the member has not commenced benefits.

(13) [698]

(14) [699]

(15) The scheme may only permit all or part of the employer's contributions to be returned to the employer, with or without interest, with the prior written approval of the Comptroller.

(15A) The scheme may permit payments other than a return of contributions to be made to the employer –

(a) in exceptional circumstances, such as the winding up of the scheme; and

(b) with the prior written approval of the Comptroller.[700]

(16) The scheme and the scheme manager must comply with –

(a) any prescribed conditions and requirements; and

(b) any additional conditions and requirements imposed in its case by the Comptroller.

(17) For the purposes of this Article, a reference to a person employed in, or an employee of, a trade or undertaking, includes –

(a) in relation to the scheme established by Regulations made under Article 2(1) of the Public Employees (Retirement) (Jersey) Law 1967, any person who, pursuant to Article 1(2) of that Law, is taken to be employed by the States Employment Board; and

(b) in relation to the Scheme established by Regulations made under Article 2 of the Public Employees (Pensions) (Jersey) Law 2014, any person who, pursuant to Article 1(2) of that Law, is taken to be an employee of the States Employment Board.

## 131A Approval of occupational pension schemes for overseas employees[701]

(1) A scheme or, in accordance with paragraph (4), part of a scheme, shall be approved as an occupational pension scheme for overseas employees if it complies with this Article.

(2) The scheme must be a superannuation fund bona fide established under irrevocable trusts in connection with some trade or undertaking carried on –

(a) wholly or partly outside Jersey; and

(b) by a person not resident in Jersey.

(3) The scheme must have for its sole purpose the provision of superannuation benefits in respect of persons' employment in the trade or undertaking wholly outside Jersey.

(4) If only part of the scheme has the purpose described in paragraph (3) –

(a) only the part of the scheme that has the purpose described in paragraph (3) must comply with paragraph (5); and

(b) the approval under this Article shall be of only the part of the scheme that has the purpose described in paragraph (3), and references in this Article to the scheme or, in this Part, to a scheme approved under this Article, shall be construed as references to only so much of the scheme as is so approved.

(5) The scheme and the scheme manager must comply with –

(a) any prescribed conditions and requirements; and

(b) any additional conditions and requirements imposed in its case by the Comptroller.

(6) For the purposes of this Article, duties performed in Jersey, the performance of which is merely incidental to the performance of other duties outside Jersey, shall be treated as performed outside Jersey.

## 131B Approval of Jersey retirement annuity contracts[702]

(1) A contract shall be approved as a Jersey retirement annuity contract if it complies with this Article.

(2) The contract must be made –

(a) by an individual who is ordinarily resident in Jersey;

(b) with a company to which this Article applies.

(3) This Article applies to a company carrying on in Jersey or Guernsey the business of granting annuities on human life, and being –

(a) a company resident in Jersey;

(b) an authorized insurance company; or

(c) a person or institution authorized, in accordance with the laws of the United Kingdom, to carry on the business of granting annuities on human life and carrying on business through a branch or agency in Jersey or Guernsey.

(4) Any annuity payable under the contract must be paid by an authorized insurance company carrying on in Jersey or Guernsey the business of granting annuities on human life.

(5) The contract may not provide for contributions to be made by any person apart from –

(a) the individual who made the contract; and

(b) a person from whom that individual receives relevant earnings.

(6) The contract –

(a) must provide for the payment of an annuity to the individual, for the life of the individual, in accordance with Article 131CB;

(b) may only otherwise provide for payments as permitted by this Article and Articles 131CC to 131CG.

(7) The contract may provide for the payment, following the death of the individual, of either or both of –

(a) an annuity to one or more of the individual's dependants –

(i) in the case of a child of the individual who is a dependant by reason of Article 130A(2)(a) but who, on attaining the age of 23, would not be a dependant by reason of Article 130A(2)(b), until the child attains the age of 23, or

(ii) in the case of any other dependant, for the life of the dependant;

(b) a lump sum commuting the whole of the fund value, to be paid to the individual's estate or to any person.[703]

(8) Despite paragraphs (6)(a) and (7)(a), the contract may provide for –

(a) the annuity payable to the individual under the contract to continue for a term certain, not exceeding 10 years and commencing with the day payments of the annuity commence, whether or not the individual actually receives a payment on that day, notwithstanding the individual's death within that term;

(b) such an annuity, in the event that the individual dies entitled to it, to be capable of assignment to a dependant of the individual –

(i) by testamentary disposition made by the individual, or

(ii) if the individual dies intestate, by the individual's personal representatives, in the distribution of the individual's estate in accordance with the laws of intestacy.

(9) The contract, the company to which this Article applies and the company paying the annuity must comply with –

(a) any prescribed conditions and requirements; and

(b) any additional conditions and requirements imposed in its case by the Comptroller.

## 131C Approval of retirement annuity contracts for overseas residents[704]

(1) A contract shall be an approved retirement annuity contract for an overseas resident if it complies with this Article.

(2) The contract must be made by an individual –

(a) who is not resident in Jersey; and

(b) whose employment, trade or profession, if any, is exercised outside Jersey.

(3) The contract must be made –

(a) with a company carrying on business through a branch in Jersey and carrying on, in Jersey, the business of granting annuities on human life; or

(b) under an irrevocable trust established under the law of Jersey and administered in Jersey and having for its sole purpose the provision of retirement benefits for the individual.

(4) The contract may provide for the right to receive, by way of commutation, a lump sum representing the fund value.

(5) The contract and the company with which it is made or the trustees of the trust under which it is made must comply with –

(a) any prescribed conditions and requirements; and

(b) any additional conditions and requirements imposed in its case by the Comptroller.

(6) For the purposes of this Article, duties performed in Jersey, the performance of which is merely incidental to the performance of other duties outside Jersey, shall be treated as performed outside Jersey.

## 131CA Approval of Jersey retirement trust schemes[705]

(1) In this Article, unless the context otherwise requires –

"annuity equivalent" means a regular payment made to a primary beneficiary or to a secondary beneficiary under a retirement trust scheme;

"primary beneficiary" means the individual for whose benefit the trust is primarily established;

"secondary beneficiary" means a dependant of the primary beneficiary;

"trustees" include a single corporate trustee.

(2) A scheme shall be approved as a Jersey retirement trust scheme if it complies with this Article.

(3) The scheme must –

(a) be established under irrevocable trusts under Jersey law and administered in Jersey;

(b) have as its sole purpose making provision for benefits in accordance with this Article; and

(c) have 2 or more trustees or a corporate trustee, who are subject to regulation by the Jersey Financial Services Commission under an enactment in respect of the carrying on of the business of trustee of that trust.

(4) Contributions –

(a) may be paid into the scheme by the primary beneficiary;

(b) may not be paid into the scheme by any other person, other than a person from whom the primary beneficiary receives relevant earnings.

(5) The scheme –

(a) must provide for the payment of sums payable by way of annuity equivalent to the primary beneficiary, in accordance with Article 131CB;

(b) may only otherwise provide for payments as permitted by this Article and Articles 131CC to 131CG.

(6) The scheme may provide for the payment, following the death of the primary beneficiary, of either or both of –

(a) subject to paragraph (6A), a sum by way of annuity equivalent to one or more secondary beneficiaries;

(b) a lump sum commuting the whole of the fund value to the primary beneficiary's estate or to any person.[706]

(6A) Where a secondary beneficiary is a person who is a dependant of the primary beneficiary by reason of Article 130A(2)(a) but who, on attaining the age of 23, would not be a dependant by reason of Article 130(2)(b), the scheme must provide for the payment of the sum by way of annuity equivalent to end upon the secondary beneficiary attaining the age of 23.[707]

(7) The scheme must require the scheme manager –

(a) to calculate the amount of an annuity equivalent in accordance with a calculation published by the Comptroller;

(b) to make the calculation –

(i) before payment of an annuity equivalent commences, and

(ii) from time to time after payment has commenced, in accordance with guidance published by the Comptroller;

(c) to keep a record of calculations made under this paragraph; and

(d) to pay an annuity equivalent, whether to a primary or secondary beneficiary, in an amount permitted by the calculation and guidance published by the Comptroller.

(8) The scheme and its trustees must comply with –

(a) any prescribed conditions and requirements; and

(b) any additional conditions and requirements imposed in its case by the Comptroller.

*Payments from approved Jersey schemes*[708]

### 131CB Requirement to pay pension income[709]

Except as permitted by or under any provision of this Part, the payment of pension income to a pension holder in an approved Jersey scheme –

(a) must not commence before the pension holder attains the age of 50;

(b) must commence before the pension holder attains the age of 75.

### 131CC Permitted early payment of pension income[710]

An approved Jersey scheme may provide for the payment of pension income to the pension holder to commence before the pension holder attains the age of 50 –

(a) if the pension holder is in ill health; or

(b) if –

(i) in the case of a member of an approved Jersey occupational pension scheme, the member's employment in the trade or undertaking is one in which persons customarily cease work before attaining that age, or

(ii) in the case of a pension holder in any other approved Jersey scheme, the pension holder's occupation is one in which persons customarily cease work before attaining that age.

### 131CD Permitted commutation – serious ill health[711]

An approved Jersey scheme may permit the pension holder to elect to commute the whole of the fund value if he or she is in serious ill health, whether or not he or she has attained the age of 50.

### 131CE Permitted commutation – trivial pension[712]

(1) An approved Jersey scheme may permit the pension holder to elect to commute the whole of the fund value if, at the time the election is made –

(a) the pension holder has attained the age of 60; and

(b)

(c) the aggregate of the following amounts does not exceed £50,000 –

(i) the fund value,

(ii) all lump sums that the pension holder has previously commuted –

(A) under this paragraph, or

(B) before the commencement of the Income Tax (Amendment No. 44) (Jersey) Law 2014, under any of the previous trivial pension commutation provisions.[713]

(2) For the purposes of paragraph (1)(c)(ii)(B), the "previous trivial pension commutation provisions" are –

(a) Article 5(2D) of the Income Tax (Superannuation Funds) (Jersey) Order 1972;

(b) Article 131B(3)(f); and

(c) Article 131CA(4)(g),

as they were in force before the commencement of the Income Tax (Amendment No. 44) (Jersey) Law 2014.

(3) An approved Jersey Scheme may permit the pension holder to elect to commute the whole of the fund value if, at the time the election is made, the fund value does not exceed £10,000.[714]

(4) But the fund value of an approved Jersey Scheme may only be commuted under paragraph (3) if the pension holder is no longer an employee of the employer contributing to the approved Jersey Scheme.[715]

## 131CF Permitted commutation - thirty percent of net fund value[716]

(1) An approved Jersey scheme may permit the pension holder to elect to commute, on one or more occasions, a lump sum of up to 30% of the net fund value if, on the day the election is made, the pension holder has attained the age of 50 but has not attained the age of 75.[717]

(2) Subject to paragraph (4A), in this Article, "net fund value" means the fund value on the day the election is made less –

(a) for each relevant amount previously commuted from the scheme, the sum of A and B where –

(i) A is the amount commuted, multiplied by 7 and then divided by 3, and

(ii) B is so much of the increase or decrease in the fund value since the day the election was made to commute the amount, as is attributable to A; and

(b) for each relevant amount previously transferred into the scheme, the sum of C and D where –

(i) C is the amount transferred into the scheme, and

(ii) D is so much of the increase or decrease in the fund value, since the day the amount was transferred into the scheme, as is attributable to C.[718]

(3) In paragraphs (2)(a) and (4A), "relevant amount previously commuted" means an amount previously commuted –

(a) under this Article; or

(b) before the commencement of the Income Tax (Amendment No. 44) (Jersey) Law 2014, under any of the previous commutation provisions.[719]

(4) In paragraphs (2)(a) and (4A), "relevant amount previously transferred into the scheme" means an amount transferred into the scheme –

(a) from an approved Jersey scheme, if the pension holder, before or at the time of the transfer, commuted, under this Article, part of his or her fund from which the transfer is made;

(b) before the commencement of the Income Tax (Amendment No. 44) (Jersey) Law 2014, if the pension holder, before or at the time of the transfer, commuted, under any of the previous commutation provisions, part of the fund from which the transfer is made; or

(c) from an equivalent scheme, as permitted by Article 131CG(5), if the pension holder has, before or at the time of the transfer, commuted part of his or her fund in the equivalent scheme without any liability to tax being incurred on the amount commuted.[720]

(4A) If a relevant amount previously transferred into the scheme ("Scheme A") is from an approved Jersey scheme ("Scheme B"), there is added to the net fund value of Scheme A calculated under paragraph (2), the net fund value of Scheme B calculated as follows –

E + F

where –

E is A – ((C x 7)/3);

A is the relevant amount previously transferred into Scheme A from Scheme B;

C is each relevant amount previously commuted from Scheme B (if any);

F is so much of the increase or decrease in the fund value of Scheme A as is attributable to E since the day on which the relevant amount was previously transferred into Scheme A from Scheme B.[721]

(5) For the purposes of paragraphs (2), (3) and (4), the "previous commutation provisions" are –

(a) Article 5(2A) and (2B) of the Income Tax (Superannuation Fund) (Jersey) Order 1972;

(b) Article 131B(3)(d); and

(c) Article 131CA(3)(d),

as they were in force before the commencement of the Income Tax (Amendment No. 44) (Jersey) Law 2014.

## 131CG Permitted transfers from and to approved Jersey schemes and to approved drawdown contracts[722]

(1) An approved Jersey scheme may only permit the pension holder or, following the pension holder's death, his or her dependant, to elect to transfer the whole or part of the fund value to another scheme or contract as allowed by paragraph (2) or (4).

(2) An approved Jersey scheme may permit the pension holder or, following the pension holder's death, his or her dependant, to elect to transfer –

(a) the whole of the fund value or, subject to the prior written approval of the Comptroller, part of the fund value, to another approved Jersey scheme; or

(b) subject to paragraph (3), the whole of the fund value to an approved drawdown contract.

(3) The pension holder or, following the pension holder's death, his or her dependant, cannot transfer the fund value from an approved Jersey scheme to an approved drawdown contract before the first day on which the payment of pension income could have commenced out of the approved Jersey scheme.

(4) An approved Jersey scheme may, subject to the prior written approval of the Comptroller, permit –

(a) the pension holder, at any time when he or she is not resident in Jersey; or

(b) following the pension holder's death, his or her dependant, at any time when the dependant is not resident in Jersey,

to elect to transfer the whole of the fund value to an equivalent scheme established outside Jersey.

(5) An approved Jersey scheme may permit the pension holder or, following the pension holder's death, his or her dependant, to elect to transfer into the approved Jersey

scheme the whole of the fund value from an equivalent scheme established outside Jersey.

(6) The scheme manager of an approved Jersey scheme must notify the Comptroller, in writing, of –

(a) the date of a transfer received in accordance with paragraph (5);

(b) the amount of the transfer;

(c) the name of the scheme from which it was transferred;

(d) the jurisdiction in which that scheme is established; and

(e) whether benefits have commenced from that scheme.[723]

(7) For the purposes of this Article, a scheme established outside Jersey is an equivalent scheme if the Comptroller agrees that it is an equivalent scheme.

(8) The Comptroller may agree that a scheme established outside Jersey is an equivalent scheme if, in the Comptroller's opinion, the scheme has characteristics which are consistent with the characteristics of an approved Jersey scheme.

### 131CH Permitted transfers – bulk transfers[724]

(1) The scheme manager of an approved Jersey occupational pension scheme may, where notification is given in accordance with paragraph (2) and subject to the prior written approval of the Comptroller, transfer the whole or part of the fund to another approved Jersey occupational pension scheme.

(2) The scheme manager of the approved Jersey occupational pension scheme must notify the Comptroller, in writing, of –

(a) the date of the proposed transfer;

(b) the name of the scheme from which the transfer is proposed to be made;

(c) the name of the scheme to which the transfer is proposed to be made;

(d) the name of each member of the scheme whose fund value is proposed to be transferred (an "included member");

(e) the name of each member of the scheme (if any) who is not an included member;

(f) in relation to each included member –

(i) the amount to be transferred, and whether that amount represents the whole or part (and if so, what part) of that member's fund value, and

(ii) whether benefits have commenced from the scheme from which the transfer is to be made.

(3) In paragraph (1), reference to the "fund" is to the aggregate of the fund values of all the pension holders in the scheme from which the transfer is to be made.

### 131CI Permitted transfers overseas – rule against legal avoidance[725]

(1) This Article applies where –

(a) a permitted transfer of fund value has taken place pursuant to an election under Article 131CG(4);

(b) after that transfer, the pension holder becomes resident in Jersey –

(i) in the same year of assessment as that in which the transfer took place, or

(ii) in any of the ensuing 3 years of assessment; and

(c) after that transfer, but before the pension holder becomes resident in Jersey as described in sub-paragraph (b), a lump sum payment is made to the pension holder of the whole or part of the fund value transferred by that transfer.

(2) Where this Article applies, the amount of the payment mentioned in paragraph (1)(c) shall be treated as the recipient's income and chargeable to tax under Case III(d)(ii) of Schedule D.

*Approved drawdown contracts and approved trusts*[726]

## 131D Approved drawdown contract[727]

(1) A contract shall be approved as a drawdown contract for the purposes of this Part if the conditions in paragraphs (1A) to (4) and (6) are fulfilled in relation to the contract.[728]

(1A) The contract must be made between an individual and a person who is the drawdown contract manager for the purposes of this Article (the "manager").[729]

(2) The manager must certify to the Comptroller that on the day the contract is to be made, the individual is entitled –

(a) to minimum retirement income (whether as determined in accordance with Article 131F or with that Article as applied by Article 131FB, and whether by virtue of paragraph (3)(b) or otherwise); or

(b) to minimum retirement capital.[730]

(3) The manager must further certify to the Comptroller that –

(a) the only funds which are permitted, by the terms of the contract, to be transferred in to the contract are –

(i) the individual's fund value in an approved Jersey scheme, and

(ii) funds which may be withdrawn for the purpose, under Article 131E(4)(e)(i), from an approved trust;

(b) where, on the day the contract is to be made, the individual would not otherwise be entitled to minimum retirement income (whether as determined in accordance with Article 131F or with that Article as applied by Article 131FB) or to minimum retirement capital, the contract requires the manager –

(i) to purchase, from an authorized insurance company unconnected with the individual, a lifetime annuity payable to the individual and sufficient to secure that, on that day, the individual is entitled to minimum retirement income (whether as determined in accordance with Article 131F or with that Article as applied by Article 131FB), or

(ii) subject to the requirements of Article 131E, to transfer sufficient funds to a trustee for the establishment of an approved trust;

(c) after any such purchase or transfer as described in sub-paragraph (b) has taken place, the contract requires the manager to invest any remaining funds in –

(i) cash deposits with any bank, building society or other institution carrying on deposit-taking business in the jurisdiction in which it is authorized to carry on such business,

(ii) securities or financial instruments traded on a recognized stock exchange,

(iii) units in collective investment funds within the meaning of the Collective Investment Funds (Jersey) Law 1988, or

(iv) investments falling within paragraph 9 of Schedule 1 to the Financial Services (Jersey) Law 1998 (long term insurance contracts);

(d) the contract prohibits any payments to any person other than the individual or his or her personal representative, apart from the payment of –

(i) sums applied in the purchase, from an authorized insurance company unconnected with the individual, of a lifetime annuity payable to the individual or, on the individual's death, to a dependant of the individual,

(ii) fees and commission properly incurred in the administration of the contract, and

(iii) tax accounted for to the Comptroller;

(e) the contract requires the manager to pay to the individual such income or other sums arising or accruing from the funds invested under the contract as the individual may require;

(f) where, on the individual's death, there remain any funds invested or sums accrued, the contract requires the manager within the period of 3 months beginning with the date of death to pay all such funds or sums to the individual's personal representative;

(g) the contract requires the manager to deliver to the Comptroller, within the period of 3 months immediately following the end of a year of assessment or (as the case may be) within the period of 6 months beginning with the date of the individual's death, a statement showing –

(i) the amount of the funds invested at the beginning of the preceding year of assessment or (where the contract has been in effect for less than a year) at the date of commencement of the contract,

(ii) monies received during that year of assessment or (as the case may be) during the period for which the contract has been in effect,

(iii) monies paid out during that year of assessment or (as the case may be) during the period for which the contract has been in effect, and to whom such payments were made, and

(iv) the amount of all funds invested at the end of that year of assessment and the persons or bodies in or with whom such investments are made.[731]

(4) The manager must be –

(a) resident in Jersey;

(b) unconnected with the individual; and

(c) either –

(i) the holder of a permit under the Collective Investment Funds (Jersey) Law 1988,

(ii) registered under the Banking Business (Jersey) Law 1991,

(iii) the holder of a permit under the Insurance Business (Jersey) Law 1996, or

(iv) registered under the Financial Services (Jersey) Law 1998.[732]

(5) The contract may only be assigned from one manager to another –

(a) with the consent of the individual and the prior written approval of the Comptroller; and

(b) subject to any conditions the Comptroller thinks proper to impose.

(6) The contract and the manager must comply with –

(a) any prescribed conditions and requirements; and

(b) any additional conditions and requirements imposed in its case by the Comptroller.

(7) The manager must comply with any request from the Comptroller to deliver to the Comptroller, within such reasonable time as the Comptroller may specify, all such documents and information as the Comptroller may reasonably require for the purpose of verifying –

(a) any matter certified to the Comptroller by the manager under paragraph (2) or (3); or

(b) compliance with any requirement or condition under paragraph (6).[733]

## 131E Approved trust[734]

(1) A trust shall be approved if it complies with this Article.

(2) The trust must be established, and the approved drawdown contract to which it relates made, before the individual attains pensionable age.

(3) The manager of the approved drawdown contract and the trustee of the trust must certify, to the satisfaction of the Comptroller –

(a) that, disregarding the investments to be made pursuant to paragraph (4)(a), the individual will be entitled to minimum retirement income on the relevant day, being a day selected for the purposes of this Article and which is no later than the day on which the individual attains pensionable age; and

(b) that, when the contract is made, the manager shall forthwith transfer to the trustee at least sufficient funds for the purpose described in paragraph (4)(a).

(4) The trustee must show, to the satisfaction of the Comptroller, that the trust –

(a) requires the trustee to –

(i) purchase sufficient securities issued by the Government of the United Kingdom yielding an income having an actuarial equivalent, determined in the prescribed manner, as will secure that, on the day the trust is established, the individual is entitled to an income which, taking the actuarial equivalent of the income from those securities into consideration and disregarding the fact that the income from them ceases on or after the relevant day, is minimum retirement income,

(ii) hold the securities so purchased upon trust for the individual until the relevant day, and

(iii) receive the income from the securities and pay it to the individual;

(b) prohibits any payments out of the trust to any person other than the individual or his or her personal representative, apart from tax accounted for to the Comptroller;

(c) prohibits any payment out of the trust to the individual other than income accrued on the funds invested by the trustee;

(d) on the relevant day, requires the trustee to certify, to the satisfaction of the Comptroller, whether or not, on that day, the individual is entitled to minimum retirement income;

(e) where, on the relevant day, the individual is entitled to minimum retirement income, provides that the funds may be withdrawn for the purpose only of –

(i) their transfer to an approved drawdown contract, or

(ii) the purchase from an authorized insurance company which is unconnected with the individual of a lifetime annuity payable to the individual;

(f) where, on the relevant day, the individual is not entitled to minimum retirement income, provides that the trust shall continue, upon the same terms, for the life of the individual save that the trustee shall be required –

(i) to purchase from an authorized insurance company which is unconnected with the individual a lifetime annuity payable to the individual or purchase securities issued by the Government of the United Kingdom or convert the securities previously purchased, so as to secure that, on the relevant day, the individual is entitled to minimum retirement income,

(ii) to hold the securities (if any) for the life of the individual, and

(iii) where securities are held, to pay to the individual the income arising from them;

(g) where, on the death of the individual, there remain any funds invested or income accrued on them, requires the trustee, within the period of 3 months following the date of death, to pay to the individual's personal representative those funds and all such income; and

(h) requires the trustee to deliver to the Comptroller, within the period of 3 months following the end of a year of assessment, or within the period of 6 months following the date of death of the individual, a statement showing –

(i) the funds invested at the beginning of that year or, for the year in which the trust is established, the funds invested on the establishment of the trust,

(ii) monies received during that year,

(iii) monies paid out during that year, whether to the individual or as tax accounted for to the Comptroller, and

(iv) the funds invested at the end of that year or at the date of death of the individual, as the case may be, and the manner of the investment of those funds.

(5) The trustee must be –

(a) resident in Jersey;

(b) unconnected with the individual; and

(c) registered under the Financial Services (Jersey) Law 1998.

(6) The trust and the trustee must comply with –

(a) any prescribed conditions and requirements; and

(b) any additional conditions and requirements imposed in its case by the Comptroller.

### 131F Minimum retirement income[735]

(1) Subject to Article 131FB, an individual's entitlement to minimum retirement income shall be determined in accordance with this Article.[736]

(2) An individual is entitled to minimum retirement income if, on the day for which the entitlement is to be determined, the individual is in receipt of relevant income which is not less than the amount of the old age pension specified in paragraph 3(1) of Part 1A of Schedule 1 to the Social Security (Jersey) Law 1974.

(3) In this Article, "relevant income" means any one or more of the following –

(a) the amount of the old age pension payable to the individual in accordance with Article 25 of the Social Security (Jersey) Law 1974.

(b) an old age pension payable by another government, other than a pension for which the income is fixed for the life of the individual;

(c) any income not falling within sub-paragraph (a) or (b) which –

(i) shall be paid for the remainder of the life of the individual, and

(ii) is guaranteed to increase by not less than 3% per annum; and

(d) the actuarial equivalent of any income not falling within sub-paragraphs (a) to (c) which shall be paid for the remainder of the life of the individual.

(4) The actuarial equivalent of any income shall be determined in the prescribed manner.

### 131FA Minimum retirement capital[737]

(1) An individual's minimum retirement capital shall be determined in accordance with this Article.

(2) An individual is entitled to minimum retirement capital if, on the day for which the entitlement is to be determined, the individual is entitled to relevant capital in excess of such threshold as may be prescribed.

(3) For the purposes of this Article and Article 131FB, "relevant capital" means capital of such amount and nature, determined in such a manner, as may be prescribed.

### 131FB Application of relevant capital factor in calculation of minimum retirement income[738]

(1) This Article applies where, on the day for which such entitlement is to be determined, the individual is entitled neither to minimum retirement income determined in accordance with Article 131F as unmodified by this Article, nor to minimum retirement capital.

(2) Where this Article applies –

(a) there shall be subtracted, from the amount of the old age pension specified in paragraph 3(1) of Part 1A of Schedule 1 to the Social Security (Jersey) Law 1974, the amount of the relevant capital factor in the individual's case; and

(b) the individual's entitlement to minimum retirement income shall be determined, and Article 131F shall apply, as though the reference in paragraph (2) of that Article to the amount of the old age pension so specified, were to that amount reduced as described in sub-paragraph (a).

(3) For the purposes of this Article the "relevant capital factor" shall be such amount, determined in such a manner, as may be prescribed.

*Taxation relating to pensions, etc.*[739]

## 131G Taxation of approved Jersey schemes, drawdown contracts and trusts[740]

The following income shall be exempt from income tax –

(a) income derived from the investments and deposits of –

(i) an approved Jersey occupational pension scheme,

(ii) an approved Jersey retirement trust scheme,

(iii) an approved drawdown contract,

(iv) an approved trust;

(b) income derived from the investments and deposits of an annuity fund created by an approved Jersey retirement annuity contract.

## 131H Allowance for contributions to approved Jersey occupational pension scheme by employer[741]

(1) Ordinary annual contributions paid by an employer into an approved Jersey occupational pension scheme in a year of assessment shall be allowed to be deducted as an expense incurred in that year, when computing profits or gains for that year under –

(a) Schedule A, to the extent that tax is charged under Article 51(1)(b) or (c); or

(b) Case I or Case II of Schedule D.

(2) For the purposes of paragraph (1), "ordinary annual contribution", in relation to a scheme, means an annual contribution of a fixed amount or an annual contribution calculated on some definite basis by reference to the earnings, contributions or numbers of members of the scheme.

(3) Contributions paid by an employer into an approved Jersey occupational pension scheme that are not ordinary annual contributions shall be treated, as the Comptroller may direct –

(a) as an expense incurred in the year in which the sum is paid; or

(b) as an expense to be spread over such period of years as the Comptroller thinks proper.

## 131I Allowance for contributions paid to approved Jersey schemes by pension holder[742]

(1) Subject to paragraph (2), a pension holder's approved pension contributions paid in a year of assessment shall be deducted from the pension holder's relevant earnings as an expense for the year of assessment.

(2) The amount of a pension holder's approved pension contributions which is allowed to be deducted by the pension holder as an expense for a year of assessment shall not exceed whichever is the lesser of –

(a) £50,000, less the pension holder's excess income, if any; and

(b) the pension holder's relevant earnings in the year of assessment, less the pension holder's excess income, if any.

(3) In this Article –

"approved pension contributions" means a pension holder's contributions –

(a) to approved Jersey occupational pension schemes;

(b) under approved Jersey retirement annuity contracts; and

(c) to approved Jersey retirement trust schemes;

"excess income" means the amount by which a pension holder's income for a year of assessment exceeds £150,000;

"income" means the pension holder's total income for a year of assessment, before the deduction of the total approved pension contributions paid by the pension holder in the year of assessment (whether or not allowed as a deduction under paragraph (2)).[743]

## 131J Taxation relating to repayment of contributions made to approved Jersey schemes[744]

(1) Where contributions to an approved Jersey occupational pension scheme, including interest on contributions, if any, are repaid to the employer, the amount so repaid shall be treated for the purposes of this Law as a receipt of the trade, profession or vocation carried on by the employer upon whichever is the earlier of –

(a) the repayment falling due; and

(b) the last day on which the trade, profession or vocation is carried on by the employer.

(2) Where contributions to an approved Jersey occupational pension scheme, including interest on contributions, if any, are repaid to the pension holder during his or her lifetime as permitted by Article 131(12) –

(a) income tax shall be charged, at the rate of 10%, under Case VI of Schedule D, on the scheme manager in respect of the amount so repaid; and

(b) the scheme manager shall deduct the income tax charged from the amount repaid to the pension holder.

(3) Where a repayment of contributions, including any interest on contributions, is made to a pension holder from an approved Jersey occupational scheme, as described in paragraph (2) –

(a) the amount repaid, after deduction of tax, shall not be treated as income of the pension holder for any other purpose of this Law; and

(b) the pension holder shall not be entitled to any deduction, allowance or relief under this Law in respect of the income tax charged on and deducted by the scheme manager from the amount repaid.

## 131JA Taxation relating to payment from a Jersey occupational pension scheme to the employer[745]

Where a payment is made from a Jersey occupational pension scheme to the employer as permitted by Article 131(15A), the amount paid shall be treated for the purposes of this Law as a receipt of the trade, profession or vocation carried on by the employer upon whichever is the earlier of –

(a) the payment falling due; and

(b) the last day on which the trade, profession or vocation is carried on by the employer.

## 131K Taxation of pension income paid from approved Jersey scheme[746]

(1) For the purposes of this Law, the following payments shall be treated as the recipient's earned income –

(a) an income for life paid out of an approved Jersey occupational pension scheme to the member or his or her dependant;

(b) an annuity paid under an approved Jersey retirement annuity contract to the individual who made the contract or his or her dependant;

(c) an annuity equivalent paid under an approved Jersey retirement trust scheme to a primary beneficiary or secondary beneficiary; and

(d) an amount paid to the pension holder pursuant to an election made under Article 131CE(3).[747]

(2) A scheme manager, when making a payment referred to in paragraph (1), shall –

(a) subject to paragraph (3), deduct income tax at the standard rate; and

(b) deliver to the Comptroller an account of the payment and the tax deducted from it.

(3) The Comptroller may direct that income tax is deducted from a payment referred to in paragraph (1) at a rate that is less than the standard rate.

(4) Paragraph (1)(a) does not affect the generality of sub-paragraph (b) of the definition "earned income" in Article 3(1).[748]

## 131L Taxation of lump sum paid from approved Jersey scheme to pension holder or dependant[749]

(1) Subject to paragraphs (3) and (4), income tax shall be charged under Case VI of Schedule D, at the rate of 10%, on a scheme manager of an approved Jersey scheme where a lump sum is paid under the scheme to –

(a) the pension holder, during his or her lifetime; or

(b) following the death of the pension holder, the pension holder's estate or any person.[750]

(2) The scheme manager must deduct the tax before paying the lump sum.

(3) The following payments to a pension holder from an approved Jersey scheme shall be exempt from income tax –

(a) lump sums commuted by the pension holder as permitted by Article 131CD, if the election is made before the commencement of benefits;

(b) subject to paragraph (3A), 30% of lump sums commuted by the pension holder, as permitted by Article 131CE(1): and

(c) lump sums commuted by the pension holder as permitted by Article 131CF.[751]

(3A) Where a pension holder who has commuted a lump sum as permitted by Article 131CE(1) from an approved Jersey scheme has previously commuted a lump sum as permitted by Article 131CF from the same scheme, paragraph (3B) applies instead of paragraph (3)(b).[752]

(3B) There is exempt from income tax 30% of the net value of the fund immediately prior to the commutation permitted by Article 131CE(1).[753]

(3C) For the purposes of paragraph (3B) the net value of the fund is the fund value immediately before the commutation permitted by Article 131CE(1) less, for each relevant amount previously commuted from the scheme, the sum of A and B where –

(a) A is the relevant amount previously commuted, multiplied by 7 and then divided by 3; and

(b) B is so much of the increase or decrease in the fund value since the day the election was made to commute the amount as is attributable to A.[754]

(3D) In paragraph (3C) "relevant amount previously commuted" has the same meaning as in Article 131CF(3).[755]

(4) Where the pension holder in an approved Jersey scheme dies before the commencement of benefits, lump sums paid as permitted by Article 131(9)(b), 131B(7)(b) or 131CA(6)(b) shall be exempt from income tax.[756]

(5) Where a lump sum is taxed or exempt from tax in accordance with this Article –

(a) the amount paid, after deduction of tax (if any), shall not be treated as income of the recipient for any other purpose of this Law; and

(b) the recipient shall not be entitled to any deduction, allowance or relief under this Law in respect of the income tax (if any) charged on and deducted by the scheme manager from the amount paid.

## 131M Taxation of sums paid from approved drawdown contracts and approved trusts[757]

(1) A scheme manager of an approved drawdown contract or approved trust, when paying any sum that is charged to tax under Case VII of Schedule D to an individual or an individual's personal representative, shall –

(a) deduct income tax at the standard rate; and

(b) deliver to the Comptroller an account of the payment and the tax deducted from it.

(2) For the purposes of this Law, any sum referred to in paragraph (1) that is paid to an individual (other than an individual to whom it is paid in his or her capacity as a personal representative) shall be treated as the earned income of the individual.

## 131N Exemption from tax for transfer from approved Jersey scheme[758]

The following transfers shall be exempt from tax –

(a) a transfer, permitted under Article 131CG(2) and (3), of the whole or part of a fund value from an approved Jersey scheme to another approved Jersey scheme or an approved drawdown contract;

(b) a transfer, permitted under Article 131CG(4), of the whole of a fund value from an approved Jersey scheme to an equivalent scheme established outside Jersey.

## 131O Taxation of approved overseas schemes[759]

(1) Pension income or a lump sum paid –

(a) from an occupational pension scheme for overseas employees approved under Article 131A or a retirement annuity contract for an overseas resident approved under Article 131C;

(b) to a person who is not resident in Jersey,

shall be exempt from income tax.

(2) Income derived from the investments and deposits of an occupational pension scheme for overseas employees that is approved under Article 131A shall be exempt from income tax.

(3) Income derived from the investments and deposits of an annuity fund created by a retirement annuity contract for an overseas resident that is approved under Article 131C shall be exempt from income tax.

## 131OA Exemption from tax for lump sums paid from overseas schemes[760]

(1) In this Article –

"approved occupational pension scheme for overseas employees" means a scheme approved under Article 131A;

"approved retirement annuity contract for overseas residents" means a contract approved under Article 131C;

"fund value" in relation to an overseas scheme has the meaning given by Article 130B –

(a) disregarding the references to Articles 131(9), 131B(7) and 131CA(6); and

(b) as if, in paragraph (1)(c) –

(i) the references to an individual or primary beneficiary were to a pension holder of an overseas scheme, such scheme not being included in paragraph (1)(a) or (b), and

(ii) the references to a retirement annuity contract or a retirement trust scheme were to an overseas scheme, such scheme not being included in paragraph (1)(a) or (b);

"net fund value" in relation to an overseas scheme, means the fund value on the day of payment less –

(a) for each relevant amount previously paid from the overseas scheme, the sum of A and B where –

(i) A is the amount previously paid, multiplied by 7 and then divided by 3, and

(ii) B is so much of the increase or decrease in the fund value since the day the previous payment was made as is attributable to A; and

(b) for each relevant amount previously transferred into the overseas scheme, the sum of C and D where –

(i) C is the amount transferred into the scheme, and

(ii) D is so much of the increase or decrease in the fund value, since the day the amount was previously transferred into the scheme, as is attributable to C;

"overseas scheme" means –

(a) an approved occupational pension scheme for overseas employees;

(b) an approved retirement annuity contract for overseas residents;

(c) any scheme, arrangement, contract, trust or equivalent established outside Jersey which, in the Comptroller's opinion, is for the provision of benefits the characteristics of which are similar to those provided under an approved Jersey scheme (disregarding any characteristics relating to the jurisdiction in which the scheme, arrangement, contract, trust or equivalent is established or the residency of any member or other beneficiary);

"pension holder" means –

(a) in relation to an approved occupational pension scheme for overseas employees, a member of the scheme who was such an overseas employee;

(b) in relation to an approved retirement annuity contract for overseas residents, the individual by whom the contract was made;

(c) in relation to any other overseas scheme, means any of the following –

(i) an individual who is classified by the scheme as a member of that scheme,

(ii) where the scheme does not classify any individuals benefitting from the scheme as members, an individual for whose benefit the scheme is primarily established;

"relevant amount previously paid" means a lump sum previously paid to any person from the overseas scheme if such lump sum has been, or was treated as being, wholly or partly exempt from tax under the jurisdiction in which it was paid and, if different, received;

"relevant amount previously transferred" means an amount previously transferred into the overseas scheme from any other scheme whether an approved Jersey scheme or an overseas scheme;

"serious ill health" is to be construed in accordance with Article 130(3)(b) as if 'pension holder' had the same meaning given by this paragraph.

(2) For the purposes of paragraphs (4), (5) and (6) –

(a) the reference to the commencement of benefits in relation to an overseas scheme is a reference to whichever is the earliest of –

(i) the receipt by the pension holder of a lump sum (whether or not by way of commutation) of part of the fund value of the overseas scheme,

(ii) the day from which income from the overseas scheme is paid to the pension holder, whether or not the pension holder actually receives a payment on that day, or

(iii) the pension holder attaining the age of 75; and

(b) where –

(i) a pension holder transfers the whole or part of his or her fund value from an overseas scheme or an approved Jersey scheme to an overseas scheme, and

(ii) benefits have commenced from the scheme from which the fund value is transferred,

benefits shall be taken to have commenced from the overseas scheme to which the fund value is transferred.

(3) Subject to paragraph (5), a lump sum paid from an overseas scheme on or after 27th March 2015 to any of the following –

(a) a pension holder who is resident in Jersey at the time of the payment;

(b) if paragraph (4) does not apply, the pension holder's estate if that estate is situated in Jersey;

(c) if paragraph (4) does not apply, any person who is resident in Jersey at the time of payment,

shall be exempt from income tax to the extent that the lump sum does not exceed 30% of the net fund value.

(4) Where, before the commencement of benefits from an overseas scheme, a pension holder dies or is in serious ill health, a lump sum representing the same amount as the whole fund value and paid –

(a) in the case of death –

(i) to the pension holder's estate if that estate is situated in Jersey, or

(ii) to any other person who is resident in Jersey at the time of the payment; or

(b) in the case of serious ill health, to the pension holder who is resident in Jersey at the time of payment,

shall be exempt from income tax.

(5) A person who is described in paragraph (3)(a) or (c), or in the case of (3)(b) a representative of the pension holder's estate, may elect for 30% of the lump sum from the overseas scheme to be exempt from income tax instead of it being exempt from income tax in accordance with paragraph (3), if –

(a) benefits from the overseas scheme commenced on or after 27th March 2015;

(b) except where paragraph (6) applies, the election is made by the end of 31st July in the year following the year of assessment in which benefits from the overseas scheme commenced;

(c) the election is in such form as the Comptroller determines; and

(d) the election applies to all lump sums paid to that person from the scheme.[761]

(6) Where benefits from the overseas scheme commenced in the year of assessment 2015, the election under paragraph (5) must be made on or before 28th July 2017.

(7) An election under paragraph (5) is not allowed if –

(a) an amount has been transferred to the overseas scheme from an approved Jersey scheme or another overseas scheme; and

(b) benefits have commenced from that Jersey approved scheme or other overseas scheme.

(8) An election under paragraph (5) shall be irrevocable.

*Withdrawal of approval and appeals*[762]

## 131P Withdrawal of approval[763]

(1) The Comptroller may withdraw an approval under this Part if it appears to the Comptroller that the facts concerning the approved scheme, contract or trust, or its administration, do not warrant the continuance of approval.

(2) The Comptroller may withdraw an approval under this Part in part if and to the extent that it appears to the Comptroller that the facts concerning the approved scheme, contract or trust, or its administration, do not warrant the continuance of approval.

(3) The Comptroller shall give written notice of the withdrawal of approval, the grounds for withdrawal and the date on which the withdrawal takes effect to –

(a) the scheme manager and any person connected with the scheme manager;

(b) any person whose acts or omissions are a reason for the withdrawal;

(c) any person who has benefitted from the acts or omissions which are a reason for the withdrawal; or

(d) any person connected with a person mentioned in sub-paragraph (c).

(4) Where the Comptroller gives a notice under paragraph (3) to a person other than the scheme manager, the Comptroller shall inform the scheme manager that the notice has been given.

(5) A withdrawal of approval may take effect on a day that is earlier than the day the notice is given under paragraph (3), but shall not be earlier than the day on which the grounds for withdrawal appear to the Comptroller to have arisen.

(6) Upon the withdrawal of approval taking effect, a person given notice under paragraph (3) shall be liable to income tax under Schedule D Case VI at the rate of 50% on an amount equal to whichever, on the day on which the withdrawal takes effect, is the greater of –

(a) the market value of the assets held for the purposes of the scheme, contract or trust; or

(b) the aggregate of –

(i) contributions to the scheme, contract or trust, including transfers from other schemes, contracts or trusts, and

(ii) income accrued from investments or deposits of the scheme, contract or trust.

(7) Where the Comptroller is unable to ascertain either or both of the amounts described in paragraph (6)(a) and (b), the Comptroller may, for the purposes of raising an assessment of the liability to tax under that paragraph, estimate the amount that he or she is unable to ascertain.

(8) The Comptroller may, at the time that the Comptroller raises an assessment under paragraph (6), decide to abate the liability to tax under that paragraph by an amount which is, having regard to the relevant circumstances, just and reasonable.[764]

(9) Where all or any of the tax charged under paragraph (6) remains unpaid –

(a) the Comptroller may give a further notice under paragraph (3) to any of the persons there mentioned who has not previously been given notice; and

(b) the person to whom the further notice is given shall be liable to so much of the tax charged under paragraph (6) as remains unpaid.

### 131Q Appeals against decisions of the Comptroller under this Part[765]

(1) A person aggrieved by any decision of the Comptroller –

(a) to refuse to approve a scheme, contract or trust under this Part;

(b) to impose additional conditions or requirements on the approval of such a scheme, contract or trust;

(c) to withdraw the approval of such a scheme, contract or trust, whether wholly or in part;

(d) to refuse approval under Article 131(15);

(da) to refuse approval under Article 131(15A);

(e) to refuse approval under Article 131CG (2)(a) or (4);

(f) to disagree, under Article 131CG(7), that a scheme is an equivalent scheme;

(g) to refuse approval under Article 131D(5)(a);

(h) to refuse to give a direction under Article 131K(3); or

(i) under Article 131P(8),

may appeal to the Commissioners.[766]

(2) Part 6 applies, with the necessary modifications, to an appeal under paragraph (1) as if it were an appeal against an assessment.[767]

*Miscellaneous*[768]

### 131R Order-making powers[769]

(1) The Minister may by Order specify –

(a) information and particulars that must be delivered to the Comptroller by an applicant for any approval under this Part;

(b) the manner in which an application for any approval under this Part must be made;

(c) the process for the grant or refusal of any approval under this Part;

(d) information and particulars that must be delivered to the Comptroller by any specified person where any claim for relief under this Part is made;

(e) information and particulars that must be delivered to the Comptroller by any specified person regarding the dates and amounts of any contributions and the persons by whom they were made; and

(f) the manner in which any claim for relief under this Part is to be made.

(2) The Minister may by Order require scheme managers to notify the Comptroller of the date and amount of any payment from any scheme, contract or trust approved under this Part and the person to whom the payment was made.

(3) The Minister may by Order prescribe any matter that shall or may be prescribed under this Part.

### 132 Purchased life annuities

(1) A purchased life annuity (not being of a description excepted by paragraph (7)) shall, for the purposes of the provisions of this Law relating to tax on annuities and other

annual payments, be treated as containing a capital element and, to the extent of that capital element, as not being an annual payment or in the nature of an annual payment; but the capital element in such an annuity shall be taken into account in computing profits or gains or losses for other purposes of this Law in any circumstances in which a lump sum payment would be taken into account.

(2) In the case of any purchased life annuity to which this Article applies –

(a) the capital element shall be determined by reference to the amount or value of the payments made or other consideration given for the grant of the annuity;

(b) the proportion which the capital element in any annuity payment bears to the total amount of that payment shall be constant for all payments on account of the annuity;

(c) where neither the terms of the annuity nor the amount of any annuity payment depends on any contingency other than the duration of a human life or lives, that proportion shall be the same proportion which the total amount or value of the consideration for the grant of the annuity bears to the actuarial value of the annuity payments as determined in accordance with the next following paragraph; and

(d) where sub-paragraph (c) does not apply, the said proportion shall be such as may be just, having regard to that sub-paragraph and to the contingencies affecting the annuity.

(2A) Where, in the case of any purchased life annuity to which this Article applies, the amount of any annuity payment (but not the term of the annuity) depends on any contingency other than the duration of a human life or lives –

(a) the capital element shall be determined by reference–

(i) to the amount or value of the payments made or other consideration given for the grant of the annuity (in this paragraph referred to as the "purchase price" of the annuity), and

(ii) to the expected term of the annuity, as at the date when the first annuity payment began to accrue, expressed in years (and any odd fraction of a year), and determined by reference to the prescribed tables of mortality,

and in clause (ii) the word "term" means the period from the date when the first annuity payment begins to accrue to the date when the last payment becomes payable;

(b) the capital element in any annuity payment made in respect of a period of 12 months shall be an amount equal to a fraction

$$\frac{1}{E}$$

of the purchase price, where E is the said expected term;

(c) the capital element in any annuity payment made in respect of a period of less than, or more than, 12 months shall be the amount referred to in sub-paragraph (b), reduced or, as the case may be, increased, in the same proportion as the length of that period bears to a period of 12 months;

(d) paragraph (2) shall not apply, but paragraph (3)(a) and (b) thereof shall apply, as they apply to that paragraph,

and in applying paragraph (2)(d), where both the amount and the term of the annuity depend on any contingency other than the duration of a human life or lives, regard

shall be had to this paragraph (and not to the said paragraph (2)(c)) as well as to the contingencies affecting the annuity.[770]

(3) For the purposes of paragraph (2) –

(a) any entire consideration given for the grant of an annuity and for some other matter shall be apportioned as appears just (but so that a right to a return of premiums or other consideration for an annuity shall not be treated for this purpose as a distinct matter from the annuity);

(b) where it appears that the amount or value of the consideration purporting to be given for the grant of an annuity has affected, or has been affected by, the consideration given for some other matter, the aggregate amount or value of those considerations shall be treated as one entire consideration given for both and shall be apportioned under sub-paragraph (a) accordingly; and

(c) the actuarial value of any annuity payments shall be taken to be their value as at the date when the first of those payments begins to accrue, that value being determined by reference to the prescribed tables of mortality and without discounting any payment for the time to elapse between that date and the date it is to be made.

(4) Where a person making a payment on account of any life annuity has been notified in the prescribed manner of any decision as to its being or not being a purchased life annuity to which this Article applies or as to the amount of the capital element (if any), and has not been notified of any alteration of that decision, the notice shall be conclusive as to those matters for the purpose of determining the amount of tax which the person is entitled or required to deduct from the payment, or for which the person is chargeable in respect of it.

(5) Where a person making a payment on account of a purchased life annuity to which this Article applies has not been notified in the prescribed manner of the amount of the capital element, the amount of tax which the person is entitled or required to deduct from the payment, or for which the person is chargeable in respect of it, shall be the same as if the annuity were not a purchased life annuity to which this Article applies.

(6) Any person carrying on a business of granting annuities on human life shall be entitled to repayment of tax borne by the person by deduction or otherwise for any year of assessment up to the amount of tax which, if this Article had not been passed, the person would have been entitled to deduct and retain on making payments due in that year of assessment on account of life annuities and which in accordance with this Article the person has not deducted.

(7) This Article shall not apply –

(a) to any annuity which would, apart from this Article, be treated for the purposes of the provisions of this Law relating to tax on annuities and other annual payments as consisting to any extent in payment or repayment of a capital sum;

(b) to any annuity where the whole or part of the consideration for the grant of the annuity consisted of sums for a contract for a deferred annuity securing a capital sum on death, whether in conjunction with any other benefit or not;

(ba) to any annuity where the whole or part of the consideration for the grant of the annuity consisted of sums satisfying the conditions for relief from tax under Article 131B or 131CA;

(c) to any annuity purchased in pursuance of any direction in a will, or to provide for an annuity payable by virtue of a will or settlement (whether with or without resort to capital);

(ca) to any annuity purchased in satisfaction of a droit de douaire or a droit de viduité;

(d) to any annuity purchased under or for the purposes of any sponsored superannuation scheme or to any other annuity purchased by any person in recognition of another's services (or past services) in any office or employment; or

(e) to any annuity where the whole or part of the consideration for the grant of the annuity consisted of sums withdrawn from an approved drawdown contract or an approved trust.[771]

(8) The Minister may by Order prescribe anything which is to be prescribed under this Article and any such Order may apply, for the purposes of this Article and of the Order, any provision of this Law (with or without modifications) and may, in particular, make provision as to all or any of the following matters, that is to say –

(a) as to the information to be furnished in connection with the determination of any question whether an annuity is a purchased life annuity to which this Article applies, or what is the capital element in an annuity, and as to the persons who may be required to furnish any such information;

(b) as to the manner of giving effect to a decision on any such question and (notwithstanding anything in Article 86) as to the making of assessments for the purpose on the person entitled to the annuity;

(c) as to the extent to which the decision on any such question is to be binding, and the circumstances in which it may be reviewed.

(9) In this Article –

"life annuity" means an annuity payable for a term ending with (or at a time ascertainable only by reference to) the end of a human life, whether or not there is provision for the annuity to end during the life on the expiration of a fixed term or on the happening of any event or otherwise, or to continue after the end of the life in particular circumstances;

"purchased life annuity" means a life annuity granted for consideration in money or money's worth in the ordinary course of a business of granting annuities on human life;

"sponsored superannuation scheme" means any scheme or arrangement relating to service in particular offices or employments and having for its objects or one of its objects to make provision in respect of persons serving therein against future retirement or partial retirement, against future termination of service through death or disability, or against similar matters, being a scheme or arrangement under which any part of the cost of the provision so made is or has been borne otherwise than by those persons by reason of their service; but for this purpose a person shall be treated as bearing by reason of his or her service the cost of any payment in respect of his or her service, if that payment is treated for the purposes of this Law as increasing his or her income, or would be so treated if the person were chargeable to tax under Case II of Schedule D in respect of his or her emoluments from that service.

(10) This Article shall extend to life annuities whenever purchased or commenced.

# PART 20

## SPECIAL PROVISIONS AS TO LIFE ASSURANCE COMPANIES, INVESTMENT BUSINESSES AND SAVINGS BANKS

### 133 Relief to life assurance companies and others in respect of expenses of management

(1) Where an assurance company carrying on life assurance business, or any company whose business consists mainly in the making of investments, and the principal part of whose income is derived therefrom, or any savings bank or other bank for savings, claims and proves to the satisfaction of the Comptroller that, for any year of assessment, it has been charged to tax by deduction or otherwise, and has not been charged in respect of its profits in accordance with the provisions of this Law applicable to Case I of Schedule D, the company or bank shall be entitled to repayment of so much of the tax paid by it as is equal to the amount of the tax on any sums disbursed as expenses of management (including commissions) for that year:

Provided that –

(a) relief shall not be given under this Article so as to make the tax paid by the company or bank less than the tax which would have been paid if the profits had been charged in accordance with the said provisions;

(aa) in the case of a company whose business consists mainly in the making of investments, relief shall only be given under this Article for interest of money as an expense of management in accordance with Article 90AB, 90AC or 90AD;[772]

(ab) the company or bank shall not be entitled to repayment of any tax deducted under Article 88(2) or (3) from a dividend paid to the company or bank;

(b) the amount of any fines, fees or profits arising from reversions in the case of an assurance company and, in the case of any other company or any such bank, the amount of any income or profits derived from sources not charged to tax, shall be deducted from the amount treated as expenses of management for the year;

(ba) where a company whose business consists mainly in the making of investments would, apart from this proviso, be entitled to repayment of tax for any year of assessment in respect of emoluments of an office or employment arising in that year which are not paid before the end of the following year of assessment the Comptroller, if he or she is of the opinion that the main purpose of deferral of payment of the emoluments is the avoidance or reduction of the liability of any person to income tax, may refuse to allow them as expenses of management; and

(c) in calculating profits arising from reversions, the company may set off against those profits any loss arising from reversions for any previous year during which any enactment granting this relief was in operation.[773]

(1A) In paragraph (1)(ba) of this Article the time when emoluments are paid shall be determined in accordance with Article 65A as if "paid" were substituted for "received" throughout that Article.[774]

(2) Where, on a claim for relief under this Article made by a company or bank for any year of assessment in respect of the sums disbursed by it as expenses of management

(including commissions) for that year, relief is disallowed in respect of the whole or part of those sums by reason only of the provisions of paragraph (1)(a), the amount in respect of which relief has been so disallowed may be carried forward and treated for the purposes of this Article as if it had been disbursed as aforesaid for any subsequent year of assessment:

Provided that relief in respect of an amount so carried forward shall be given for the first year of assessment next following, in so far as relief can be so given in accordance with the provisions of this Article in respect of that amount as well as in respect of the sums actually disbursed as aforesaid for that year, and so far as it cannot be so given, then for the next year of assessment, and so on.[775]

(3) If effect cannot be given, or cannot be fully given, to paragraph (1) because the company or bank has not been charged to tax for that year by deduction or otherwise, or because the sums disbursed for that year exceed the amount on which the company or bank has been charged to tax for that year, an amount equal to the sums disbursed, less any amount on which the company or bank has been so charged, may be carried forward and treated for the purposes of this Article as if it had been disbursed for any subsequent year of assessment:

Provided that relief in respect of an amount so carried forward shall be given for the first year of assessment next following, in so far as relief can be given in accordance with the provisions of this Article in respect of that amount as well as in respect of other sums disbursed or treated as disbursed for that year, and so far as it cannot be so given, then for the next year of assessment, and so on.[776]

(4) Notice of any claim under this Article, together with the particulars thereof, shall be given in writing to the Comptroller within 12 months after the expiration of the year of assessment in respect of which the claim is made, and, where the Comptroller objects to such claim, the Commissioners shall hear and determine the same in the like manner as in the case of an appeal to them against an assessment under Schedule D, and the provisions of this Law relating to appeals to the Royal Court shall apply.[777]

(4A) [778]

(6) Where income arising from the investments of the foreign life assurance fund of an assurance company has been relieved from tax in pursuance of the provisions of this Law, a corresponding reduction shall be made in the relief granted under this Article in respect of the expenses of management.

## 134 Taxation of profits of life assurance companies with head office outside Jersey[779]

(1) Where an assurance company, not having its head office in Jersey, carries on life assurance business, industrial life assurance business, general annuity business, pension business or capital redemption business through any branch or agency in Jersey, each class of business shall, for the purposes of this Law, be treated as a separate business from any other class of business carried on by the branch or agency.

(2) The assurance company may, for any year of assessment, be charged in respect of its profits from the branch or agency arising from any class of business carried on by it, in accordance with the provisions of this Law applicable to Case I of Schedule D, or, in accordance with the provisions of this Law, applicable to Cases III, IV and V of Schedule D:

Provided that –

(a) the amount of profits chargeable for the purposes of this Law shall be limited to the amount of profits attributable to the business carried on in Jersey; and

(b) where the amounts of such profits cannot readily be determined, the company shall be liable upon the same proportion of its total profits computed in accordance with the provisions of this Law as the amount of premiums received in that year from policy holders resident in Jersey and from policy holders resident abroad whose proposals were made to the company at or through its branch or agency in Jersey bears to the total amount of the premiums received by the company, or on such other proportion or part of such total profits as the Comptroller may agree with the company.

(3) Where an assurance company, not having its head office in Jersey, is charged under the provisions of this Law applicable to Cases III, IV and V on a proportion of its total profits, the relief in respect of expenses of management due under Article 133 shall be calculated by reference to a like proportion of its total expenses of management for the year, calculated according to the provisions of this Law.[780]

# PART 20A

## GENERAL PROVISION AGAINST LEGAL AVOIDANCE[781]

### 134A Power of Comptroller to make assessment to prevent avoidance of income tax[782]

(1) If the Comptroller is of the opinion that the main purpose, or one of the main purposes, of a transaction, or a combination or series of transactions, is the avoidance, or reduction, of the liability of any person to income tax, the Comptroller may, subject as hereinafter provided, make such assessment or additional assessment on that person as the Comptroller considers appropriate to counteract such avoidance or reduction of liability:

Provided that no assessment or additional assessment shall be made under this Article if the person shows to the satisfaction of the Comptroller either –

(a) that the purpose of avoiding or reducing liability to income tax was not the main purpose or one of the main purposes for which the transaction, or the combination or series of transactions was effected; or

(b) that the transaction was a bona fide commercial transaction, or that the combination or series of transactions was a bona fide combination or series of transactions and was not designed for the purpose of avoiding or reducing liability to income tax.[783]

(2) The provisions of this Law shall apply to any assessment or additional assessment made under this Article as if it had been made in pursuance of Part 5.

(3) Without prejudice to the generality of paragraph (2), any person who is aggrieved by any assessment or additional assessment made on the person under this Article shall be entitled to appeal to the Commissioners on the ground that –

(a) the avoidance, or reduction, of the liability of that person to income tax was not the main purpose, or one of the main purposes, of the transaction, or the combination or series of transactions;

(b) the transaction was a bona fide commercial transaction, or that the combination or series of

transactions and was not designed for the purpose of avoiding or reducing liability to income tax; or

(c) that the person has been overcharged by the assessment or additional assessment,

and all the provisions of this Law relating to appeals against any assessment shall apply to any appeal made under this Article.[784]

# PART 21

SPECIAL PROVISIONS AS TO MINISTERS OF RELIGION

## 135 Deduction in respect of expenditure and houses of ministers of religion

(1) In assessing the tax chargeable under any Schedule on a clergyman or minister of any religious denomination, the following deductions may be made from any profits, fees or emoluments of the clergyman or minister's profession or vocation –

(a) any sums of money paid or expenses incurred by the clergyman or minister wholly, exclusively and necessarily in the performance of his or her duty as a clergyman or minister;

(b) a part of the rent (not exceeding 1/8) paid by the clergyman or minister in respect of a dwelling-house any part of which is used mainly and substantially for the purposes of his or her duty as such clergyman or minister,

and where any such clergyman or minister is in the occupation of a dwelling-house, but pays no rent therefor, the clergyman or minister shall for the purposes of the foregoing provision be deemed to pay a rent equal to the annual value of the dwelling-house as assessed to tax under Schedule A.

(2) If no such deduction has been made, a proportionate part of the tax paid by the clergyman or minister shall be repaid to the clergyman or minister.[785]

# PART 21A[786]

SPECIAL PROVISION FOR PERSON GRANTED 1(1)(K) HOUSING CONSENT OR ENTITLED STATUS UNDER REGULATION 2(1)(E)

## 135A Persons granted 1(1)(k) housing consent or Entitled status under Regulation 2(1)(e)[787]

(1) This Article applies to determine the basis of taxation of a person who –

(a) has, pursuant to a 1(1)(k) housing consent, acquired land or property conferring a right to occupy land (such consent not having been revoked); or

(b) has been granted Regulation 2(1)(e) status (such status not having been revoked or relinquished),

and such persons are referred to generically in this Article as "high value residents".[788]

(2) Paragraph (3) applies where –

(a) the consent mentioned in paragraph (1)(a) was granted following an application for such consent made on or after 22nd July 2011;

(b) subject to paragraph (2A)(b), the Regulation 2(1)(e) status was granted before 1st January 2018 and was not a deemed grant under the Control of Housing and Work (Transitional and Consequential Provisions) (Jersey) Regulations 2013; or

(c) the consent mentioned in paragraph (1)(a) was granted following an application for such consent made before 22nd July 2011 and, before 1st January 2018 –

(i) the high value resident applied to the Minister for paragraph (3), as it was then in force, to apply to him or her, and

(ii) the Minister granted that application in accordance with paragraph (6) as it was then in force.[789]

(2A) Paragraph (3A) applies where –

(a) the Regulation 2(1)(e) status is granted on or after 1st January 2018 and before 14th July 2023, and the person to whom it is granted has become a person on whom tax is chargeable under this Law on or before 31st December 2023;

(b) the Regulation 2(1)(e) status is granted before 1st January 2018, and the person to whom it is granted –

(i) is not, at that date, but

(ii) becomes, on or after 1st January 2019 and on or before 31st December 2023,

a person on whom tax is chargeable under this Law; or

(c) in the case of any other person who is, before 1st January 2018, a high value resident –

(i) the person makes an application to the Comptroller (in such form, if any, as the Comptroller may require) for paragraph (3A) to apply to him or her, and

(ii) the Comptroller grants the application (subject to such conditions, if any, as the Comptroller may determine).[790]

(2B) Paragraph (3A)(b) only shall further apply in any case where –

(a) a high value resident makes an application to the Comptroller (in such form, if any, as the Comptroller may require) for paragraph (3A)(b) to apply to him or her; and

(b) the Comptroller grants the application (subject to such conditions, if any, as the Comptroller may determine).[791]

(2C) Paragraph (3B) applies where –

(a) the Regulation 2(1)(e) status is granted on or after 14th July 2023; or

(b) the Regulation 2(1)(e) status is granted before 14th July 2023, and the person to whom it is granted –

(i) is not, at that date, but

(ii) becomes, on or after 1st January 2024,

a person on whom tax is chargeable under this Law.[792]

(3) Where this paragraph applies and, for a year of assessment, so much of the high value resident's income as is chargeable to tax under Schedule D exceeds the

prescribed limit for that year of assessment, the amount of that excess shall (notwithstanding the rate of tax required by Article 1 to be charged for that year of assessment) be charged to tax at the prescribed rate.[793]

(3A) Where this paragraph applies –

(a) if, for a year of assessment, so much of the high value resident's income as is chargeable to tax under Schedule D exceeds the prescribed limit for that year of assessment, the amount of that excess shall (notwithstanding the rate of tax required by Article 1 to be charged for that year of assessment) be charged to tax at the prescribed rate; but

(b) if, for a year of assessment, the aggregate of a high value resident's income chargeable to tax under Schedule A and Schedule D (the "actual income") does not exceed the prescribed limit for that year of assessment –

(i) the high value resident shall be deemed to have received such further amount of income chargeable to tax under Schedule D (the "deemed income") as would (without deduction of any allowances, exemptions or reliefs due under this Law to that person) in addition to his or her actual income, be equal to that prescribed limit, and

(ii) the aggregate amount of the actual income and the deemed income shall be charged to tax at the rate required by Article 1 to be charged for that year of assessment.[794]

(3B) Where this paragraph applies –

(a) if, for a year of assessment, so much of the high value resident's income as is chargeable to tax under Schedule D exceeds the prescribed limit for that year of assessment, the amount of that excess is (despite the rate of tax required by Article 1 to be charged for that year of assessment) charged to tax at the prescribed rate; but

(b) if, for a year of assessment, the aggregate of a high value resident's income chargeable to tax under Schedule A and Schedule D (the "actual income") does not exceed the prescribed limit for that year of assessment –

(i) the high value resident is deemed to have received such further amount of income chargeable to tax under Schedule D (the "deemed income") as would (without deduction of any allowances, exemptions or reliefs due under this Law to that person) in addition to the resident's actual income, be equal to that prescribed limit, and

(ii) the aggregate amount of the actual income and the deemed income is charged to tax at the rate required by Article 1 to be charged for that year of assessment.[795]

(4) In calculating, for the purposes of paragraphs (3), (3A)(a) and (3B)(a), the amount of a high value resident's income chargeable to tax under Schedule D, there shall be disregarded any dividend declared out of profits or gains charged to tax at the standard rate on any body of persons.[796]

(5) Except in the case of a person to whom paragraph (3) applies following an application granted under paragraph (6), in the case of a person who was granted housing consent on or after 1st January 2005 pursuant to an application for 1(1)(k) housing consent made before 22nd July 2011, notwithstanding the rate of tax required by Article 1 to be charged for a year of assessment, where, for that year of assessment, so much of the person's total income as is not Jersey income exceeds the limit prescribed for the purposes of this paragraph for that year, the amount of

the excess shall be chargeable to tax at the rate prescribed for the purposes of this paragraph.

(6) On receiving an application referred to in paragraph (2)(c)(i), in such form as the Minister may determine, the Minister may grant the application if the Minister, after consultation with the Chief Minister, considers that the application of paragraph (3) to the person is justified –

(a) on social or economic grounds or both; and

(b) as being in the best interests of the community.[797]

(7) In granting an application under paragraph (6) the Minister may determine that the application of paragraph (3) to the person is subject to the person complying with such conditions as the Minister may determine.

(8) Any conditions determined by the Minister under paragraph (7) may be amended subsequently by the Minister with the agreement of the person.

(9) No application to the Comptroller under paragraph (2A)(c), or to the Minister under paragraph (6), shall be granted where –

(a) the application is made after 31st October in the first year of assessment in respect of which the application is made; or

(b) the Comptroller or, as the case may be, the Minister has previously granted such an application.[798]

(10) A paragraph of this Article applying to a person by virtue of a grant –

(a) by the Comptroller, of an application made by a person under paragraph (2A)(c) or (2B); or

(b) by the Minister, of an application made by a person under paragraph (6),

shall apply (subject to paragraph (11)) to the person for the year of assessment for which the application is made and for ensuing years.[799]

(11) If a person breaches any condition imposed by the Comptroller or (as the case may be) by the Minister in connection with the grant of such an application as mentioned in paragraph (10), the paragraph applying to that person by virtue of that grant shall cease to apply, in accordance with such transitional arrangements, if any, as the Comptroller or Minister may determine.[800]

(12) The States may by Regulations make provision prescribing limits and rates for the purposes of paragraphs (3), (3A), (3B) and (5) (and in this Article, a reference to a prescribed limit or rate is to a limit or rate so prescribed for the purposes of the paragraph in question), and such provision may in particular specify –

(a) different limits in respect of different cases whereby paragraphs (3), (3A) and (3B) apply; and

(b) different rates applying to different portions of so much of a person's income as is chargeable to tax in accordance with a particular paragraph.[801]

(12A) The Minister shall –

(a) no later than 1st January 2023; and

(b) thereafter, once in each subsequent period of 5 years beginning with that date,

consider whether the prescribed limits and rates continue to be appropriate in all the circumstances for the purposes of this Part.[802]

(12B) Following the consideration described in paragraph (12A), the Minister may recommend to the States such revaluation of the prescribed limits as the Minister may consider appropriate, except that no increase may be recommended which

exceeds the percentage increase, if any, in the RPI in the same period as that in respect of which the Minister's recommendation is made (and for this purpose "RPI" means the Retail Prices Index published by the Office of the Chief Statistician constituted under Article 5(1) of the Statistics and Census (Jersey) Law 2018).[803]

(13) In this Article –

"dividend" includes a distribution made by a company;

"1(1)(k) housing consent" means consent under the Housing (Jersey) Law 1949 for the sale, transfer or lease of any land in the case described in Regulation 1(1)(k) of the Housing (General Provisions) (Jersey) Regulations 1970;

"Jersey income" means –

(a) all annual profits or gains arising or accruing from –

(i) any rents or receipts described in Article 51,

(ii) any kind of property whatever, situated in Jersey,

(iii) any trade exercised in Jersey, whether or not through a fixed place of business in Jersey,

(iv) any profession, employment, vocation or office exercised within Jersey, or

(v) any pension arising in Jersey;

(b) all interest of money and annuities arising in Jersey; and

(c) all sums paid to an individual or an individual's personal representative pursuant to Article 131D or 131E,

and includes any payment to be charged to tax by virtue of Article 86(2)(e);

"Regulation 2(1)(e) status" means the grant of Entitled status under Regulation 2(1)(e) of the Control of Housing and Work (Residential and Employment Status) (Jersey) Regulations 2013.

## 135B Exchange of information for the purposes of Article 135A[804]

(1) Notwithstanding anything in this Law or any other enactment –

(a) the Comptroller or the Minister may disclose information for any purpose connected with the grant and loss of Regulation 2(1)(e) status, to –

(i) the Chief Minister, including an officer in an administration of the States for which the Chief Minister is assigned responsibility, or

(ii) an officer discharging the functions of a housing control manager, and responsible for those functions to the Minister for Social Security; and

(b) an officer mentioned in sub-paragraph (a)(i) or (ii) may disclose information to the Comptroller or Minister for Treasury and Resources for the purposes of the exercise of any function under Article 135A.[805]

(2) A person to whom information is disclosed pursuant to paragraph (1) shall use it only for the purposes for which it is disclosed.

(3) In this Article –

"officer" has the same meaning as in Article 26 of the States of Jersey Law 2005;

"Regulation 2(1)(e) status" has the same meaning as in Article 135A.

# PART 21B[806]

SPECIAL PROVISIONS FOR LIMITED LIABILITY COMPANIES (LLCS)

## 135C Secretary to provide returns

(1) The Comptroller may, by notice, require the secretary of an LLC to provide a true, complete and correct return containing –

(a) the LLC's financial statements for a financial period, including the amount of total income of the LLC for a financial period;

(b) for each member of the LLC –

(i) the member's name and address, and

(ii) the proportion of the profits of the LLC for the financial period to which the member is entitled in accordance with Article 31 of the Limited Liability Companies (Jersey) Law 2018; and

(c) any other information required by the Comptroller.

(2) The notice requiring the return may be –

(a) a general notice, published in a manner the Comptroller considers appropriate; or

(b) a notice served on the secretary by the Comptroller.

(3) A return required under this Article must include a declaration by the person preparing and delivering it that, to the best of the person's knowledge and belief, the return contains all of the required information and is true, complete and correct.

(4) In this Article, "secretary" has the meaning given in Article 1(1) of the Limited Liability Companies (Jersey) Law 2018.

## 135D Income and property attributable to members

(1) For the purposes of this Law, –

(a) the income of an LLC must be treated as the income of its members; and

(b) the property of an LLC must be treated as the property of its members.

(2) The income of a member of an LLC for a financial period includes the proportion of the LLC's income that is attributable to the member for the financial period (regardless of the amount actually distributed to the member during the financial period).

(3) The proportion of an LLC's income that is attributable to a member is the same as the proportion of the profits of the LLC to which the member is entitled in accordance with Article 31 of the Limited Liability Companies (Jersey) Law 2018.

(4) In determining a member's income, the Comptroller may rely on information included in a return required under Article 135C.

## 135E Residence of LLCs and members

(1) An LLC is resident in Jersey for tax purposes unless its business is centrally managed and controlled in a country or territory outside of Jersey where –

(a) the highest rate at which an LLC or its members may be charged to tax on any part of its income is 10% or higher; or

(b) the LLC or its members are required to satisfy a test that is substantially the same as the economic substance test in Article 5 of the Taxation (Companies – Economic Substance) (Jersey) Law 2019.

(2) In determining whether a member of an LLC has a permanent establishment in Jersey, a permanent establishment of the LLC must be treated as being a permanent establishment of the member.

### 135F Other duties of LLCs unaffected

Nothing in this Part affects the separate legal personality of an LLC or any duties of an LLC under this Law as an employer or building contractor.

## PART 22

GENERAL PROVISIONS AS TO PROSECUTIONS AND PENALTIES

### 136 [807]

### 137 Penalties for fraudulently making incorrect statements, etc.[808]

(1) In this Article "return" means any particulars, return, declaration, accounts, statement, list or similar, which a person provides to the Comptroller under, or for the purpose, of any of the following –

(a) Article 16 of the Income Tax Law;

(b) a claim for an allowance, deduction or relief under the Income Tax Law;

(c) ascertainment by the Comptroller of any person's liability to income tax;

(d) any other purpose under the Income Tax Law.[809]

(2) If a person fraudulently provides a return that is incorrect in a material particular, the person is guilty of an offence.

(3) A person guilty of an offence under paragraph (2) is liable to imprisonment for a term of 15 years and to a fine.

(4) Any person who aids, abets, counsels or procures the commission of an offence under this Article is also guilty of the offence and liable in the same manner as a principal offender to the penalty provided for in paragraph (3).

(5) For the avoidance of doubt, for the purposes of this Article any accounts submitted on behalf of any person, are deemed to have been submitted by the person unless he or she proves that they were submitted without his or her consent or connivance.

(6) A person's acquittal of an offence under this Article does not preclude the Comptroller from exercising his or her powers under Article 13 of the Revenue Administration (Jersey) Law 2019 to serve notice of a penalty on that person.

**138** [810]

## 139 Penalty for refusing to allow deduction of tax, and avoidance of agreements for payment without deduction

(1) A person who refuses to allow a deduction of tax authorized by this Law to be made out of any payments commits an offence and is liable to a fine not exceeding level 2 on the standard scale.[811]

(2) Subject to paragraph (3) every agreement for payment of interest or other annual payment in full without allowing any such deduction shall be void.[812]

(3) Paragraph (2) shall not apply to an agreement for payment of interest entered into on or after the first day of January 2004.[813]

## 141 Penalties to belong to States' revenues

All penalties recovered under this Law shall be paid into the consolidated fund.

# PART 22A[814]

POWERS TO ENTER PREMISES

## 141A Interpretation of this Part[815]

In this Part –

"authorized person" means the Comptroller or any person authorized by the Comptroller to perform functions under this Part;

"business document" means any document –

(a) that relates to the carrying on of a business, trade, profession or vocation by any person; and

(b) that forms part of any record under any enactment;

"business premises" means premises used in connection with the carrying on of a business, trade, profession or vocation.

## 141B Power to enter business premises and examine business documents[816]

(1) An authorized person may examine and take copies of any business document that is located on business premises.

(2) The power under paragraph (1) may be exercised only for the purpose of facilitating the exercise of the Comptroller's functions under this Law.

(3) An authorized person may at any reasonable hour enter business premises for the purpose of exercising the power under paragraph (1).

(4) An authorized person may by notice require any person to produce any specified business document at the business premises where the business document is located for the purpose of enabling the authorized person to exercise the power under paragraph (1) in relation to that document.

(5) An authorized person shall not exercise the powers under this Article in respect of any document which a person would, in an action in Court, be entitled to refuse to disclose or produce on the grounds of legal professional privilege.

### 141C Obstructing an authorized person[817]

(1) A person shall be guilty of an offence if, without reasonable excuse, the person –

(a) obstructs an authorized person in the exercise of the authorized person's powers under Article 141B; or

(b) fails to provide such reasonable assistance as an authorized person may require when the authorized person is exercising his or her powers under Article 141B.

(2) A person who intentionally alters, suppresses or destroys any business document that has been specified in a notice under Article 141B(4) shall be guilty of an offence.

(3) A person who is guilty of an offence under paragraph (1) shall be liable to imprisonment for a term of 6 months and to a fine.

(4) A person who is guilty of an offence under paragraph (2) shall be liable to imprisonment for a term of 5 years and to fine.

## PART 23

MISCELLANEOUS PROVISIONS

### 142 Provisions for giving effect to any increase, during any year of assessment, in the standard rate of income tax

(1) The amount of tax payable by virtue of any assessment made before the increase, during the year of assessment, in the standard rate of income tax, shall be treated as varied to such extent as is necessary to give effect to such increase in the standard rate:

Provided that this paragraph shall not apply in the case of income chargeable or under Article 87.[818]

(2) In the case of such income as is mentioned in the proviso to paragraph (1), any deficiencies in the amount of tax deducted from any payment (being a deficiency arising by reason of the increase in the standard rate) shall, so far as possible, be made good by increasing the deduction required or authorized by law to be made from the next payment, by an amount equal to the amount of the deficiency and the deficiency so made good shall be accounted for and assessed in the same manner as the tax deducted from the original payment.

(3) Where, in any year of assessment, any payments have been made on account of any such income as is mentioned in the proviso to paragraph (1) previously to the passing of the Act imposing the tax for that year, and tax has not been charged thereon or deducted therefrom or has not been charged thereon or deducted therefrom at the rate ultimately imposed for that year, and it is not possible to make good the deficiency under paragraph (2), the amount not so charged or deducted shall be charged under Schedule D in respect of those payments as profits or gains not charged by virtue of any other Schedule under Case VI of Schedule D, and the agents entrusted with the payment of such income or the person by or through whom the

payments were made, as the case may be, shall, on requisition made by the Comptroller, furnish to the Comptroller a list containing the names and addresses of the persons to whom payments have been made, the amounts of those payments and the amounts of tax deducted.

(4) Where, during any year of assessment, the standard rate of income tax is increased, any person liable to pay any interest, annuity, or any royalty or other sum in respect of the user of a patent, or to make any other annual payment, shall be authorized to make, on the occasion of the next payment, any deduction on account of tax which the person has failed to make or to make up any deficiency in any such deduction which has been so made, in addition to any other deduction which he or she may be by law authorized to make, and shall also be entitled, if there is no future payment from which the deduction may be made, to recover the sum which might have been deducted as if it were a debt due from the person against whom the deduction could originally have been made if the standard rate of income tax had then been so increased.

This paragraph shall also apply to any preference dividend from which a deduction of tax may be made under Article 88.

(5) Where on payment of a dividend (not being a preference dividend) income tax has, under Article 88, been deducted therefrom by reference to a standard rate of tax lesser than the standard rate for the year in which the dividend became due, the net amount received shall, for all the purposes of this Law, be deemed to represent income of such an amount as would, after deduction of tax by reference to the standard rate last mentioned, be equal to the net amount received, and for the said purposes there shall, in respect of that income, be deemed to have been paid by deduction of tax of such an amount as is equal to the amount of tax on that income computed by reference to the standard rate last mentioned.

(6) In paragraphs (4) and (5), the expression "preference dividend" means –

(a) a dividend payable on a preferred share at a fixed gross rate %; or

(b) where a dividend is payable on a preferred share partly at a fixed gross rate % and partly at a variable rate, such part of that dividend as is payable at a fixed gross rate %, and

the expression "share" includes stock.

(7) In paragraph (5), "dividend" includes a distribution made by a company.[819]

## 142A Power to make Regulations relating to personal injury lump sum payments[820]

The States may by Regulations amend this Law so as to make provision for the taxation, including exemption from taxation, of income arising from the investment of lump sum payments awarded by a court by way of damages in respect of future pecuniary loss in personal injury cases.

## 143 Power to make Regulations relating to other legal entities[821]

(1) In this Article –

(a) "body" means a body of persons whether corporate or unincorporated;

(b) "relevant time" means, in respect of a body, the date that Regulations under paragraph (2) applying to that body come into force.

(2) The States may, by Regulations, amend this Law to make provision for any matter relating to the assessment and collection of income tax of a body formed under an enactment if, immediately before the relevant time, there is no provision in this Law which refers to that enactment.

(3) For the purposes of paragraph (2), a body is formed under an enactment if the enactment makes provision for any of the following matters –

(a) its registration or equivalent;

(b) whether or not it is a body corporate;

(c) the circumstances in which it may cease to be a body under that enactment.

### 143AA Power to make Regulations relating to companies in the cannabis industry[822]

(1) The States may, by Regulations, amend this Law to provide for the taxation of the profits of companies whose business involves or relates to cannabis or its derivatives.

(2) Regulations made under this Article may apply –

(a) to all companies whose business involves or relates to cannabis or its derivatives; or

(b) to only some of those companies, based on –

(i) the types of activities that the companies undertake,

(ii) the proportion of the companies' activities or profits that relate, or do not relate, to cannabis or its derivatives, or

(iii) any other matter that the States considers relevant.

### 143A General provisions as to Regulations[823]

Regulations made under this Law may contain such incidental, supplementary, transitional, transitory, consequential or savings provisions as appear to the States to be necessary or expedient.

### 144 Power to make Orders

(1) The Minister may make Orders for any purpose for which Orders may be made under this Law and generally for the purpose of carrying this Law into effect.

(2) [824]

### 145 Delivery and service of notices and forms[825]

(1) A notice, form or similar document that is required to be served on or given to a person under this Law may be –

(a) delivered to the person personally;

(b) sent to the person by post at the person's usual or last known place of abode or place of business;

(c) if the person is a company, sent to the company's registered office or place of business; or

(d) sent by any means of electronic communication.

(2) A notice that is required to be served on or given to a person under this Law may be included within any other notice.

(3) A person may request in writing that a notice, form or other document be served (by any of the methods in paragraph (1)), to the person's appointed agent.

(4) The Comptroller must not unreasonably refuse a request.

(5) In this Article, "electronic communication" –

(a) has the meaning given in Article 1(1) of the Electronic Communications (Jersey) Law 2000; and

(b) includes making a notice, form or document available for electronic retrieval.

### 149A Savings and transitional provisions: general

(1) Schedules 5 and 6 shall have effect to make transitional provisions and savings consequential upon amendments to this Law.[826]

(2) The Minister may by Order amend Schedules 5 and 6.[827]

### 149B Savings and transitional provisions: taxation of certain married people and civil partners in 2025[828]

Schedule 7 contains savings and transitional provisions that alter the imposition of income tax for the 2025 year of assessment on people who are married or in a civil partnership.

## PART 24

CITATION

### 150 Citation

This Law may be cited as the Income Tax (Jersey) Law 1961.

# SCHEDULE A1[829]

(Article 3(1))

## "TRADING COMPANY" DEFINED

### 1 Interpretation of Schedule A1

(1) In this Schedule –

"group of companies" means a company which has one or more 51% subsidiaries, together with those subsidiaries;

"holding company" means a company which has one or more 51% subsidiaries;

"joint venture company" has the meaning given in paragraph 4(2);

"qualifying shareholding", in relation to a joint venture company, has the meaning given in paragraph 4(4);

"trading group" has the meaning given in paragraph 3.

(2) References in this Schedule to the acquisition of an asset that was provided rather than acquired, by the person disposing of it, are references to its provision.

### 2 "Trading company" defined

(1) In this Law, "trading company" means a company carrying on trading activities whose activities do not include to a substantial extent activities other than trading activities.

(2) For the purposes of sub-paragraph (1), "trading activities" means activities carried on by the company –

(a) in the course of, or for the purposes of, a trade being carried on by it;

(b) for the purposes of a trade that it is preparing to carry on;

(c) with a view to its acquiring or starting to carry on a trade; or

(d) with a view to its acquiring a significant interest in the share capital of another company that –

(i) is a trading company or the holding company of a trading group, and

(ii) if the acquiring company is a member of a group of companies, is not a member of that group.

(3) Activities do not qualify as trading activities under sub-paragraph (2)(c) or (d) unless the acquisition is made, or (as the case may be) the company starts to carry on the trade, as soon as is reasonably practicable in the circumstances; however merely holding a significant interest in the share capital of another company does not qualify as a trading activity under sub-paragraph (2).

(4) The reference in sub-paragraph (2)(d) to the acquisition of a significant interest in the share capital of another company is to an acquisition of ordinary share capital in the other company –

(a) such as would make that company a 51% subsidiary of the acquiring company; or

(b) such as would give the acquiring company a qualifying shareholding in a joint venture company without making the 2 companies members of the same group of companies.

## 3 Trading group

(1) In this Law "trading group" means a group of companies –

(a) one or more of whose members carry on trading activities; and

(b) the activities of whose members, taken together, do not include to a substantial extent activities other than trading activities.

(2) For the purposes of sub-paragraph (1) "trading activities" means activities carried on by a member of the group –

(a) in the course of or for the purposes of a trade being carried on by any member of the group;

(b) for the purposes of a trade that any member of the group is preparing to carry on;

(c) with a view to any member of the group acquiring or starting to carry on a trade; or

(d) with a view to any member of the group acquiring a significant interest in the share capital of another company that –

(i) is a trading company or the holding company of a trading group, and

(ii) is not a member of the same group of companies as the acquiring company.

(3) Activities do not qualify as trading activities under sub-paragraph (2)(c) or (d) unless the acquisition is made, or (as the case may be) the group member in question starts to carry on the trade, as soon as is reasonably practicable in the circumstances.

(4) The reference in sub-paragraph (2)(d) to the acquisition of a significant interest in the share capital of another company is to an acquisition of ordinary share capital in the other company –

(a) such as would make that company a member of the same group of companies as the acquiring company; or

(b) such as would give the acquiring company a qualifying shareholding in a joint venture company without making the joint venture company a member of the same group of companies as the acquiring company.

(5) For the purposes of this paragraph the activities of the members of the group shall be treated as one business (with the result that activities are disregarded to the extent that they are intra-group activities).

## 4 Qualifying shareholdings in joint venture companies

(1) This Schedule has effect subject to the following provisions where a company (the 'investing company') has a qualifying shareholding in a joint venture company.

(2) For the purposes of this Schedule a company is a 'joint venture company' if, and only if –

(a) it is a trading company or the holding company of a trading group; and

(b) 75% or more of its ordinary share capital (in aggregate) is held by not more than 5 persons.

(3) For the purposes of sub-paragraph (2)(b) the shareholdings of members of a group of companies shall be treated as held by a single company.

(4) For the purposes of this Schedule a company has a 'qualifying shareholding' in a joint venture company if –

(a) it holds 10% or more of the ordinary share capital of the joint venture company; or

(b) it is a member of a group of companies, it holds ordinary share capital of the joint venture company and the members of the group between them own 10% or more of that share capital.

(5) For the purpose of determining whether the investing company is a trading company –

(a) any holding by it of shares in the joint venture company shall be disregarded; and

(b) it shall be treated as carrying on an appropriate proportion –

(i) of the activities of the joint venture company, or

(ii) where the joint venture company is the holding company of a trading group, of the activities of that group.

(6) For the purpose of determining whether a group of companies is a trading group –

(a) every holding of shares in the joint venture company by a member of the group having a qualifying shareholding in that company shall be disregarded; and

(b) each member of the group having such a qualifying shareholding shall be treated as carrying on an appropriate proportion of the activities –

(i) of the joint venture company, or

(ii) where the joint venture company is the holding company of a trading group, of that group.

(7) Sub-paragraph (6) does not apply if the joint venture company is a member of the group.

(8) In sub-paragraphs (5)(b) and (6)(b) 'an appropriate proportion' means a proportion corresponding to the percentage of the ordinary share capital of the joint venture company held by the investing company or, as the case may be, by the group venture concerned.

(9) For the purposes of this paragraph, the activities of a joint venture company that is a holding company and its 51% subsidiaries shall be treated as a single business (so that activities are disregarded to the extent that they are intra-group activities).

# SCHEDULE 1[830]

# SCHEDULE 1A[831]

(Article 49B)

## COLLECTION OF LONG-TERM CARE CONTRIBUTIONS

## PART 1

### 1 Collection of long-term care contributions: payments of instalments

(1) A person who is required to pay instalments of income tax under Article 41A must pay instalments of LTC contributions if the person is an insured person.

(2) The person must pay 2 instalments of LTC contributions, which are due and payable on the same dates as the instalments of income tax.

(3) The amount of a person's first instalment is calculated as follows –

$$A = (\mathrm{B} \times \mathrm{C}) - D$$

Where –

A is the amount of the instalment;

B is 0.5 if the person's income for the year before the year of assessment did not include any earnings, and is 0.4 in any other case;

C is the person's estimated LTC contribution for the year of assessment in which the first instalment is due (determined in accordance with paragraph 2A of Schedule 1D of the Social Security (Jersey) Law 1974); and

D is the amount of LTC contribution already paid for the year of assessment in which the first instalment is due (not including an amount deducted during the year under Article 41B or 41E).

(4) If, at the time the second instalment is payable, an income tax assessment has not been made for a person for the year of assessment, the amount of the person's second instalment is calculated as follows –

$$A = (\mathrm{B} \times \mathrm{C}) - D$$

Where –

A is the amount of the instalment;

B is 0.5 if the person's income for the year before the year of assessment did not include any earnings, and is 0.4 in any other case;

C is the person's estimated LTC contribution for the year of assessment in which the first instalment is due (determined in accordance with paragraph 2A of Schedule 1D of the Social Security (Jersey) Law 1974); and

D is the amount of LTC contribution already paid for the year of assessment (not including an amount deducted during the year under Article 41B or 41E and the amount paid for the first instalment).

(5) If, at the time the second instalment is payable, an income tax assessment has been made for a person for the year of assessment, the amount of the person's second instalment is the lower of –

(a) the person's remaining LTC contribution liability for the year of assessment; and

(b) the amount calculated using the formula in sub-paragraph (4).

(6) If a person's instalment of income tax is waived or reduced under Article 41AA, the person's instalment of LTC contribution is correspondingly waived or reduced and the Comptroller must repay any amount determined to have been overpaid.

(7) The Comptroller must remit a sum received under this Article to the Minister for Social Security.

## 2 Collection of long-term care contributions: combined effective rates

(1) The combined effective rate applicable for a year to an employee who is an insured person is the lower of –

(a) the sum of the rate calculated using the formula in Article 41C(2) and the LTC contribution effective rate determined in accordance with paragraph 4 of Schedule 1D to the 1974 Law, rounded up to the nearest whole number; and

(b) the maximum combined effective rate for the employee in sub-paragraph (2).

(2) The maximum combined effective rate for an employee is –

(a) 22%, if the employee has no arrears of income tax or LTC contributions;

(b) 27%, if the employee has arrears of income tax or LTC contributions for one year of assessment;

(c) 32%, if the employee has arrears of income tax or LTC contributions for 2 years of assessment; and

(d) 37%, if the employee has arrears of income tax or LTC contributions for 3 or more years of assessment.

(3) If one or more of the variables used to calculate an employee's combined effective rate changes, the Comptroller may determine a revised rate for the employee by applying sub-paragraph (1) using the new variables.

(4) If the Comptroller considers that the revised rate determined under sub-paragraph (3) will not recover the employee's income tax liability and LTC contribution liability (including arrears for previous years) by the end of the year to which the rate applies, the Comptroller may determine a revised rate that is the lower of –

(a) the rate calculated using the formula in sub-paragraph (5), rounded up to the nearest whole number; and

(b) the maximum rate for the employee in sub-paragraph (2).

(5) The formula for calculating a revised rate in the circumstances described in sub-paragraph (4) is –

$$\mathrm{A} = \frac{(B + C + D + E) - (F + G)}{H} \times 100$$

Where –

A is the revised rate;

B is the amount of the employee's estimated liability to income tax for the year to which the rate applies;

C is the income tax chargeable for any year preceding the year to which the rate applies, less any amount of income tax already paid for that preceding year, and any costs recoverable in respect of unpaid income tax;

D is the amount of the employee's estimated liability to LTC contributions for the year to which the rate applies;

E is the employee's total LTC contributions for any year preceding the year to which the rate applies, less any amount of contributions already paid for that preceding year, and any costs recoverable in respect of unpaid contributions;

F is the amount of income tax already paid for the year to which the rate applies, including any amount deducted during the year under Article 41B or 41E; and

G is the amount of LTC contributions paid for the year to which the rate applies, including any amount deducted during the year under Article 41B or 41E; and

H is the estimated amount of the employee's earnings for the remainder of the year to which the rate applies.

(6) The following Articles apply in respect of an employee who is an insured person as if references to a rate determined to apply to the employee are references to the employee's combined effective rate –

(a) Article 41CB (revised rates: initiated by employee);

(b) Article 41CC (notification of rate);

(c) Article 41CF (rates do not prevent recovery of arrears).

## 3 Duty of employer to deduct long-term care contributions

(1) Articles 41B to Article 41CB apply to an employer in respect of an employee who is an insured person as if –

(a) references in those provisions to an employee's effective rate are references to the employee's combined effective rate;

(b) references to amounts of tax are references to amounts of tax and LTC contributions.

(2) For the purpose of Article 41B, if an employer has not received a notice under Article 41CC specifying the employee's combined effective rate, the employee's combined effective rate is 22%.

## PART 2

## 41E Duty of building contractor to deduct and account for tax [and LTC contributions]

(1) A building contractor shall, in accordance with this Article, deduct tax [and an LTC contribution] at the specified rate from payments made to a sub-contractor or to a person nominated by the sub-contractor for the purpose.

(2) Paragraph (1) shall not apply at any time when –

(a) the sub-contractor has produced an exemption certificate to the building contractor; and

(b) the LTC exemption certificate is in force at the time the payment is made.

[(2A) A building contractor shall not deduct an LTC contribution under paragraph (1) at any time when –

(a) the sub-contractor has produced an LTC exemption certificate to the building contractor; and

(b) the LTC exemption certificate is in force at the time the payment is made.

(2B) The Comptroller shall issue an LTC exemption certificate to a sub-contractor –

(a) upon the application of the sub-contractor; and

(b) if, in the year in which the application is made, the sub-contractor has paid, in the aggregate, an LTC contribution for the year that is equal to or exceeds the LTC percentage of the upper annual income limit for the year, referred to in paragraph 3 of Schedule 1C to the Social Security (Jersey) Law 1974.

(2C) An LTC exemption certificate shall remain in force from the day it is issued until the end of the year in which it is issued.]

(3) When making a deduction under paragraph (1) a building contractor shall give the sub-contractor or the person nominated by the sub-contractor to receive the payment written notice of the amount of the deduction.

(4) A building contractor shall maintain a record of the amount of tax [and LTC contribution] deducted in respect of each of his or her sub-contractors.

(5) A building contractor shall, no later than 15 days after the end of each month, remit to the Comptroller an amount equal to the aggregate of the amounts required to be deducted under paragraph (1) during the month in respect of each of his or her sub-contractors.

(5A) If, in respect of an amount required to be remitted under paragraph (5) –

(a) the Comptroller has not received a return from the building contractor under Article 20A or the information included in the return is not complete; and

(b) no amount is remitted to the Comptroller or the Comptroller is not satisfied the amount remitted is the amount required to be deducted under paragraph (1),

[the Comptroller –

(i) may, to the best of the Comptroller's information and judgement, make an estimate of the amount required to be remitted under paragraph (5) and calculate, by reference to that estimate, the corresponding amount of LTC contribution required to be remitted, and

(ii) shall serve on the building contractor a notice requiring an amount that is the sum of those amounts to be paid and containing the information described in paragraph (5B).]

(5B) That information is –

(a) the amount required to be paid;

(b) the latest date on which an appeal against [the estimate of the amount of tax] required to be paid may be made; and

(c) the date by which [the amount required to be paid,] failing the making of an appeal, is required to be paid, such date being no earlier than 15 days from the date of the notice.

(5C) If, at any time, the Comptroller discovers, by reason of receiving a return from the building contractor under Article 20A or for any other reason, that the amount of the estimate specified in a notice under paragraph (5A) is incorrect, the Comptroller may cancel the notice and serve on the building contractor a further notice under paragraph (5A) requiring a revised amount to be paid and containing the information described in paragraph (5B).

(5D) A building contractor shall comply with any notice served on the building contractor under paragraph (5A).

(5E) Part 6 shall apply, with the necessary modifications, to an appeal against an estimate under paragraph (5A) as it applies to an appeal against an assessment and as if for the number "40" in Article 27(1) there were substituted the number "15".

(6) Where, before the end of a year of assessment, a person ceases to be a sub-contractor of a building contractor, the building contractor shall give the sub-contractor a written summary of the total deductions made, pursuant to this Article, during that year, from the payments made under the contract to the sub-contractor or person nominated by the sub-contractor for the purpose.

(7) A building contractor shall, no later than the end of January following a year of assessment, give each person who is, at the end of the year, his or her sub-contractor, a written summary of the total deductions made, pursuant to this Article, during that year, from the payments made under the contract to the sub-contractor or person nominated by the sub-contractor for the purpose.

(8) A building contractor who fails to comply with paragraph (5) shall be guilty of an offence and liable to a fine.

(9) Where the secretary or another officer of a body corporate or any other person engaged in the management of the body corporate is deemed to be the building contractor by virtue of Article A15(4) or (5), the body corporate, as well as that person, shall be liable to a fine under paragraph (8) of this Article.

(10) The imposition of a fine under paragraph (8)(b) shall not discharge the building contractor's liability to remit the monies required by paragraph (5).

(11) Where a sub-contractor proves, to the satisfaction of the Comptroller, that a deduction has been made in accordance with paragraph (1) from payments made to the sub-contractor or to a person nominated by the sub-contractor for the purpose, the sub-contractor shall be entitled to have the deduction treated as a payment of tax [and LTC contribution] by the sub-contractor, notwithstanding that the building contractor has failed to remit the amount to the Comptroller in accordance with paragraph (5).

(12) A building contractor who fails to make a deduction in accordance with paragraph (1) but who remits to the Comptroller the amount required by paragraph (5) may recover that amount from the sub-contractor as a civil debt.

(13) A contract shall be void to the extent that it provides for payments to be made without deduction of tax, in contravention of this Article.

(14) Where a sub-contractor has arrears of tax for any year of assessment, the fact that deductions are made in accordance with this Article from payments made to the sub-contractor or to a person nominated by the sub-contractor for the purpose shall not prevent the Comptroller pursing the recovery of those arrears by any means.

(15) For the purposes of this Article, the "specified rate" is –

(a) for deductions made in the years 2006 and 2007, 15%;

[(b) for deductions made in the years 2008 to 2014 inclusive, 20%;

(c) for deductions made in the years 2015 to 2019 inclusive, 21% being the sum of a rate of 20% for the purposes of deductions of tax and a rate of 1% for the purposes of deductions of LTC contributions;

(d) for deductions made in the year 2020 and ensuing years, 22% being the sum of a rate of 20% for the purposes of deductions of tax and a rate of 2% for the purposes of deductions of LTC contributions.]

# SCHEDULE 2[832]

(Article 65B(2)(b))

## BENEFITS: EXEMPTIONS

### 1 Pensions, insurance, etc.

(1) There shall be left out of account –

(a) subject to sub-paragraph (2), contributions to an approved Jersey scheme;

(b) contributions in respect of the employer's liability under the Social Security (Jersey) Law 1974;

(c) premiums for life insurance (other than term assurance) for the office holder or employee or for any member of that person's family or household other than amounts to meet, wholly or in part, the cost of premiums for any life insurance or deferred annuity contract or arrangement to which the person is a party in his or her individual capacity;

(d) premiums for private medical insurance for the office holder or employee or for any member of the person's family or household other than amounts to meet, wholly or in part, the cost of premiums for a contract of private medical insurance to which the person is a party in his or her individual capacity; and

(e) insurance provided by the employer for the employer's office holders and employees against the loss of all or part of an office holder's or employee's emoluments of the office or employment by reason of the office holder or employee being unable, through ill-health, to discharge the duties of the office or employment.

(2) Where contributions are made to one or more approved Jersey schemes by a company owned by the pension holder in those schemes, the amount of the contributions made by the company in a year of assessment that shall be left out of account shall not exceed 25% of so much of the pension holder's relevant earnings as are received from the company in that year.

(3) For the purposes of this paragraph –

(a) a person owns a company if he or she –

(i) is a person who owns, or is deemed to own, more than 20% of the ordinary share capital of the company, or

(ii) is a person who is connected with a person described in sub-clause (i);

(b) whether or not a person is deemed to own shares shall be determined in accordance with Article 82A.

(4) Expressions used in this paragraph that are defined in Part 19 have the same meaning as in that Part.

### 2 Third party insurance

There shall be left out of account insurance covering the office holder's or employee's liability in respect of alleged negligence in the performance of the duties of the office or employment.

## 3 Medical screening

There shall be left out of account medical screening, where screening is available to all office holders and employees of the employer for whom such screening may be appropriate.

## 4 Motor vehicles

(1) There shall be left out of account the provision of a motor vehicle for use –

(a) where the vehicle is constructed or adapted for use for the carriage or haulage of –

(i) equipment required for the performance of the duties of the office or employment, or

(ii) goods or any other burden to be transported in the performance of the duties of the office or employment;

(b) where more than one office holder or employee is entitled to use the vehicle in the performance of the duties of their office or employment (disregarding any office holder or employee who is a member of the family or household of the office holder or employee seeking the exemption) and the vehicle is habitually used by more than one such person; or

(c) where the vehicle is used solely by the office holder or employee in the performance of the duties of the office or employment and is essential to the performance of those duties.

(2) For the purposes of sub-paragraph (1)(c), in determining whether or not a vehicle is used solely by an office holder or employee in the performance of the duties of that person's office or employment, there shall be disregarded –

(a) any travel by the office holder or employee between that person's place of residence and place of work; and

(b) any other minor, personal use by the office holder or employee that the Comptroller may allow.

(3) For the purposes of this paragraph and paragraph 1 of Schedule 3, "motor vehicle" does not include an electrically assisted pedal cycle within the meaning of Article 2 of the Pedal Cycles (Jersey) Order 1998.

## 5 Boats, aircraft and helicopters

(1) There shall be left out of account the provision of a boat, aircraft or helicopter for use where the boat, aircraft or helicopter is used solely by the office holder or employee in the performance of the duties of the office or employment and is essential to the performance of those duties.

(2) For the purposes of sub-paragraph (1), in determining whether or not a boat, aircraft or helicopter is used solely by an office holder or employee in the performance of the duties of the person's office or employment, there shall be disregarded any minor, personal use by the office holder or employee that the Comptroller may allow.

## 6 Transport

There shall be left out of account transport provided within Jersey for use between an office holder's or employee's place of residence and normal place of work –

(a) where the office holder or employee is required, for the performance of the duties of the office or employment, to commence the journey between 10 pm and 6 am; or

(b) where the office holder or employee is severely disabled.

## 7 Accommodation

There shall be left out of account –

(a) accommodation provided for the use of a clergyman or minister of any religious denomination by any registered charity (within the meaning of the Charities (Jersey) Law 2014) or ecclesiastical body mainly and substantially for the purposes of that person's duty as a clergyman or minister;

(b) accommodation –

(i) that forms part of the employer's premises, and

(ii) the occupation of which is essential to the performance of the office holder's or employee's duties as a person responsible for the care and security of those premises or for the care of persons occupying those premises or animals kept on those premises; or

(c) accommodation that is occupied by the office holder or employee to allow them to provide care to a person occupying those premises.

## 8 Entertainment

There shall be left out of account –

(a) the provision of entertainment facilities for the sole or main purpose of conducting business to which the duties of the office holder or employee are relevant; and

(b) the provision of entertainment for the employer's office holders and employees generally.

## 9 Catering or crèche facilities

There shall be left out of account –

(a) the provision for use of any catering services or catering facilities which are available to the employer's office holders and employees generally; and

(b) the provision for use of any crèche facilities which are available to the employer's office holders and employees generally.

## 10 Meal vouchers

There shall be left out of account the first £5 per working day of the value of non-transferable meal vouchers provided to the office holder or employee where –

(a) the employer does not also provide any services or facilities described in paragraph 9(a); and

(b) such vouchers are provided to the employer's office holders and employees generally.

## 11 Equipment, periodicals and clothing

(1) There shall be left out of account –

(a) the provision for use of any telephone;

(b) the provision for use of a computer;

(c) the provision of newspapers;

(d) the provision of periodicals and journals for use by the office holder or employee for the performance of the duties of the office or employment; and

(e) the provision for use of any plant, machinery, specialized uniform or protective clothing for use by the office holder or employee only in the performance of the duties of the office or employment.

(2) For the purposes of sub-paragraph (1)(e), the wearing of a uniform or protective clothing between the office holder's or employee's place of residence and normal place of work shall be deemed to be use in the performance of the duties of the office or employment.

## 12 Staff discounts and loans

There shall be left out of account –

(a) the amount of any discount on a purchase by an office holder or employee, or a member of that person's family or household, of any goods or services ordinarily supplied by the employer in the course of the employer's business; and

(b) the waiver of or reduction in interest payable on a loan entered into by an office holder or employee or a member of that person's family or household or any other preferential condition of such a loan.

## 13 Car parking

There shall be left out of account the provision of any car parking space.

## 14 Relocation expenses

In relation to an office holder or employee newly recruited or transferred to Jersey from a place outside Jersey, the following are to be left out of account –

(a) the payment of the actual, reasonable expenditure incurred in the office holder's or employee's removal to and establishment in Jersey in respect of –

(i) the removal to Jersey of the household furniture and effects, including motor vehicles, of the office holder or employee and members of that person's family and household,

(ii) storage, for no more than 12 months, of the household furniture and effects, including motor vehicles, of the office holder or employee and members of that person's family and household, and

(iii) travel to Jersey, upon the office holder's or employee's recruitment or transfer, by the office holder or employee and by members of that person's family and household; and

(b) the first £15,000 of any other actual, reasonable expenditure incurred in the office holder's or employee's removal to and establishment in Jersey.

## 15 Training

(1) There shall be left out of account the provision of training, where the subject matter of the training is related to the duties or anticipated future duties of the office holder or employee.

(2) For the purposes of this paragraph, the provision of training includes –

(a) the provision of relevant books, study materials, accommodation, travel and other direct expenditure; and

(b) the meeting of the cost of training provided by a third party, including the cost of training and examinations leading to a professional qualification.

## 16 Long service awards

(1) Subject to sub-paragraph (2), there shall be left out of account the amount attributable to the provision of an award (other than cash) in respect of an office holder or employee who has provided service to the employer for a period of, or periods totalling, 10 years or more.

(2) The amount left out of account shall not exceed £50 for each year of service or part thereof so provided.

## 17 Property held by company

(1) There shall be left out of account such benefit as is described in sub-paragraph (2) derived by –

(a) an office holder or employee who has control of the company providing the benefit; or

(b) a member of the family or household of an office holder or employee where the office holder or employee has control of the company providing the benefit.

(2) The benefit that is described for the purposes of sub-paragraph (1) is the provision of property, including accommodation, owned by the company and used by an office holder or employee as described in sub-paragraph (1)(a), or a member of the family or household of an office holder or employee as described in sub-paragraph (1)(b), if and to the extent that –

(a) the company is not entitled to make any deduction under this Law in computing the profits of its business or to claim any allowance or relief under this Law in respect of that property, and

(b) in respect of property other than accommodation, the activities of the company do not include, to a substantial extent, activities other than ownership of the property.

## 18 Incidental benefits

There shall be left out of account any benefit which arises in respect of expenditure incurred by the employer wholly and exclusively for the purposes of the employer's business, where the benefit to the office holder or employee is wholly incidental in nature.

## 19 Pedal cycles

(1) There shall be left out of account pedal cycles provided and used –

(a) for travel by the office holder or employee between that person's place of residence and place of work; or

(b) in the performance of the office holder's or employee's duties.

(2) "Pedal cycle" has the same meaning as in the Road Traffic (Jersey) Law 1956 and includes an electrically assisted pedal cycle within the meaning of Article 2 of the Pedal Cycles (Jersey) Order 1998.

## 20 Bus passes

There shall be left out of account any pass or prepaid card provided for use on buses in Jersey –

(a) for travel by the office holder or employee between that person's place of residence and place of work; or

(b) in the performance of the office holder's or employee's duties.

## 21 Interpretation

In this Schedule "business" includes a profession and the activities of any Minister or administration of the States, or any parish.

# SCHEDULE 3[833]

(Article 65B(4)(c))

## VALUATION OF BENEFIT

### 1 Motor vehicles

(1) The amount attributable, in any year of assessment, to the use of a motor vehicle owned by the employer shall be –

(a) 5% of the value of the vehicle for that year, where the business use is 75% or more in that year; or

(b) 20% of the value of the vehicle for that year, where the business use is less than 75% in that year.

(1A) The amount attributable, in any year of assessment, to the use of a motor vehicle leased or hired by the employer shall be –

(a) 25% of the value of the vehicle for that year, where the business use is 75% or more in that year; or

(b) 100% of the value of the vehicle for that year, where the business use is less than 75% in that year.

(2) For the purposes of this paragraph, the value of a motor vehicle owned by the employer is –

(a) where the benefit is first made available to the employee or office holder in the year the vehicle is acquired by the employer or the following year, the cost to the employer of acquiring the vehicle; and

(b) where the benefit is first made available to the employee or office holder in any other year, the amount calculated as follows –

(i) Step 1

Calculate an amount as follows –

$$\alpha = (N - E) - 1$$

Where –

N is the year (for example, for the year 2020 the amount is 2,020) when the benefit was first made available to the employee or office holder or; and

E is the year when the motor vehicle was acquired by the employer,

(ii) Step 2

Calculate the value as follows –

$$V = C \times 0.8^{\alpha}$$

Where –

V is the value of the vehicle;

C is the cost to the employer of acquiring the vehicle;

α is the amount calculated under Step 1.

(3) For the purposes of sub-paragraph (2), the cost of acquisition of a vehicle is –

(a) where the vehicle is acquired by purchase on the open market, the cost of purchase by the employer; or

(b) where the vehicle is acquired wholly or partly in exchange for other property or by assignment, transfer or any other means, the amount that it would have cost the employer to purchase the vehicle, at the time of acquisition, on the open market.

(4) Sub-paragraph (2) applies notwithstanding that the motor vehicle was acquired before 2004.

(5) For the purposes of this paragraph, the value, for a year of assessment, of a motor vehicle leased or hired by the employer shall be the aggregate of the costs incurred by the employer, in that year, in connection with the provision of the vehicle.

(6) Subject to sub-paragraph (8) of this paragraph, where the lease or hire of a motor vehicle by the employer commences before the year of assessment in which it is first provided as a benefit which is not left out of account pursuant to Article 65B(2), the costs incurred by the employer before that year, in connection with the lease or hire of the vehicle, shall be deemed to have been incurred in the year of assessment in which it is first provided as such a benefit.

(7) Subject to sub-paragraph (8) of this paragraph, where the lease or hire of a motor vehicle by the employer continues after the year of assessment in which it is last provided as a benefit which is not left out of account pursuant to Article 65B(2), the costs incurred by the employer after that year, in connection with the lease or hire of the vehicle, shall be deemed to have been incurred in the year of assessment in which it is last provided as such a benefit.

(8) Where it is shown, to the satisfaction of the Comptroller –

(a) that the period for which a motor vehicle is provided for use as a benefit which is not left out of account pursuant to Article 65B(2) of this Law is a nominal proportion only of the period for which the vehicle is leased or hired; or

(b) that, during the period for which the vehicle is leased or hired, it has been provided to more than one office holder or employee as a benefit which is not left out of account pursuant to Article 65B(2) of this Law,

the Comptroller, having regard to those matters, may allow a proportionate reduction in, or a waiver of, the amount of the costs deemed, pursuant to sub-paragraph (6) or (7) of this paragraph, to be incurred in a year of assessment in which the vehicle is provided for use.

(9) For the purposes of this paragraph, the percentage business use of a motor vehicle shall be, for any year of assessment, the portion of the total use of the vehicle, determined by reference to the mileage undertaken by the office holder or employee which is attributable to travel which that person is required to undertake in the performance of the duties of the office or employment, disregarding any travel by the office holder or employee between his or her place of residence and place of work.

## 2 Boats, aircraft and helicopters

(A1) The amount attributable, in any year of assessment, to the use of a boat, aircraft or helicopter shall be determined –

(a) where the boat, aircraft or helicopter is owned by the employer and has an open market value for that year of £200,000 or less, in accordance with sub-paragraph (1);

(b) where the boat, aircraft or helicopter is leased or hired by the employer and has an open market value for that year of £200,000 or less, in accordance with sub-paragraph (1A);

(c) where the boat, aircraft or helicopter is owned by the employer and has an open market value for that year of more than £200,000, in accordance with sub-paragraph (2);

(d) where the boat, aircraft or helicopter is leased or hired by the employer and has an open market value for that year of more than £200,000, in accordance with sub-paragraph (2A).

(1) In the case described in sub-paragraph (A1)(a), the amount attributable, in the year of assessment, to the use of the boat, aircraft or helicopter shall be –

(a) 5% of the value of the boat, aircraft or helicopter for that year, where the business use is 75% or more in that year; or

(b) 20% of the value of the boat, aircraft or helicopter for that year, where the business use is less than 75% in that year.

(1A) In the case described in sub-paragraph (A1)(b), the amount attributable, in the year of assessment, to the use of the boat, aircraft or helicopter shall be –

(a) 25% of the value of the boat, aircraft or helicopter for that year, where the business use is 75% or more in that year; or

(b) 100% of the value of the boat, aircraft or helicopter for that year, where the business use is less than 75% in that year.

(2) In the case described in sub-paragraph (A1)(c), the amount attributable, in the year of assessment, to the use of the boat, aircraft or helicopter shall be –

(a) 1% of the value of the boat, aircraft or helicopter for that year, where the business use is 75% or more in that year; or

(b) 4% of the value of the boat, aircraft or helicopter for that year, where the business use is less than 75% in that year.

(2A) In the case described in sub-paragraph (A1)(d), the amount attributable, in any year of assessment, to the use of the boat, aircraft or helicopter shall be –

(a) 5% of the value of the boat, aircraft or helicopter for that year, where the business use is 75% or more in that year; or

(b) 20% of the value of the boat, aircraft or helicopter for that year, where the business use is less than 75% in that year.

(3) For the purposes of sub-paragraphs (1) and (2), the value of a boat, aircraft or helicopter owned by the employer is –

(a) where the benefit is first made available to the employee or office holder in the year the vehicle is acquired by the employer or the following year, the cost to the employer of acquiring the vehicle; and

(b) where the benefit is first made available to the employee or office holder in any other year, the amount calculated as follows –

(i) Step 1

Calculate an amount as follows –

$$\alpha = (N - E) - 1$$

Where –

N is the year (for example, for the year 2020 the amount is 2,020) when the benefit was first made available to the employee or office holder; and

E is the year the boat, aircraft or helicopter was acquired by the employer,

(ii) Step 2

Calculate the value as follows –

$$V = C \times 0.8^{\alpha}$$

Where –

V is the value of the boat, aircraft or helicopter;

C is the cost to the employer of acquiring the boat, aircraft or helicopter;

α is the amount calculated under Step 1.

(4) For the purposes of sub-paragraph (3), the cost of acquisition of a boat, aircraft or helicopter is –

(a) where the boat, aircraft or helicopter is acquired by purchase on the open market, the cost of purchase by the employer; or

(b) where the boat, aircraft or helicopter is acquired wholly or partly in exchange for other property or by assignment, transfer or any other means, the amount that it would have cost the employer to purchase the boat, aircraft or helicopter, at the time of acquisition, on the open market.

(5) Sub-paragraph (3) applies notwithstanding that the boat, aircraft or helicopter was acquired before 2004.

(6) For the purposes of sub-paragraphs (1A) and (2A), the value, for a year of assessment, of a boat, aircraft or helicopter leased or hired by the employer shall be the aggregate of the costs incurred by the employer, in that year, in connection with the provision of the boat, aircraft or helicopter.

(7) Subject to sub-paragraph (9) of this paragraph, where the lease or hire of a boat, aircraft or helicopter by the employer commences before the year of assessment in which it is first provided as a benefit which is not left out of account pursuant to Article 65B(2), the costs incurred by the employer before that year, in connection with the lease or hire of the boat, aircraft or helicopter, shall be deemed to have been incurred in the year of assessment in which it is first provided as such a benefit.

(8) Subject to sub-paragraph (9) of this paragraph, where the lease or hire of a boat, aircraft or helicopter by the employer continues after the year of assessment in which it is last provided as a benefit which is not left out of account pursuant to Article 65B(2), the costs incurred by the employer after that year, in connection with the lease or hire of the boat, aircraft or helicopter, shall be deemed to have been incurred in the year of assessment in which it is last provided as such a benefit.

(9) Where it is shown, to the satisfaction of the Comptroller –

(a) that the period for which a boat, aircraft or helicopter is provided for use as a benefit which is not left out of account pursuant to Article 65B(2) is a nominal proportion only of the period for which the boat, aircraft or helicopter is leased or hired; or

(b) that, during the period for which the boat, aircraft or helicopter is leased or hired, it has been provided to more than one office holder or employee as a benefit which is not left out of account pursuant to Article 65B(2),

the Comptroller, having regard to those matters, may allow a proportionate reduction in, or a waiver of, the amount of the costs deemed, pursuant to sub-paragraph (7) or (8) of this paragraph, to be incurred in a year of assessment in which the boat, aircraft or helicopter is provided for use.

(10) For the purposes of this paragraph, the percentage business use of a boat, aircraft or helicopter shall be, for any year of assessment, the portion of the total use of the boat, aircraft or helicopter determined by reference to the distances travelled by the office holder or employee which is attributable to travel which that person is required to undertake in the performance of the duties of the office or employment.

## 3 Accommodation

(1) Subject to sub-paragraph (2), the amount attributable in any year of assessment to the use of any accommodation shall be –

(a) where the accommodation is furnished, 20% of the office holder's or employee's assessable emoluments of the office or employment (disregarding any other benefits) for the period for which the accommodation is used;

(b) where the accommodation is unfurnished, 15% of the office holder's or employee's assessable emoluments of the office or employment (disregarding any other benefits) for the period for which the accommodation is used.

(2) The office holder or employee may, on producing evidence, to the satisfaction of the Comptroller, of the open market rental value of the accommodation for the period for which it is used by the office holder or employee, elect, for any year of assessment, for the amount attributable to the use of the accommodation to be the amount of the open market rental value.

(3) For the purposes of sub-paragraph (1), where the employer is a company of which the office holder or employee has control, the assessable emoluments of the office holder or employee shall be deemed to include any distribution made to that person by the company.

## 4 General rules for valuation

The amount attributable to any benefit provided for use for which express provision is not made in this Schedule shall be the total costs incurred, whether directly or indirectly, by the employer in connection with the provision of the benefit.

## 4A Rule for apportionment

Where, in accordance with this Schedule, the amount attributable to the use of a benefit is determined by reference to a period (the "calculation period") which exceeds the period for which the benefit is used by the office holder or employee or a member of that person's family or household, the amount attributable to the use of the benefit shall be reduced by a proportion equal to the proportion which the part of the calculation period for which the benefit is not used by that person bears to the whole of that period.

## 5 General rule for deduction for business use

The amount attributable to any benefit provided for use, apart from a benefit valued in accordance with paragraph 1 or 2 of this Schedule, shall be reduced by an amount equal to

the proportion, if any, of the total use of the benefit which is attributable to use by the office holder or employee in the performance of the duties of the office or employment.

## 6 Interpretation

In this Schedule "business" includes a profession and the activities of any Minister or administration of the States, or any parish.

# SCHEDULE 3A[834]

(Article 128A)

## COLLECTION OF TAX ON RENTAL INCOME OF NON-RESIDENT LANDLORDS

### 1 Interpretation of Schedule 3A

In this Schedule –

"agent" means a person resident in Jersey who has the direction, control or management of land in Jersey –

(a) that is owned by a non-resident; and

(b) in respect of which rent is payable;

"certificate" means a certificate issued under paragraph 7;

"non-resident" means a person who is not resident in Jersey;

"property" means land, buildings, tenements, heritages and hereditaments;

"quarter" means a period of 3 months ending on 31st March, 30th June, 30th September or 31st December;

"rent" means any amount described in Article 51(1)(a);

"tenancy" includes a lease;

"tenant" means a person who pays rent under a tenancy.

### 2 Requirement for agents to register

(1) A person who, on 1st January 2009, is an agent shall, within 30 days of that date, register in accordance with this paragraph.

(2) A person who, after 1st January 2009, becomes an agent shall, within 30 days of becoming an agent, register in accordance with this paragraph.

(3) The person shall provide the Comptroller with the following information –

(a) his or her name and address and the reference number (if any) assigned to him or her by the Comptroller;

(b) in respect of each non-resident for whom he or she is the agent –

(i) the non-resident's name and address and the reference number (if any) assigned to the non-resident by the Comptroller,

(ii) in respect of each property of which the agent has direction, control or management on behalf of the non-resident –

(A) the address of the property;

(B) the name and, if different, the address of the tenant in respect of the property;

(C) the amount of rent, rentes and other receipts payable in respect of the property;

(D) whether or not the non-resident has produced a certificate in respect of the property.

(4) An agent shall, within the period of 30 days after the end of a quarter, inform the Comptroller of any change in the information described in sub-paragraph (3).

(5) The Comptroller may require any information to be provided under this paragraph to be so provided in such form and delivered in such manner and accompanied by such declaration as he or she specifies.

(6) A person who does not comply with this paragraph shall be guilty of an offence and liable to a fine of level 3 on the standard scale.

## 3 Duty of agent to account for tax on rent

(1) An agent who receives rent in respect of property in Jersey on behalf of a non-resident shall deduct from the net rent received, and retain, tax at the standard rate or, if a notice has been issued under sub-paragraph (3A), at the rate specified in the notice.

(2) Sub-paragraph (1) shall not apply if –

(a) the non-resident has produced a certificate in respect of the property; and

(b) the agent is satisfied that the certificate is in force at the time the rent is received.

(3) For the purposes of sub-paragraph (1), the net rent received is the rent received after deduction of –

(a) any fee charged by the agent in respect of his or her services as agent of the property; and

(b) any expenses legitimately incurred by the agent, on behalf of the non-resident, in the management of the property;

(3A) If the non-resident has been assessed to, but has not paid tax on, income in Jersey for any preceding year, the Comptroller may, for the purpose of collection of that tax, issue a written notice to the agent, specifying a rate of tax exceeding the standard rate but not exceeding –

(a) in a case where the non-resident has arrears for one year of assessment, 25%;

(b) in a case where the non-resident has arrears of tax for 2 years of assessment, 30%;

(c) in a case where the non-resident has arrears of tax for 3 or more years of assessment, 35%.

(3B) The Comptroller shall send a copy of a notice issued under sub-paragraph (3A) to the non-resident at the address provided by the agent in accordance with paragraph 2(3)(b) or, if none has been provided, at the address of the property in Jersey.

(4) An agent shall maintain a record of deductions required to be made pursuant to sub-paragraph (1).

(5) An agent shall, within the period of 30 days after the end of a quarter, make a return to the Comptroller of the following information in respect of each property for which he or she is the agent of a non-resident –

(a) the address of the property;

(b) the name of the non-resident;

(c) the amount of rent due in respect of the property in the quarter;

(d) the amount of rent paid in respect of the property in the quarter;

(e) the amount and a description of each expense deducted from the rent so paid;

(f) the amount of tax required to be deducted from the rent so paid or that no tax has been deducted, pursuant to a certificate.

(6) The Comptroller may require the return required by sub-paragraph (5) to be made in such form and delivered in such manner and accompanied by such declaration as he or she specifies.

(7) An agent who does not comply with sub-paragraph (5) shall be guilty of an offence and liable to a fine of level 3 on the standard scale.

(8) The agent shall, within the period of 30 days after the end of a quarter, remit to the Comptroller an amount equal to the aggregate of all monies required to be deducted and retained by the agent in the quarter pursuant to sub-paragraph (1).

(9) An agent who does not comply with sub-paragraph (8) shall be guilty of an offence and liable to a fine.

(10) The imposition of a fine under sub-paragraph (9)(b) shall not discharge the agent's liability to remit the monies required under sub-paragraph (8).

(11) Where a non-resident proves, to the satisfaction of the Comptroller, that a deduction has been made from rent, in accordance with sub-paragraph (1), the non-resident shall be entitled to have the deduction treated as a payment of tax by him or her, notwithstanding that the agent has failed to remit the monies to the Comptroller in accordance with sub-paragraph (8).

(12) An agent who does not make a deduction in accordance with sub-paragraph (1) when accounting to a non-resident but who remits to the Comptroller the monies required by sub-paragraph (8) as if a deduction had been made, may recover that amount from the non-resident as a civil debt.

## 4 Duty of tenant to account for tax on rent

(1) This paragraph applies where –

(a) rent in respect of property in Jersey is not received by an agent on behalf of a non-resident; and

(b) the tenant is liable to pay the non-resident or another person on behalf of the non-resident (other than an agent) rent of more than £25,000 per annum or, where the tenancy is for less than a year, the proportionate amount of that sum which is determined by the duration of the tenancy in that year.

(2) The tenant shall, before paying rent to the non-resident or another person on behalf of the non-resident, deduct from the rent, and retain, tax at the standard rate or, if a notice has been issued under sub-paragraph (3A), at the rate specified in the notice.

(3) Sub-paragraph (2) shall not apply if –

(a) the non-resident has produced a certificate in respect of the property; and

(b) the tenant is satisfied that the certificate is in force at the time the rent is paid.

(3A) If the non-resident has been assessed to, but has not paid tax on, income in Jersey for any preceding year, the Comptroller may, for the purpose of collection of that tax, issue a written notice to the tenant, specifying a rate of tax exceeding the standard rate but not exceeding the maximum rate that would apply in the non-resident's case by virtue of paragraph 3(3A).

(3B) The Comptroller shall send a copy of a notice issued under sub-paragraph (3A) to the non-resident at the address provided by the tenant in accordance with sub-paragraph (5) or, if none has been provided, at the address of the property in Jersey.

(4) A tenant shall maintain a record of monies required to be deducted and retained pursuant to sub-paragraph (2).

(5) A tenant shall, within the period of 30 days after the end of a quarter, make a return to the Comptroller of the following information in respect of each property for which he or she has paid rent after deduction of tax in accordance with sub-paragraph (2) –

(a) the address of the property;

(b) the name and address of the non-resident;

(c) the amount of rent due in respect of the property in the quarter;

(d) the amount of rent paid in respect of the property in the quarter;

(e) the amount of tax required to be deducted from the rent so paid.

(6) The Comptroller may require the return required by sub-paragraph (5) to be made in such form and delivered in such manner and accompanied by such declaration as he or she specifies.

(7) A tenant who does not comply with sub-paragraph (5) shall be guilty of an offence and liable to a fine of level 3 on the standard scale.

(8) The tenant shall, within the period of 30 days after the end of a quarter, remit to the Comptroller an amount equal to the aggregate of all monies required to be deducted and retained by the tenant in the quarter pursuant to sub-paragraph (2).

(9) A tenant who does not comply with sub-paragraph (8) shall be guilty of an offence and liable to a fine.

(10) The imposition of a fine under sub-paragraph (9)(b) shall not discharge the tenant's liability to remit the monies required under sub-paragraph (8).

(11) Where a non-resident proves, to the satisfaction of the Comptroller, that a deduction has been made from rent, in accordance with sub-paragraph (2), the non-resident shall be entitled to have the deduction treated as a payment of tax by him or her, notwithstanding that the tenant has failed to remit the amount to the Comptroller in accordance with sub-paragraph (8).

(12) A tenant who fails to make a deduction on accordance with sub-paragraph (2) when paying rent to a non-resident but who remits to the Comptroller the amount required by sub-paragraph (8) as if a deduction had been made, may recover that amount from the non-resident as a civil debt.

(13) Where a tenant deducts tax and remits it to the Comptroller in accordance with this paragraph, the non-resident shall give the tenant a discharge as if the rent had been paid without deduction.

## 4A Power of Comptroller to direct tenant to account for tax

(1) This paragraph applies where –

(a) rent in respect of property in Jersey is not received by an agent on behalf of a non-resident; and

(b) the tenant is liable to pay the non-resident or another person on behalf of the non-resident (other than an agent) rent of £25,000 per annum or less or, where the tenancy is for less than a year, the proportionate amount of that sum, which is determined by the duration of the tenancy in that year.

(2) The tenant, when directed to do so by a written notice issued by the Comptroller, shall, before paying rent to the non-resident or another person on behalf of the non-

resident, deduct from the rent, and retain, tax at the standard rate or such higher rate as is specified in the notice in accordance with sub-paragraph (3).

(3) If the non-resident has been assessed to, but has not paid, tax on income in Jersey for any year preceding the year in which the notice is issued, the Comptroller may, for the purpose of collecting that tax, specify in the notice a rate exceeding the standard rate but not exceeding the maximum rate that would apply in the non-resident's case by virtue of paragraph 3(3A).

(4) The Comptroller shall send a copy of a notice issued under sub-paragraph (2) to the non-resident at the address provided by the tenant in accordance with paragraph 4(5) as applied by sub-paragraph (5) of this paragraph or, if none has been provided, at the address of the property in Jersey.

(5) Sub-paragraphs (4) to (13) of paragraph 4 shall apply for the purposes of this paragraph as if any reference in them to the deduction and retention of monies pursuant to sub-paragraph (2) of that paragraph was a reference to the deduction and retention of monies pursuant to sub-paragraph (2) of this paragraph.

**5**

## 6 Duty of tenant to make annual return

(1) A person who, at any time during a year, has been a tenant required to deduct and retain tax under paragraph 4 or 4A shall, no later than 31st March following that year, make a return to the Comptroller in respect of each non-resident to whom he or she paid rent after deduction of tax pursuant to that paragraph.

(2) The return required by sub-paragraph (1) shall –

(a) contain the information specified in sub-paragraph (3); and

(b) be in the form, delivered in the manner and accompanied by the declaration required by the Comptroller.

(3) The information specified, in respect of each non-resident is –

(a) the non-resident's name and address and the reference number (if any and if known to the tenant) assigned to the non-resident by the Comptroller,

(b) in respect of each property for which the tenant paid rent to the landlord during the year –

(i) the address of the property,

(ii) the aggregate amount of rent paid in respect of the property during the year,

(iii) the aggregate amount of tax deducted from that rent,

(iv) where the tenancy of the property commenced during the year, the date it commenced,

(v) where the tenancy of the property ended during the year, the date it ended.

(4) The person making the return shall provide the non-resident to whom the information required by sub-paragraph (3) relates with a copy of that information.

(5) A person who does not comply with this paragraph shall be guilty of an offence and liable to a fine of level 3 on the standard scale.

## 7 Certificate for payment without deduction

(1) A non-resident may apply to the Comptroller for rent in respect of a property, or all properties in Jersey, of which he or she is the landlord to be paid without deduction of tax, whether by an agent or a tenant.

(2) An application under sub-paragraph (1) shall be made in such form and manner, and accompanied by such information, as the Comptroller may require.

(3) The Comptroller may grant an application under sub-paragraph (1) if he or she is satisfied –

(a) that the rent in respect of the property or properties is exempt from tax under Article 115; or

(b) that the non-resident has consistently complied with the requirements of this Law in full and without delay.

(4) On granting an application, the Comptroller shall issue a certificate to the non-resident.

(5) The certificate shall have effect until it is cancelled and may be issued subject to conditions.

(6) The Comptroller may cancel a certificate at any time when –

(a) he or she is no longer satisfied as to the matters described in sub-paragraph (3)(a) or (b); or

(b) the conditions attached to the certificate have not been complied with.

(7) Upon cancelling a certificate, the Comptroller shall notify the non-resident, in writing, and shall take such steps as he or she considers appropriate to notify any agent or the tenant of the property to which the certificate related of its cancellation.

(8) A person who, with the intention of procuring the payment of rent without deduction of tax, contrary to this Schedule, produces to another person –

(a) a document purporting to be a certificate issued under this paragraph, knowing it to be false; or

(b) a certificate issued under this paragraph knowing that it has been altered by a person other than the Comptroller,

shall be guilty of an offence and liable to a fine.

(9) A person who, with the intention of procuring the payment of rent without deduction of tax, contrary to this Schedule, produces a certificate to another person, knowing that the certificate has been cancelled, shall be guilty of an offence and liable to a fine.

(10) An application under this paragraph may be made on or after 1st July 2008.

## 8 Treatment of amounts remitted to Comptroller and recovery of arrears

(1) Subject to sub-paragraph (2), the Comptroller shall receive an amount remitted under paragraph 3(8) or 4(8) or an amount proved to have been deducted, by virtue of paragraph 3(11) or 4(11), as a payment of tax by the non-resident for the year of assessment for which the non-resident is charged under Schedule A in respect of the rent pursuant to Article 51A(1).

(2) Where an amount remitted under paragraph 3(8) or 4(8), or proved to have been deducted by virtue of paragraph 3(11) or 4(11), is greater than the tax payable by the non-resident as described in sub-paragraph (1), the excess shall be applied towards

the payment of the non-resident's liability to tax, whether under Schedule A or Schedule D, for any earlier year of assessment.

(3) References in sub-paragraphs (1) and (2) to sub-paragraphs (8) and (11) of paragraph 4 include those sub-paragraphs as applied by paragraph 4A(5).

(4) The fact that the Comptroller has issued a notice under paragraph 3(3A) or 4(3A) or a notice under paragraph 4A(2) specifying a rate higher than the standard rate shall not prevent the Comptroller pursuing, by any other means, the recovery of tax on income in Jersey that is due from the non-resident for any year preceding the year in which the notice is issued.

## 8A Right of appeal

(1) A non-resident aggrieved by a notice issued under paragraph 3(3A) or 4(3A) or a notice under paragraph 4A(2) specifying a rate higher than the standard rate may appeal to the Commissioners, on giving notice in writing to the Comptroller within 40 days of the issue of the notice.

(2) The rate specified in the notice issued under paragraph 3(3A), 4(3A) or 4A(2) shall apply notwithstanding that an appeal is pending under sub-paragraph (1).

(3) Save as provided in sub-paragraphs (1) and (2), Part 6 shall apply, with the necessary modifications, as it applies to an appeal against any assessment.

## 9 Terms of tenancy or other agreement to be void

A tenancy or an agreement for the services of an agent shall be void to the extent that it provides for a tenant to pay rent without deduction of tax, in contravention of this Schedule or for an agent to account, without deduction of tax, for rent received in contravention of this Schedule.

# SCHEDULE 5[835]

(Article 149A)

## SAVINGS, TRANSITIONAL AND SIMILAR PROVISIONS: GENERAL

**1**

**2**

**2A**

**3**

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**5**

**5A**

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**8A**

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## 13 Income Tax (Amendment No. 41) (Jersey) Law 2013: securities and possessions out of Jersey

Despite the definition "distribution" in Article 3AE, tax under Case V of Schedule D is not to be charged, by virtue of that definition, in respect of anything that was not so chargeable immediately before the commencement of that Article.

## 14 Income Tax (Amendment No. 41) (Jersey) Law 2013: stock dividends

Where tax has been charged on the issue of a stock dividend under Article 62B prior to the repeal of that Article by the Income Tax (Amendment No. 41) (Jersey) Law 2013, repayment of capital of the stock dividend shall not be treated as a distribution for the purposes of Case IX of Schedule D.

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## 17 Income Tax (Amendment No. 41) (Jersey) Law 2013: insurance premiums

Any annuity to which Article 132 did not apply by virtue of Article 132(7)(b), shall, where the annuity is in payment before 1st January 2013 or will come into payment after that date by virtue of contributions made before that date, continue to be an annuity to which Article 132 does not apply notwithstanding the substitution of Article 132(7)(b) by the Income Tax (Amendment No. 41) (Jersey) Law 2013.

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## 22 Interpretation of paragraphs 23 to 25

In paragraphs 23 to 25 –

"2019 liability" means the amount of income tax assessed (or to be assessed) for the year beginning 1st January 2019;

"new taxpayer" –

(a) means a person –

(i) to whom Article 41H (as in force before amended by Income Tax (Amendment No. 46) (Jersey) Law 2021) applied for the year beginning 1st January 2019, or

(ii) who chose to be treated as if Article 41H applied to the person for the year beginning 1st January 2019; but

(b) does not include a person if 25% or less of the person's total income for the 2019 year of assessment consists of earnings.

## 23 Income Tax (Amendment No. 46) (Jersey) Law 2021: deferral of 2019 liability

(1) The 2019 liability for a person who is not a new taxpayer –

(a) is not due and payable by the dates set out in Articles 39 and 41A; but

(b) will become due and payable as specified in Regulations made under this paragraph.

(1A) This paragraph does not apply to –

(a) a company; or

(b) a scheme manager of an approved Jersey scheme, an approved drawdown contract or an approved trust (as defined in Article 130) in respect of tax charged under Part 19.

(2) Article 41I does not apply in relation to the 2019 liability for a person who is not a new taxpayer.

(3) The States must, no later than 31st March 2021, make Regulations that –

(a) provide for the payment of the 2019 liability;

(b) provide for any other matter that the States consider necessary to provide for the payment of the 2019 liability.

(4) Regulations made under this paragraph may –

(a) provide for recovery of the 2019 liability –

(i) from a person who becomes non-resident before their 2019 liability is paid in full, and

(ii) from the estate of a person who dies before their 2019 liability is paid in full; and

(b) allow the Comptroller to vary the payment dates that apply to a person on application from the person.

(5) Regulations made under this paragraph must not waive, or reduce the amount of, a person's 2019 liability.

(6) Sub-paragraph (3) does not prevent the States from, after 31st March 2021, amending Regulations made under this paragraph.

## 24 Income Tax (Amendment No. 46) (Jersey) Law 2021: transfer of payments from 2019 to 2020

(1) This paragraph applies to a payment if –

(a) the payment was made before 1st January 2021;

(b) the payment was not received as a payment by –

(i) a new taxpayer,

(ii) a company, or

(iii) a scheme manager of an approved Jersey scheme, an approved drawdown contract or an approved trust (as defined in Article 130) for tax charged under Part 19; and

(c) the payment was applied to the 2019 liability or to any penalties or surcharges in respect of the 2019 year of assessment.

(2) The Comptroller must treat a payment to which this paragraph applies as a payment of income tax for the 2020 year of assessment.

## 25 Income Tax (Amendment No. 46) (Jersey) Law 2021: payment of instalment for 2020

(1) A person must pay an instalment of income tax for the 2020 year of assessment ("2020") if –

(a) the person is not a company;

(b) 25% or less of the person's total income for the 2019 year of assessment consists of earnings; and

(c) the amount of an instalment payable under this paragraph is £100 or more.

(2) The instalment of income tax for 2020 is due and payable on 31st May 2021.

(3) If, at 31st May 2021, an income tax assessment has not been made for the person for the 2020 year of assessment, the amount of the person's instalment is calculated as follows –

$$A = (\mathrm{B} \times \mathrm{C}) - D$$

Where –

A is the amount of the instalment;

B is 0.5 if the person's income for 2019 did not include any earnings, and is 0.4 in any other case;

C is the person's 2019 liability; and

D is the amount of income tax already paid for 2020 (not including an amount deducted during the year under Article 41B or 41E or an amount paid during the year as an instalment under Article 41A).

(4) If, at 31st May 2021, an income tax assessment has been made for a person for the 2020 year of assessment, the amount of the person's instalment is the lower of –

(a) the person's remaining income tax liability for the 2020 year of assessment; and

(b) the amount calculated using the formula in sub-paragraph (3).

(5) This paragraph does not apply in respect of tax charged under Part 19 on a scheme manager of an approved Jersey scheme, an approved drawdown contract or an approved trust (as defined in Article 130).

(6) In this paragraph, "earnings" has the meaning given in Article A15.

(7) Article 41AA applies, with necessary modifications, to the waiver or reduction of amount of an instalment payable under this paragraph.

## 26 Income Tax (Amendment No. 46) (Jersey) Law 2021: credits for repayment of shareholder loans

(1) This paragraph applies if –

(a) there is an amount attributable to a person, other than a new taxpayer, as a shareholder loan under Article 81O for the 2019 year of assessment; and

(b) the person is entitled to a credit under Article 81O(6) in respect of that shareholder loan for a later year of assessment; and

(c) the person's 2019 liability has not been paid in full.

(2) The Comptroller must apply the credit that the person is entitled to under Article 81O(6) towards the unpaid amount of the person's 2019 liability.

## 27 Taxation (Income Tax, Goods and Services Tax and Revenue Administration) (Amendment) (Jersey) Law 2022: savings and transitional arrangements for amending assessments

(1) Article 23(1A) does not apply in respect of an assessment for a year of assessment that began before 1 January 2022.

(2) If the Comptroller wishes to amend an assessment or make an additional assessment for a year of assessment that began before 1 January 2022, Article 24, as in force immediately before the commencement of the Taxation (Income Tax, Goods and Services Tax and Revenue Administration) (Amendment) (Jersey) Law 2022, applies.

# SCHEDULE 6[836]

# SCHEDULE 7[837]

(Article 149B)

## SAVINGS AND TRANSITIONAL PROVISIONS: TAXATION OF CERTAIN MARRIED PEOPLE AND CIVIL PARTNERS IN 2025

### 1 Interpretation of this Schedule

(1) In this Schedule –

"partner" means an individual who is a partner A or partner B to whom this Schedule applies;

"partner A" means –

(a) in a marriage between people of the opposite sex, the husband;

(b) in a marriage between people of the same sex, the older of the people; and

(c) in a civil partnership –

(i) the older of the civil partners, or

(ii) if the civil partners have made an election under Article 122A (as in force immediately before 1st January 2025), the younger of the civil partners;

"partner B" means –

(a) in a marriage between people of the opposite sex, the wife;

(b) in a marriage between people of the same sex, the younger of the people; and

(c) in a civil partnership –

(i) the younger of the civil partners, or

(ii) if the civil partners have made an election under Article 122A (as in force immediately before 1st January 2025), the older of the civil partners.

(2) People who are married or in a civil partnership are living together for the purposes of this Schedule unless –

(a) they are separated under an order of a court of competent jurisdiction or by agreement of separation; or

(b) they are in fact separated and the separation is likely to be permanent.

### 2 Application of this Schedule

(1) This Schedule applies to the 2025 year of assessment.

(2) This Schedule applies to an individual ("A") if –

(a) A entered into a marriage or civil partnership before 1st January 2022 with another individual ("B");

(b) A and B have lived together without any periods of separation since 31st December 2021;

(c) neither A nor B became resident in Jersey after 31st December 2021; and

(d) A and B have not elected to be independently taxed.

(3) A person has elected to be independently taxed if they have made an election under Article 121C, 121D, 121E, 121F, 122DA, 122DB, 122DC or 122DD, as in force immediately before 1st January 2025.

## 3 Partners to be taxed jointly

(1) If the partners are living together during the 2025 year of assessment, partner B's income is partner A's income (and not partner B's income) for the purposes of this Law.

(2) Any tax falling to be assessed in respect of any income that, due to sub-paragraph (1), is partner A's income, is assessable on partner A (and not on partner B).

(3) This paragraph applies –

(a) to partner A's trustee, guardian, delegate, heirs, executors and administrators as if those people are partner A; and

(b) to partner B's trustee, guardian, delegate, heirs, executors and administrators as if those people are partner B.

## 4 Deductions from earnings

(1) Despite paragraph 3, an employer is required to deduct tax from partner B's earnings in accordance with Article 41B.

(2) The rates determined under Articles 41C, 41CA and 41CB must be determined as if partner A is the employee (regardless of whether partner A is in employment).

(3) The rate specified in a notice issued to a partner by the Comptroller under Article 41CC applies to both partners, unless the partners make an election under paragraph 5.

## 5 Joint election to adjust rates of deductions from earnings

(1) Partners who are both in employment may jointly elect for the rate applicable to the earnings of one partner to be increased and the rate applicable to the earnings of the other partner to be correspondingly reduced.

(2) If the Comptroller agrees to the adjusted rates proposed in an election, the Comptroller must issue a notice in writing of the rates applicable to each partner and the day from which the rates apply.

(3) Article 41CD applies to a refusal by the Comptroller to issue a notice under sub-paragraph (2) as it applies to a refusal to determine a rate to apply to an employee.

(4) The aggregate of the deductions made when applying the adjusted rates to the earnings of both partners must not be less than the aggregate of the deductions that would have been made if the adjustment had not been made.

(5) An election stops having effect if –

(a) either partner stops being in employment;

(b) sub-paragraph (4) is not complied with;

(c) a new rate applies to the partners because of a further notice being issued under Article 41CC; or

(d) an effective rate under Article 41B(3)(b) applies.

## 6 Threshold for exemption from income tax

(1) This paragraph applies if partner A proves that for the 2025 year of assessment –

(a) partner A and B live together; or

(b) partner A and B do not live together but –

(i) partner B is wholly maintained by partner A during the year, and

(ii) in computing the amount of partner A's income for the purposes of this Law, partner A is not entitled to make any deductions in respect of sums paid for the maintenance of partner B.

(2) If this paragraph applies, partner A's exemption threshold for the purposes of Part 12 and Articles 129AA and 129A is £33,200 plus –

(a) if both partner A and partner B receive earned income for the year of assessment, the lowest of –

(i) £8,200,

(ii) an amount equal to partner A's earned income for the year of assessment, or

(iii) an amount equal to partner B's earned income for the year of assessment; and

(b) any increase to the threshold to which partner A is entitled under Part 12, except for Article 99.

(2A) If this paragraph applies, for the purposes of determining if an individual is entitled to an increase under Article 92B –

(a) in addition to the individual satisfying the other conditions in Article 92B, the individual's spouse or civil partner must have qualifying income; and

(b) whether the individual and their spouse or civil partner has qualifying income is determined –

(i) by applying the definition in Article 92B(8), and

(ii) by substituting "£8,200" for "£5,750" in sub-paragraph (b)(ii) of that definition.

(3) If this paragraph applies, partner A's exemption threshold for the purposes of Articles 129AA and 129A is the apportionment fraction of the amount calculated at sub-paragraph (2).

(4) For the purposes of this paragraph, "earned income" of an individual does not include –

(a) earned income received or receivable by an individual from the individual's partner; or

(b) the payment to an individual who is partner B of a benefit to which Article 77AA applies (Social Security allowances) unless the benefit is –

(i) a Jersey old age pension payable to partner B by virtue of partner B's own insurance, or

(ii) home carer's allowance payable to partner B.

## 7 Requirement to provide partner's information when entering or resuming employment

(1) If Article 41H applies to a person to whom this Schedule applies, the person must, at the same time as providing the information required under that Article, notify the Comptroller in writing of –

(a) which partner is partner A and which partner is partner B; and

(b) the information listed in Article 41H(2) in respect of their partner.

(2) The Comptroller may –

(a) require the information to be provided in a form and manner approved by the Comptroller; and

(b) require the person to sign a declaration that the information is true, complete and correct to the best of the person's knowledge.

## 8 Relevant earnings for purposes of Part 19

Despite paragraph 3, partner B's relevant earnings for the purposes of Part 19 (special provisions as to pensions and pension schemes, annuities, etc) are not partner A's relevant earnings.

## 9 Access of partner B to tax information

The Comptroller must, on request of a partner B who is living together with their partner A, provide information collected under this Law that relates to partner A for a period –

(a) that is not before the 2021 year of assessment; and

(b) during which the partners were living together and were married or in a civil partnership.

## 10 Relief for non-residents

For the purposes of Article 129B, "non-Jersey income" of partner A includes income of partner B that is not Jersey income (as defined in Article 129B(1)(a)).

## 11 Treatment of amounts received by Comptroller

Despite Article 41G(1), if the Comptroller receives an amount paid under Article 41A or 41B that has been deducted from a partner B, the Comptroller must apply the amount as a payment of income tax by partner A.

## 12 Proceedings for recovery of tax from partners

The powers of recovery provided in this Law for the non-payment of income tax by partner A extend to the property, goods and chattels of partner B if –

(a) the unpaid income tax is charged on partner A in respect of income that, if not for paragraph 3(1), would be partner B's income;

(b) the Comptroller serves partner B with a notice demanding payment of the unpaid income tax; and

(c) partner B fails to pay the unpaid income tax within 7 days after the notice is served.

# ENDNOTES

## Table of Legislation History

| Legislation | Year and No | Commencement | ◦Projet No (where applicable) |
|---|---|---|---|
| Income Tax Law (Jersey) 1961 | L.29/1961 | 1 January 1962 | |
| Income Tax (Amendment) (Jersey) Law 1962 | L.3/1962 | 24 April 1962 | |
| Income Tax (Amendment No. 2) (Jersey) Law 1963 | L.11/1963 | Article 1 in force 1 January 1962; Article 2 in force 31 May 1962; Article 3 in force 19 July 1963 | |
| Solemn Affirmations (Jersey) Law 1963 | L.15/1963 | 23 August 1963 | |
| Income Tax (Amendment No. 3) (Jersey) Law 1963 | L.21/1963 | 22 November 1963 | |
| Finance (Jersey) Law 1964 | L.5/1964 | 27 November 1963 (R&O.4508) | |
| Income Tax (Amendment No. 4) (Jersey) Law 1964 | L.8/1964 | Article 1 in force 1 January 1962; Articles 2 and 3 in force 3 July 1964 | |
| Income Tax (Amendment No. 5) (Jersey) Law 1965 | L.8/1965 | 25 June 1965 | |
| Finance (Jersey) Law 1965 | L.12/1965 | 27 November 1964 (R&O.4596); Parts 5 and 6 in force 1 January 1965 | |
| Finance (Jersey) Law 1967 | L.4/1967 | 30 November 1966 (R&O.4868) | |
| Income Tax (Amendment No. 6) (Jersey) Law 1967 | L.10/1967 | 30 June 1967 | |
| Finance (Jersey) Law 1968 | L.5/1968 | 29 November 1967 (R&O.5006) | |
| Finance (Jersey) Law 1969 | L.8/1969 | 3 December 1968 (R&O.5173) | |
| Income Tax (Amendment No. 7) (Jersey) Law 1969 | L.11/1969 | 20 June 1969 | |
| Finance (Jersey) Law 1971 | L.10/1971 | 1 December 1970 (R&O.5601); Part 4 and 5 in force 1 January 1971 | |
| Income Tax (Amendment No. 8) (Jersey) Law 1971 | L.11/1971 | 2 July 1971 | |
| Income Tax (Amendment No. 9) (Jersey) Law 1972 | L.14/1972 | 26 May 1972 | |
| Finance (Jersey) Law 1972 | L.20/1972 | 7 December 1971 (R&O.5601) | |

| Legislation | Year and No | Commencement | ◦Projet No (where applicable) |
|---|---|---|---|
| Finance (Jersey) Law 1973 | L.9/1973 | 6 December 1972 (R&O.5758); Part 4 in force 1 January 1973 | |
| Finance (Jersey) Law 1974 | L.8/1974 | 4 December 1973 (R&O.5899) | |
| Income Tax (Amendment No. 10) (Jersey) Law 1974 | L.20/1974 | 23 August 1974 | |
| Finance (Jersey) Law 1975 | L.8/1975 | 4 December 1974 (R&O.6092) | |
| Income Tax (Amendment No. 11) (Jersey) Law 1975 | L.13/1975 | 17 October 1975 | |
| Finance (Jersey) Law 1976 | L.15/1976 | 2 December 1975 (R&O.6240) | |
| Income Tax (Amendment No. 12) (Jersey) Law 1977 | L.5/1977 | 19 August 1977 | |
| Finance (Jersey) Law 1978 | L.4/1979 | 7 December 1976 (R&O.6358); Part 4 in force 1 January 1977 | |
| Finance (No. 2) (Jersey) Law 1978 | L.5/1979 | 6 December 1977 (R&O.6485) | |
| Income Tax (Amendment No. 13) (Jersey) Law 1979 | L.16/1979 | 29 June 1979 | |
| Finance (Jersey) Law 1979 | L.17/1979 | 5 December 1978 (R&O.6596) | |
| Finance (Jersey) Law 1980 | L.12/1980 | 11 December 1979 (R&O.6741) | |
| Income Tax (Amendment No. 14) (Jersey) Law 1980 | L.15/1980 | 8 August 1980 | |
| Income Tax (Amendment No. 15) (Jersey) Law 1981 | L.8/1981 | 14 August 1981 | |
| Finance (Jersey) Law 1981 | L.9/1981 | 2 December 1980 (R&O.6879) | |
| Finance (Jersey) Law 1982 | L.12/1982 | 1 December 1981 (R&O.7001) | |
| Finance (Jersey) Law 1983 | L.22/1983 | 30 November 1982 (R&O.7122) | |
| Finance (Jersey) Law 1984 | L.13/1984 | 30 November 1983 (R&O.7238) | |
| Finance (Jersey) Law 1986 | L.30/1986 | 5 December 1984 (R&O.7345) | |
| Finance (No. 2) (Jersey) Law 1986 | L.31/1986 | 3 December 1985 (R&O.7447) | |
| Finance (Jersey) Law 1987 | L.10/1987 | 25 November 1986 (R&O.7577) | |

| Legislation | Year and No | Commencement | ◦Projet No (where applicable) |
|---|---|---|---|
| Finance (Jersey) Law 1988 | L.12/1988 | 1 December 1987 (R&O.7696) | |
| Finance (Jersey) Law 1989 | L.10/1989 | 6 December 1988 (R&O.7842) | |
| Finance (Jersey) Law 1990 | L.10/1990 | 28 November 1989 (R&O.8001) | |
| Finance (Jersey) Law 1991 | L.11/1991 | 4 December 1990 (R&O.8142) | |
| Companies (Jersey) Law 1991 | L.30/1991 | 30 March 1992 | |
| Finance (Jersey) Law 1992 | L.7/1992 | 3 December 1991 (R&O.8305) | |
| Income Tax (Amendment No. 16) (Jersey) Law 1993 | L.12/1993 | 14 May 1993 | |
| Finance (Jersey) Law 1995 | L.1/1995 | 24 November 1992 (R&O.8490) | |
| Finance (No. 2) (Jersey) Law 1995 | L.2/1995 | 30 November 1993 (R&O.8613); Part 9 in force 1 January 1994 | |
| Finance (No. 4) (Jersey) Law 1995 | L.21/1995 | 6 December 1994 (R&O.8763) | |
| Finance (Jersey) Law 1996 | L.24/1996 | 5 December 1995 (R&O.8891); Part 9 in force 31 December 1995 | |
| Income Tax (Amendment No. 17) (Jersey) Law 1997 | L.20/1997 | 3 December 1996 (R&O.9026) | |
| Finance (Jersey) Law 1997 | L.21/1997 | 3 December 1996 (R&O.9025) | |
| Finance 1998 (Jersey) Law 2001 | L.10/2001 | 3 December 1997 (R&O.9179) | |
| Income Tax (Amendment No. 18) (Jersey) Law 1998 | L.2/1998 | 16 January 1998 | |
| Financial Services Commission (Jersey) Law 1998 | L.11/1998 | Articles 1-4, 8, 10-21, 24, Schedule 1 in force 4 June 1998; Articles 5-7, 9, 22-23, remainder Schedule 2 and Schedule 3 in force 1 July 1998 (R&O.9238); the amendments to the Limited Liability Partnerships (Jersey) Law 1997 in Schedule 2 in force 9 September 1998 (R&O.9278) | |
| Income Tax (Amendment No. 20) (Jersey) Law 1999 | L.11/1999 | 30 April 1999 | P.233/1998 |

| Legislation | Year and No | Commencement | ◦Projet No (where applicable) |
|---|---|---|---|
| Finance (Jersey) Law 1999 | L.19/1999 | 2 December 1998 (R&O.9324) | P.223/1998 |
| Income Tax (Amendment No. 19) (Jersey) Law 1999 | L.21/1999 | 2 December 1998 (R&O.9325) | P.232/1998 |
| Criminal Procedure (Prescription of Offences) (Jersey) Law 1999 | L.23/1999 | 23 July 1999 | P.34/1999 |
| Finance (Jersey) Law 2000 | L.16/2000 | 30 November 1999 (R&O.9475) | P.195/1999 |
| Income Tax (Amendment No. 21) (Jersey) Law 2001 | L.14/2001 | Article 1 in force 27 April 2001; Articles 2–5 in force 7 December 2001 (R&O.133/2000) | P.208/2000 |
| Finance (Jersey) Law 2001 | L.19/2001 | 7 December 2000 (R&O.132/2000) | P.223/2000 |
| Finance (Jersey) Law 2002 | L.23/2002 | 6 December 2001 (R&O.175/2001); Article 5 in force 1 January 2002 | P.196/2001 |
| Finance (Jersey) Law 2003 | L.21/2003 | 5 December 2002<br><br>Adopted Law given effect as if enacted on 5 December 2002 by R&O.155/2002 | P.220/2002 |
| Income Tax (Amendment No. 22) (Jersey) Law 2003 | L.22/2003 | 5 December 2002<br><br>Adopted Law given effect as if enacted on 5 December 2002 by R&O.156/2002 | P.219/2002 |
| Finance (Jersey) Law 2004 | L.13/2004 | 5 December 2003<br><br>Adopted Law given effect as if enacted on 5 December 2003 by R&O.160/2003 | P.191/2003 (re-issue) |
| Income Tax (Amendment No. 23) (Jersey) Law 2004 | L.20/2004 | 5 December 2003<br><br>Adopted Law given effect as if enacted on 5 December 2003 by R&O.161/2003<br>Part 2 had effect on 1 January 2004, Part 3 had effect in relation to tax payable for the year of | P.192/2003 |

| Legislation | Year and No | Commencement | ◦Projet No (where applicable) |
|---|---|---|---|
| | | assessment 2003 and ensuing years, Part 4 had effect in relation to statements required to be delivered under Article 16 in respect of the year of assessment 2003 and ensuing years, Part 5 had effect in any case in which withdrawal of approval of a fund under Article 131G took effect after Part 5 came into force, Part 6 took effect for the year of assessment 2004 and ensuing years, Part 7 took effect in relation to losses incurred after Part 7 came into force, Part 8 had effect in relation to expenditure incurred after Part 8 came into force, Part 10 had effect for the year of assessment 2004 and ensuing years with the exception of Articles 38 and 39 which shall have effect for the year of assessment 2003 and ensuing years, provisions in the Schedule have effect on the dates respectively stated | |

| Legislation | Year and No | Commencement | ◦Projet No (where applicable) |
|---|---|---|---|
| Income Tax (Amendment No. 24) (Jersey) Law 2005 | L.12/2005 | Part 3 in force for year of assessment 2004 and ensuing years; Articles 2, 3 and 5, Article 7 (to the extent that it inserts Articles 41C, 41D and 41F) and Part 4 in force 1.1.05; Part 6 in force for year of assessment 2005 and ensuing years; Articles 4, 6, 7 (to the extent that it is not already in force), 8 and 9 in force 1.1.06; Part 5 in force for year of assessment 2006 and ensuing years; remainder in force 14.12.04<br><br>Adopted Law given effect as if enacted on 14 December 2004 by R&O.157/2004 | P.222/2004 |
| Children (Jersey) Law 2002 | L.50/2002 | 1 August 2005 (R&O.74/2005) | P.200/2001 |
| Finance (Jersey) Law 2006 | L.14/2006 | 1 December 2005<br><br>Adopted Law given effect as if enacted on 1 December 2005 by R&O.184/2005 | P.279/2005 |
| Income Tax (Amendment No. 25) (Jersey) Law 2006 | L.15/2006 | 1 December 2005 as to Parts 1, 4 and 7;<br>Parts 2 and 3 have effect for the year of assessment 2005 and ensuing years;<br>1 January 2006 as to Part 5;<br>Part 6 in force 30 June 2006;<br><br>Adopted Law given effect as if enacted on 1 December 2005 by R&O.185/2005 | P.256/2005 |

| Legislation | Year and No | Commencement | ◦Projet No (where applicable) |
|---|---|---|---|
| States of Jersey (Amendments and Construction Provisions No. 2) (Jersey) Regulations 2005 | R&O.43/2005 | 9 December 2005 | P.57/2005 |
| Public Finances (Consequential Amendments) (Jersey) Regulations 2005 | R&O.126/2005 | 9 December 2005 | P.203/2005 |
| States of Jersey (Amendments and Construction Provisions No. 12) (Jersey) Regulations 2005 | R&O.133/2005 | 9 December 2005 | P.217/2005 |
| Employment of States of Jersey Employees (Consequential, Amendment, Repeal, Transitional and Savings Provisions) (Jersey) Regulations 2005 | R&O.155/2005 | 9 December 2005 | P.243/2005 |
| Finance (Jersey) Law 2007 | L.38/2007 | 5 December 2006<br><br>Adopted Law given effect as if enacted on 5 December 2006 by R&O.134/2006 | P.131/2006 |
| Income Tax (Amendment No. 26) (Jersey) Law 2007 | L.19/2007 | 5 December 2006 as to Parts 1 and 3<br>Part 2 Chapter 1 has effect for the year of assessment 2007 and ensuing years<br>Part 2 Chapter 2 will have effect for the year of assessment 2011 and ensuing years<br><br>Adopted Law given effect as if enacted on 5 December 2006 by R&O.135/2006 | P.132/2006 |
| Income Tax (Amendment No. 27) (Jersey) Law 2007 | L.20/2007 | 16 January 2007<br>The Law has effect for the year of assessment 2007 and ensuing years<br><br>Adopted Law given effect as if enacted on 16 January 2007 by R&O.9/2007 | P.167/2006 |

| Legislation | Year and No | Commencement | ◦Projet No (where applicable) |
|---|---|---|---|
| Income Tax (Amendment No. 28) (Jersey) Law 2007 | L.21/2007 | Article 2 has effect for the year of assessment 2007;<br>Parts 2 and 3 have effect for the year of assessment 2008;<br>Parts 4, 5*, 6, 7* and 8 have effect for the year of assessment 2009;<br>Articles 1 and 54 in force 22 June 2007 | P.168/2006 |
| Income Tax (Amendment No. 29) (Jersey) Law 2008 | L.18/2008 | 20 November 2007 as to Articles 1 and 53 to 55;<br>1 January 2008 as to Part 2;<br>Parts 3, 4 and 8 have effect for the year of assessment 2008 and ensuing years;<br>Parts 5, 6* and 7* will have effect for the year of assessment 2009 and ensuing years<br><br>Adopted Law given effect as if enacted on 20 November 2007 by R&O.159/2007 | P.156/2007 |
| Income Tax (Amendment No. 30 (Jersey) Law 2010 | L.13/2010 | 5 December 2007 as to Article 1 and Parts 3 and 5;<br>Parts 2 and 4 have effect for the year of assessment 2008 and ensuing years<br><br>Adopted Law given effect as if enacted on 5 December 2007 by R&O.174/2007 | P.166/2007 |
| Income Support (Consequential Amendments) (Jersey) Regulations 2007 | R&O.127/2007 | 28 January 2008 | P.102/2007 |
| Income Tax (Amendment of Law) (Jersey) Order 2008 | R&O.66/2008 | 26 May 2008 | |

| Legislation | Year and No | Commencement | ◦Projet No (where applicable) |
|---|---|---|---|
| Finance (2009 Budget) (Jersey) Law 2009 | L.20/2009 | 3 December 2008<br><br>Adopted Law given effect as if enacted on 3 December 2008 by R&O.153/2008 | P.159/2008 |
| Income Tax (Amendment No. 31) (Jersey) Law 2009 | L.22/2009 | 3 December 2008 as to Parts 1 and 7:<br>Part 5 has effect for the year of assessment 2008 and ensuing years;<br>Parts 2, 3 and 6 have effect for the year of assessment 2009 and ensuing years;<br>1 January 2009 as to Part 4<br><br>Adopted Law given effect as if enacted on 3 December 2008 by R&O.154/2008 | P.160/2008 |
| Income Tax (Amendment No. 32) (Jersey) Law 2009 | L.27/2009 | 4 December 2009 | P.82/2009 |
| Income Tax (Amendment No. 33) (Jersey) Law 2011 | L.3/2011 | Year of assessment 2009 and ensuing years<br><br>Adopted Law given effect as if enacted on 6 November 2009 by R&O.113/2009 | P.81/2009 |
| Finance (2010 Budget) (Jersey) Law 2010 | L.10/2010 | 1 January 2010<br><br>Adopted Law given effect as if enacted on 10 December 2009 by R&O.127/2009 | P.180/2009 |

| Legislation | Year and No | Commencement | ◦Projet No (where applicable) |
|---|---|---|---|
| Income Tax (Amendment No. 34) (Jersey) Law 2010 | L.19/2010 | Parts 1 and 7 - 10 December 2009; Parts 2, 3 and 5 - year of assessment 2010 and ensuing years; Part 4 - 1 January 2010; Part 6 and Schedule – in force 5 November 2010<br><br>Adopted Law given effect as if enacted on 10 December 2009 by R&O.128/2009 | P.181/2009 |
| Income Tax (Amendment No. 36) (Jersey) Law 2011 | L.20/2011 | 10 December 2010 (has effect for the year of assessment 2010 and ensuing years)<br><br>Adopted Law given effect as if enacted on 10 December 2010 by R&O.126/2010 | P.121/2010 |
| Finance (2011 Budget) (Jersey) Law 2011 | L.16/2011 | 1 January 2011<br><br>Adopted Law given effect as if enacted on 10 December 2010 by R&O.122/2010 | P.158/2010 |
| Income Tax (Amendment No. 37) (Jersey) Law 2011 | L.21/2011 | 1 January 2011, except –<br>(a) Articles 6, 7, 8, 9, 10, 11, 12, 19, 20, 21 have effect for the year of assessment 2011 and ensuing years<br>(b) Article 23 has effect for the year of assessment 2012 and ensuing years<br><br>Adopted Law given effect as if enacted on 10 December 2010 by R&O.123/2010 | P.159/2010 |

| Legislation | Year and No | Commencement | ◦Projet No (where applicable) |
|---|---|---|---|
| Income Tax (Amendment No. 35) (Jersey) Law 2011 | L.4/2011 | 25 February 2011 – Articles 1 and 4;<br>20 April 2011 – Article 3;<br>26 May 2011 – Article 2 | P.68/2010 |
| Income Tax (Amendment No. 39) (Jersey) Law 2011 | L.28/2011 | 22 July 2011<br><br>Adopted Law given effect as if enacted on 22 July 2011 by R&O.99/2011 | P.113/2011 |
| Income Tax (Amendment No. 38) (Jersey) Law 2011 | L.27/2011 | 1 January 2012 – except Part 4, 1 January 2013 | P.79/2011 |
| Finance (2012 Budget) (Jersey) Law 2012 | L.13/2012 | 1 January 2012<br><br>Adopted Law given effect as if enacted on 8 November 2011 by R&O.145/2011 | P.160/2011 |
| Income Tax (Amendment No. 40) (Jersey) Law 2012 | L.15/2012 | 8 November 2011 – Parts 1 and 8 and Article 23; Part 3 and Article 24 – year of assessment 2011 and ensuing years; remainder – year of assessment 2012 and ensuing years<br><br>Adopted Law given effect as if enacted on 8 November 2011 by R&O.146/2011 | P.161/2011 |
| Civil Partnership (Jersey) Law 2012 | L.4/2012 | 2 April 2012 | P.85/2011 |
| Social Security (Amendment of Law No. 4) (Jersey) Regulations 2012 | R&O.141/2012 | 1 January 2013 | P.101/2012 |
| Finance (2013 Budget) (Jersey) Law 2013 | L.4/2013 | 1 January 2013<br><br>Adopted Law given effect as if enacted on 5 December 2012 by R&O.138/2012 | P.103/2012 |

| Legislation | Year and No | Commencement | ◦Projet No (where applicable) |
|---|---|---|---|
| Income Tax (Amendment No. 41) (Jersey) Law 2013 | L.3/2013 | 5 December 2012 – Part 1; Parts 2 and 3 – year of assessment 2013 and ensuing years; Part 4 – 1 January 2013; Article 33(b) – year of assessment 2011 and ensuing years and remainder of Part 5 – year of assessment 2013 and ensuing years; Part 6 – year of assessment 2011 and ensuing years for married persons and year of assessment 2012 and ensuing years for civil partners; Part 7 – year of assessment 2009 and ensuing years; Part 8 – year of assessment 2013 and ensuing years<br><br>Adopted Law given effect as if enacted on 5 December 2012 by R&O.139/2012 | P.104/2012 |
| Income Tax (Amendment No. 42) (Jersey) Law 2013 | L.6/2013 | 16 January 2013<br><br>Adopted Law given effect as if enacted on 16 January 2013 by R&O.5/2013 | P.133/2012 |
| Control of Housing and Work (Transitional and Consequential Provisions) (Jersey) Regulations 2013 | R&O.30/2013 | 1 July 2013 (R&O.63/2013) | P.3/2013 |
| Finance (2014 Budget) (Jersey) Law 2014 | L.1/2014 | 1 January 2014<br><br>Adopted Law given effect as if enacted on 5 December 2013 by R&O.152/2013 | P.123/2013 |

| Legislation | Year and No | Commencement | ◦Projet No (where applicable) |
|---|---|---|---|
| Income Tax (Amendment No. 43) (Jersey) Law 2013 | L.2/2014 | Article 26 – year of assessment 2012 and ensuing years; Part 2 (apart from Article 3), Article 19(e) – year of assessment 2013 and ensuing years;<br>Articles 1 and 34 – 5 December 2013; Article 3 – 1 January 2014; Part 3 (except Article 19(e)), Part 4 (except Article 26) – year of assessment 2014 and ensuing years<br><br>Adopted Law given effect as if enacted on 5 December 2013 by R&O.153/2013 | P.124/2013 |
| Social Security (Amendment of Law No. 6) (Jersey) Regulations 2013 | R&O.157/2013 | 1 July 2014 – Regulation 12 (for the purpose described in Regulation 14(2)(b))<br>1 January 2015 – Regulation 12 to the extent that it is not already in force | P.138/2013 |
| European Union Legislation (Implementation) (Jersey) Law 2014 | L.28/2014 | 31 October 2014 | P.164/2013 |
| Social Security (Amendment No. 21) (Jersey) Law 2014 | L.3/2014 | 1 January 2015 | P.139/2013 |
| Income Tax (Amendment No. 44) (Jersey) Law 2014 | L.48/2014 | 1 January 2015<br><br>Adopted Law given effect as if enacted on 24 September 2014 by R&O.161/2014 | P.130/2014 |
| Air and Sea Ports (Incorporation) (Jersey) Law 2015 | L.9/2015 | 1 October 2015 (R&O.105/2015) | P.5/2015 |
| Social Security (Amendment of Law No. 10) (Jersey) Regulations 2015 | R&O.157/2015 | 17 December 2015 | P.136/2015 |

| Legislation | Year and No | Commencement | ◦Projet No (where applicable) |
|---|---|---|---|
| States of Jersey (Transfer of Functions No. 8) (Miscellaneous Transfers) (Jersey) Regulations 2015 | R&O.158/2015 | 1 January 2016 | P.46/2015 (re-issue) |
| Finance (2016 Budget) (Jersey) Law 2016 | L.3/2016 | 20 October 2015 – Articles 14, 16;<br>1 January 2016 – Articles 1 to 4, 6, 7, 10 to 13, 15, 17 to 22 and 29 (to the extent that L.3/2016 amends this Law);<br>1 January 2017 – Article 9;<br>1 January 2018 – Article 8;<br>1 January 2026 – Article 5<br><br>Adopted Law given effect as if enacted on 15 December 2015 by R&O.155/2015 | P.129/2015 |
| Income Tax (Amendment No. 45) (Jersey) Law 2016 | L.4/2016 | 26 February 2016 | P.128/2015 |
| Criminal Justice (Miscellaneous Provisions) (Jersey) Law 2016 | L.1/2016 | 20 September 2016 (R&O.98/2016) | P.87/2015 |
| Finance (2017 Budget) (Jersey) Law 2017 | L.6/2017 | 1 January 2015 – Article 13<br>1 January 2016 – Articles 5, 6, 7(2);<br>1 January 2017 – Articles 3, 4, 7(1), 8 to 12 and 14;<br><br>Adopted Law given effect as if enacted on 14 December 2016 by R&O.127/2016 | P.113/2016 |
| Finance (2018 Budget) (Jersey) Law 2018 | L.14/2018 | 1 January 2018<br><br>Adopted Law given effect as if enacted on 30 November 2017 by R&O.125/2017 | P.98/2017 |
| Marriage and Civil Status (Amendment No. 4) (Jersey) Law 2018 | L.19/2018 | 1 July 2018 (R&O.68/2018) | P.91/2017 |

| Legislation | Year and No | Commencement | ◦Projet No (where applicable) |
|---|---|---|---|
| Limited Liability Partnerships (Jersey) Law 2017 | L.2/2017 | 1 August 2018 (R&O.74/2018) | P.95/2016 |
| Mental Health and Capacity (Consequential Amendment and Transitional Provision) (Jersey) Regulations 2018 | R&O.49/2018 | 1 October 2018 (R&O.51/2018) | P.48/2018 |
| Finance (2019 Budget) (Jersey) Law 2019 | L.6/2019 | 1 January 2019<br>9 October 2018 – Part 1 Articles 15, 16 and 17<br>1 January 2018 – Part 1 Articles 10. 12 and 19<br><br>Adopted Law given effect as if enacted on 6 December 2018 by R&O.125/2018 | P.130/2018 |
| Charities (Jersey) Law 2014 | L.41/2014 | 1 January 2019 (R&O.17/2018) | P.108/2014 |
| Damages (Jersey) Law 2019 | L.5/2019 | 3 May 2019 | P.131/2018 |
| Finance (2020 Budget) (Jersey) Law 2020 | L.6/2020 | 1 January 2020<br><br>Adopted Law given effect as if enacted on 2 December 2019 by R&O.130/2019 | P.109/2019 |
| Revenue Administration (Jersey) Law 2019 | L.13/2019 | 1 January 2020 | P.122/2018 |
| European Union (United Kingdom Exit – Miscellaneous Amendments) (Jersey) Regulations 2019 | R&O.9/2019 | 11pm on 31 January 2020 (R&O.3/2020) | P.148/2018 |
| Income Tax (Amendment No. 46) (Jersey) Law 2021 | L.1/2021 | 16 November 2020 – Article 8<br>1 January 2021 – remainder of Law<br><br>Adopted Law given effect as if enacted on 4 November 2020 by R&O.131/2020 | P.118/2020 |
| Social Security (Amendment of Law No. 14) (Jersey) Regulations 2020 | R&O.137/2020 | 24 November 2020 | P.124/2020 |
| Social Security (Amendment of Law No. 13) (Jersey) Regulations 2020 | R&O.132/2020 | 1 January 2021 | P.113/2020 |

| Legislation | Year and No | Commencement | ◦Projet No (where applicable) |
|---|---|---|---|
| Finance (2021 Budget) (Jersey) Law 2021 | L.3/2021 | 1 January 2021<br><br>Adopted Law given effect as if enacted on 17 December 2020 by R&O.167/2020 | P.147/2020 |
| States of Jersey (Minister for Children and Education, Minister for Housing and Communities and Minister for External Relations and Financial Services) (Jersey) Order 2021 | R&O.29/2021 | 2 March 2021 | |
| Income Tax (Amendment – Stage 1 of Independent Taxation) (Jersey) Law 2021 | L.18/2021 | 22 September 2021 – Articles 10 and 14<br>1 January 2022 – remainder of Law except Article 3<br>1 January 2023 – Article 3<br><br>Adopted Law given effect as if enacted on 15 September 2021 by R&O.111/2021 | P.78/2021 |
| Legislation (Jersey) Law 2021 | L.8/2021 | 28 September 2021 (R&O.112/2021) | P.26/2021 |
| Income Tax (Amendment of Law – Taxation of Cannabis Companies) (Jersey) Regulations 2021 | R&O.144/2021 | 1 January 2022 | P.93/2021 |
| Finance (2022 Budget) (Jersey) Law 2022 | L.5/2022 | 1 January 2022 – except Articles 29, 30, 32 to 40 and 42<br><br>Adopted Law given effect as if enacted on 17 December 2021 by R&O.158/2021 | P.100/2021 |
| Taxation (Income Tax, Goods and Services Tax and Revenue Administration) (Amendment) (Jersey) Law 2022 | L.2/2022 | 4 March 2022 | P.51/2021 |
| Income Tax (Amendment of Law – Limited Liability Companies) (Jersey) Regulations 2022 | R&O.34/2022 | 1 September 2022 | P.25/2022 |

| Legislation | Year and No | Commencement | ◦Projet No (where applicable) |
|---|---|---|---|
| Finance (Budget – Cost of Living) (Jersey) Law 2022 | L.35/2022 | 1 January 2023<br><br>Adopted Law given effect as if enacted on 21 September 2022 by R&O.86/2022 | P.81/2022 |
| Finance (2023 Budget) (Jersey) Law 2023 | L.3/2023 | 1 January 2023<br><br>Adopted Law given effect as if enacted on 16 December 2022 by R&O.112/2022 | P.102/2022 |
| Income Tax (High Value Residents – Amendment) (Jersey) Law 2023 | L.13/2023 | 14 July 2023<br><br>Adopted Law given effect as if enacted on 5 July 2023 by R&O.57/2023 | P.29/2023 |
| Finance (2024 Budget) (Jersey) Law 2024 | L.1/2024 | 1 January 2024<br><br>Adopted Law given effect as if enacted on 14 December 2023 by R&O.120/2023 | P.91/2023 |
| Changes to Ministerial Offices (Jersey) Amendment Order 2024 | R&O.10/2024 | 9.30 a.m. on 27 February 2024 | |
| Income Tax Law (Jersey) Amendment Order 2024 | R&O.64/2024 | 22 November 2024 | |
| Income Tax (Amendment – Stage 2 of Independent Taxation) (Jersey) Law 2024 | L.5/2024 | 1 January 2025 – except Schedule 2, paragraph 1(7)<br><br>1 January 2026 – Schedule 2, paragraph 1(7) | P.6/2024 |
| Multinational Corporate Income Tax (Jersey) Law 2025 | L.7/2025 | 1 January 2025<br><br>Adopted Law given effect as if enacted on 22 October 2024 by R&O.59/2024 | P.54/2024 |

| Legislation | Year and No | Commencement | ◦Projet No (where applicable) |
|---|---|---|---|
| Finance (2025 Budget) (Jersey) Law 2025 | L.6/2025 | 1 January 2025<br><br>Adopted Law given effect as if enacted on 29 November 2024 by R&O.72/2024 | P.72/2024 |
| Statistics and Census (Jersey) Amendment Law 2025 | L.3/2025 | 21 February 2025 | P.29/2024 |
| Income Tax Law (Jersey) Amendment Order 2025 | R&O.10/2025 | 26 February 2025 | |
| Civil Status (Abolition of Legitimacy Etc.) (Jersey) Law 2025 | L.16/2025 | 24 November 2025 | P.44/2025 |
| Income Tax Law (Jersey) Amendment No. 2 Order 2024 | R&O.65/2024 | 1 January 2026 | |
| Finance (2026 Budget) (Jersey) Law 2026 | L.12/2026 | 1 January 2026<br><br>Adopted Law given effect as if enacted on 12 December 2025 by R&O.95/2025 | P.93/2025 |
| Bank (Recovery and Resolution) (Jersey) Amendment Law 2025 | L.25/2025 | 1 April 2026 (R&O.25/2026) | P.42/2025 |

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|---|
| * Certain provisions of Income Tax (Amendment No. 28) (Jersey) Law 2007 and of Income Tax (Amendment No. 29) (Jersey) Law 2008 to have effect for the year of assessment 2008 in the case of certain companies in accordance with Articles 48 to 50 of the Income Tax (Amendment No. 29) (Jersey) Law 2008. See the endnote to paragraph 6 of Schedule 5 |

## Table of Renumbered Provisions

| Original | Current |
|---|---|
| PART I | PART 1 |
| PART II | PART 2 |
| PART III | PART 3 |
| PART IV | PART 4 |
| 16(1)(a) | repealed by L.30/1986 |
| 21 | repealed by L.30/1986 |
| PART V | PART 5 |
| 22(2) | repealed by L.30/1986 |
| PART VI | PART 6 |
| 30 | repealed by L.30/1986 |
| PART VII | PART 7 |
| PART VIII | PART 8 |
| 56 | repealed by L.30/1986 |

| Original | Current |
|---|---|
| Part IX 57 | repealed by L.23/2002 |
| 58 | repealed by L.23/2002 |
| 59 | repealed by L.23/2002 |
| 60 | repealed by L.23/2002 |
| 60A | repealed by L.23/2002; inserted by L.20/1972 |
| PART X | PART 10 |
| 65(2) | repealed by L.22/2003; amended by L.14/2001 |
| 65B(6) | repealed by L.20/2004 |
| 71 | repealed by L.20/2004 |
| 72 | repealed by L.31/1986 |
| 73 | repealed by L.31/1986 |
| 73A | repealed by L.31/1986; inserted by L.11/1969 |
| 79(1) | repealed by L.20/2004 |
| PART XI | PART 11 |
| 87(3) | repealed by L.20/2004 |
| 88(2) | repealed by L.20/2004 |
| 91 | repealed by L.20/1997 |
| PART XII | PART 12 |
| 92(2) | repealed by L.12/1988 |
| 96 | repealed by L.20/2004 |
| 97 | repealed by L.10/1990 |
| 98 | repealed by L.10/1990 |
| 99 | repealed by L.20/2004 |
| 100 | repealed by L.20/2004 |
| PART XIII | PART 13 |
| 106(1) | repealed by L.20/2004 |
| 109 | repealed by L.16/1979 |
| PART XIV | PART 14 |
| 112(4) | repealed by L.20/2004 |
| PART XV | PART 15 |
| 118(1) | repealed by L.13/1984 |
| PART XVI | PART 16 |
| PART XVII | PART 17 |
| PART XVIII | PART 18 |
| PART XIX | PART 19 |
| 131(5)(d) | repealed by L.20/2004 |
| 131D(11)(c) | repealed by L.20/2004 |
| 131E(9)(c) | repealed by L.20/2004 |
| PART XX | PART 20 |
| 133(5) | repealed by L.21/1999 |
| PART XXI | PART 21 |
| PART XXII | PART 22 |
| 140 | repealed by L.23/1999 |
| PART XXIII | PART 2 |
| 143 | repealed by L.15/1963 |
| PART XXIV | PART 24 |
| 146 | spent, omitted from this revised edition |

| Original | Current |
|---|---|
| 147 | spent, omitted from this revised edition |
| 148 | spent, omitted from this revised edition |
| 149 | spent, omitted from this revised edition |
| SECOND SCHEDULE, (renumbered as SCHEDULE 4 by L.22/2003) | spent, omitted from this revised edition |

## Table of Endnote References

[1] *This Law has been amended by the States of Jersey (Amendments and Construction Provisions No. 2) (Jersey) Regulations 2005 and the States of Jersey (Amendments and Construction Provisions No. 12) (Jersey) Regulations 2005. The amendments replace all references to a Committee of the States of Jersey with a reference to a Minister of the States of Jersey, and remove and add defined terms appropriately, consequentially upon the move from a committee system of government to a ministerial system of government.*
*This Law has been amended by the Public Finances (Consequential Amendments) (Jersey) Regulations 2005. The amendments are consequential upon the repeal of the Public Finances (Administration) (Jersey) Law 1967 and its replacement by the Public Finances (Jersey) Law 2005.*
*This Law has been amended by the Employment of States of Jersey Employees (Consequential, Amendment, Repeal, Transitional and Savings Provisions) (Jersey) Regulations 2005. The amendments are consequential upon the repeal of the Civil Service (Administration) (Jersey) 1948 and its replacement by the Employment of States of Jersey Employees (Jersey) Law 2005.*

[2] *Long title* *amended by R&O.157/2013*

[3] *The Finance (2016 Budget) (Jersey) Law 2016 (L.3/2016, given immediate effect by R&O.155/2015) provides, in Article 1, that "There shall be levied and charged in Jersey for the year 2016, in accordance with and subject to the provisions of the Income Tax (Jersey) Law 1961, income tax at the standard rate of 20 pence in the pound"; for previous years the rate of income tax was set by the following laws:*

| | |
|---|---|
| *2015* | *L.47/2014* |
| *2014* | *L.1/2014* |
| *2013* | *L.4/2013* |
| *2012* | *L.13/2012* |
| *2011* | *L.16/2011* |
| *2010* | *L.10/2010* |
| *2009* | *L.20/2009* |
| *2008* | *L.40/2008* |
| *2007* | *L.38/2007* |
| *2006* | *L.14/2006* |
| *2005* | *L.13/2005* |
| *2004* | *L.13/2004* |
| *2003* | *L.21/2003* |
| *2002* | *L.23/2002* |
| *2001* | *L.19/2001* |

| | |
|---|---|
| *2000* | *L.16/2000* |
| *1999* | *L.19/1999* |
| *1998* | *L.10/2001* |
| *1997* | *L.21.1997* |
| *1996* | *L.24/1996* |
| *1995* | *L.21/1995* |
| *1994* | *L.2/1995* |
| *1993* | *L.1/1995* |
| *1992* | *L.7/1992* |
| *1991* | *L.11/1991* |
| *1990* | *L.10/1990* |
| *1989* | *L.10/1989* |
| *1988* | *L.12/1988* |
| *1987* | *L.10/1987* |
| *1986* | *L.30/1986* |
| *1985* | *L.31/1986* |
| *1984* | *L.13/1984* |
| *1983* | *L.22/1983* |
| *1982* | *L.12/1982* |
| *1981* | *L.9/1981* |
| *1980* | *L.12/1980* |
| *1979* | *L.17/1979* |
| *1978* | *L.5/1979* |
| *1977* | *L.4/1979* |
| *1976* | *L.15/1976* |
| *1975* | *L.8/1975* |
| *1974* | *L.8/1974* |
| *1973* | *L.9/1973* |
| *1972* | *L.20/1972* |
| *1971* | *L.10/1971* |
| *1970* | *L.2/1970* |
| *1969* | *L.8/1969* |
| *1968* | *L.5/1968* |
| *1967* | *L.4/1967* |
| *1966* | *L.11/1966* |
| *1965* | *L.12/1965* |
| *1964* | *L.5/1964* |
| *1963* | *L.10/1963* |
| *1962* | *L.4/1962* |
| *1961* | *L.25/1961* |

[4] *Article 1* — *amended by L.23/2002, L.12/2005*

[5] *Article 3(1)* — *amended by L.21/1963, L.13/1975, L.24/1996, L.21/1999, L.22/2003, L.20/2004, L.19/2007, L.21/2007, L.18/2008, L.22/2009, L.20/2011, L.21/2011, L.27/2011, L.15/2012, L.4/2012, L.3/2013, L.2/2014, L.48/2014, L.4/2016, L.2/2017, L.14/2018, L.19/2018, L.13/2019, R&O.9/2019 , L.18/2021, R&O.34/2022, L.18/2021, L.3/2023, L.1/2024, L.5/2024, L.12/2026, L.25/2025*

[6] *Article 3(1A)* — *inserted by L.21/2007, deleted by L.12/2026*

[7] *Article 3(1B)* — *inserted by L.18/2008*

[8] *Article 3(3)* — *inserted by L.14/2018*

[9] *Article 3AA* — *deleted by L.14/2018*

[10] *Article 3A* — *inserted by L.7/1992*

| | |
|---|---|
| [11] *Article 3A(2)* | *substituted by L.4/2012, amended by L.19/2018* |
| [12] *Article 3A(3)* | *amended by L.4/2012, L.19/2018* |
| [13] *Article 3A(3A)* | *inserted by R&O.34/2022* |
| [14] *Article 3AB* | *inserted by L.18/2008* |
| [15] *Article 3AC* | *inserted by L.20/2011* |
| [16] *Article 3AD* | *inserted by L.20/2011* |
| [17] *Article 3AD(1)* | *amended by L.2/2017* |
| [18] *Article 3AE* | *inserted by L.3/2013* |
| [19] *Article 3AE(2)* | *amended by L.2/2014* |
| [20] *Article 3AE(4A)* | *inserted by L.2/2014* |
| [21] *Article 3AF* | *inserted by L.1/2024* |
| [22] *Article 4(1)* | *amended by L.20/2004, L.19/2007* |
| [23] *Article 4(2)* | *amended by L.20/2004* |
| [24] *Article 4A* | *inserted by L.21/2007* |
| [25] *Part 3* | *repealed by L.13/2019* |
| [26] *Article 5* | *repealed by L.13/2019* |
| [27] *Article 6* | *repealed by L.13/2019* |
| [28] *Article 6A* | *inserted by R&O.157/2013, repealed by L.13/2019* |
| [29] *Article 7* | *repealed by L.15/2006* |
| [30] *Article 8* | *amended by L.19/2010, repealed by L.13/2019* |
| [31] *Article 9* | *amended by L.19/2010, repealed by L.13/2019* |
| [32] *Article 10* | *repealed by L.13/2019* |
| [33] *Article 11* | *amended by L.22/2003, repealed by L.13/2019* |
| [34] *Article 12* | *repealed by L.13/2019* |
| [35] *Article 13* | *repealed by L.13/2019* |
| [36] *Article 13A* | *inserted by L.2/1998, repealed by L.13/2019* |
| [37] *Article 13B* | *inserted by L.6/2017, repealed by L.13/2019* |
| [38] *Article 14* | *repealed by L.13/2019* |
| [39] *Article A15* | *inserted by L.12/2005* |
| [40] *Article A15(1)* | *amended by L.5/2024* |
| [41] *Article 15(2)* | *inserted by L.6/2017, amended by L.6/2020* |
| [42] *Article 16 heading* | *amended by L.6/2019* |
| [43] *Article 16(1)* | *amended by L.22/1983, L.30/1986, L.20/2004, L.18/2008, L.2/2014, L.6/2019, L.6/2020* |
| [44] *Article 16(2)* | *substituted by L.18/2008, amended by L.6/2019* |
| [45] *Article 16(3)* | *amended by L.6/2019* |
| [46] *Article 16(4)* | *amended by L.21/2007, L.21/2011, L.6/2019* |
| [47] *Article 16(4A)* | *deleted by L.27/2011* |
| [48] *Article 16(5)* | *substituted by L.27/2011* |
| [49] *Article 16(6)* | *deleted by L.27/2011* |
| [50] *Article 16(7)* | *deleted by L.27/2011* |
| [51] *Article 16(8)* | *inserted by L.6/2017, deleted by L.6/2020* |
| [52] *Article 16(9)* | *inserted by L.6/2020* |
| [53] *Article 16AA* | *inserted by L.5/2024* |
| [54] *Article 16AA(2)* | *editorial change, in sub-paragraph (b), "paragraph 5(b)" deleted, "Article 16AB(5)(b)" inserted instead* |
| [55] *Article 16AB* | *inserted by L.5/2024* |
| [56] *Article 16A* | *substituted by L.19/2010, amended by L.6/2020* |
| [57] *Article 16B* | *inserted by L.19/2010, repealed by L.13/2019* |
| [58]*Article 17 heading* | *amended by L.6/2019* |
| [59] *Article 17(1)* | *amended by L.6/2019* |
| [60] *Article 17(2)* | *amended by L.6/2019* |

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|---|---|
| [61] *Article 17A* | *inserted by L.20/2004; heading substituted by L.6/2017, amended by L.6/2019* |
| [62] *Article 17A(1)* | *substituted by L.6/2019, amended by L.6/2020* |
| [63] *Article 17A(2)* | *substituted by L.6/2019, amended by L.6/2020, L.3/2021, R&O.34/2022, L.3/2023, L.1/2024* |
| [64] *Article 17A(2A)* | *inserted by L.6/2019, amended by L.6/2020* |
| [65] *Article 17A(2B)* | *inserted by L.6/2019, amended by L.6/2020, L.3/2021, L.2/2022, R&O.34/2022, L.3/2023, L.6/2025* |
| [66] *Article 17A(3)* | *substituted by L.6/2019, L.3/2021, amended by L.2/2022, R&O.34/2022, L.6/2025* |
| [67] *Article 17A(4)* | *substituted by L.6/2019, amended by L.2/2022, R&O.34/2022, L.6/2025* |
| [68] *Article 17A(4A)* | *inserted by L.6/2019, substituted by L.3/2021, amended by L.2/2022, R&O.34/2022, L.6/2025* |
| [69] *Article 17A(4B)* | *inserted by L.3/2021* |
| [70] *Article 17A(5)* | *substituted by L.6/2019, L.6/2020* |
| [71] *Article 17A(5A)* | *inserted by L.6/2020* |
| [72] *Article 17A(7)* | *amended by L.21/2011, L.6/2019, L.6/2020* |
| [73] *Article 17A(10)* | *substituted by L.2/2022* |
| [74] *Article 17(12)* | *amended by L.6/2020* |
| [75] *Article 17A(12A)* | *substituted by L.6/2019, amended by L.6/2020, L.2/2022, R&O.34/2022, L.3/2023* |
| [76] *Article 17A(13)* | *repealed by L.15/2006* |
| [77] *Article 17B* | *repealed by L.2/2014* |
| [78] *Article 18(1)* | *amended by L.18/2008, L.4/2012, L.2/2014, L.19/2018, L.18/2021* |
| [79] *Article 18(3)* | *added by L.18/2008* |
| [80] *Article 18(4)* | *added by L.18/2008* |
| [81] *Article 19* | *amended by L.2/2014* |
| [82] *Article 19A* | *inserted by L.12/2005* |
| [83] *Article 19A(1)* | *amended by L.1/2024* |
| [84] *Article 19A(2)* | *amended by L.1/2024* |
| [85] *Article 19A(3)* | *amended by L.1/2024* |
| [86] *Article 20* | *substituted by L.12/2005* |
| [87] *Article 20(1)* | *amended by L.6/2019, substituted by L.6/2020* |
| [88] *Article 20(1A)* | *inserted by L.6/2020* |
| [89] *Article 20(1B)* | *inserted by L.6/2020* |
| [90] *Article 20(1C)* | *inserted by L.6/2020* |
| [91] *Article 20(2)* | *amended by L.4/2012, L.19/2018, L.6/2019, L.6/2020* |
| [92] *Article 20(3)* | *deleted by L.2/2014* |
| [93] *Article 20(4)* | *substituted by L.6/2020, amended by L.2/2022* |
| [94] *Article 20A* | *substituted by L.12/2005* |
| [95] *Article 20A(1)* | *amended by L.6/2019, substituted by L.6/2020* |
| [96] *Article 20A(1A)* | *inserted by L.6/2020* |
| [97] *Article 20A(2)* | *amended by L.4/2012, L.19/2018, L.6/2019* |
| [98] *Article 20A(3)* | *deleted by L.2/2014* |
| [99] *Article 20A(4)* | *inserted by L.6/2020* |
| [100] *Article 20B* | *inserted by L.18/2008* |
| [101] *Article 20B(1)* | *amended by L.3/2013, L.6/2017, L.6/2019, L.6/2020* |
| [102] *Article 20B(2)* | *amended by L.20/2011, L.6/2020* |
| [103] *Article 20B(3)* | *amended by L.27/2011, L.3/2013, L.6/2017* |
| [104] *Article 20B(3A)* | *inserted by L.3/2013* |
| [105] *Article 20B(3B)* | *inserted by L.6/2017, substituted by L.6/2020* |

[106] *Article 20B(3C)* *inserted by L.6/2020*
[107] *Article 20B(3D)* *inserted by L.6/2020*
[108] *Article 20B(4)* *deleted by L.2/2014*
[109] *Article 20B(5)* *deleted by L.27/2011*
[110] *Article 20B(6)* *deleted by L.27/2011*
[111] *Article 20B(7)* *deleted by L.27/2011*
[112] *Article 20B(8)* *amended by L.27/2011*
[113] *Article 20C* *inserted by L.6/2020*
[114] *Article 20C(1)* *amended by L.1/2024*
[115] *Article 20D* *inserted by L.6/2020*
[116] *Article 20E* *inserted by L.3/2023*
[117] *Article 20E(5)* *amended by L.1/2024*
[118] *Article 20E(6)* *substituted by L.1/2024*
[119] *Article 21* *inserted by L.2/2014*
[120] *Article 21(1)* *amended by L.6/2019, L.6/2020, R&O.34/2022, L.3/2023*
[121] *Article 21A* *inserted by L.6/2017*
[122] *Article 21A(1)* *editorial change, "Taxation (Common Reporting Standard) (Jersey) Regulations 2015" omitted, "Taxation (Implementation) (International Tax Compliance) (Common Reporting Standard) (Jersey) Regulations 2015" inserted instead*
[123] *Article 21B* *inserted by L.2/2022*
[124] *Article 21B(1)* *amended by R&O.34/2022, L.3/2023*
[125] *Article 21C* *inserted by L.2/2022*
[126] *Article 22(3)* *amended by L.21/2007, L.21/2011*
[127] *Article 23* *amended by L.6/2019, L.6/2020*
[128] *Article 23(1A)* *inserted by L.2/2022*
[129] *Article 23(2)* *inserted by L.6/2020, amended by L.2/2022*
[130] *Article 23(3)* *inserted by L.12/2026*
[131] *Article 24* *substituted by L.2/2022*
[132] *Article 25* *amended by L.6/2020*
[133] *Article 25(1)* *inserted by L.6/2020*
[134] *Article 25(2)* *inserted by L.6/2020*
[135] *Article 26* *repealed by L.12/2005*
[136] *Article 27* *substituted by L.16/1979*
[137] *Article 27(1)* *amended by L.21/1999*
[138] *Article 27(2)* *substituted by L.11/1999*
[139] *Article 27(3)* *added by L.4/2016*
[140] *Article 27(4)* *inserted by L.1/2024*
[141] *Article 28(2)* *substituted by L.21/1999*
[142] *Article 28(3)* *inserted by L.21/1999*
[143] *Article 28(4)* *inserted by L.21/1999, amended by L.27/2009, repealed by L.13/2019*
[144] *Article 28(5)* *added by L.27/2009, repealed by L.13/2019*
[145] *Article 29(1)* *amended by L.11/1999*
[146] *Article 29(2)* *substituted by L.11/1999, amended by L.4/2016*
[147] *Article 29(3)* *substituted by L.11/1999*
[148] *Article 29(6)* *inserted by L.11/1999*
[149] *Article 29(7)* *inserted by L.11/1999, amended by L.4/2016*
[150] *Article 29(8)* *inserted by L.12/2026*
[151] *Article 29(9)* *inserted by L.12/2026*
[152] *Article 29A* *inserted by L.11/1999*
[153] *Article 29A(2A)* *added by L.4/2016*
[154] *Article 35(3)* *amended by L.5/1977, L.11/1999*

[155] *Article 35A* — *inserted by L.5/2022*
[156] *Article 36(1)* — *substituted by L.12/2026*
[157] *Article 36(1A)* — *inserted by L.12/2026*
[158] *Article 36(2)* — *substituted by L.12/2026*
[159] *Article 36(3)* — *amended by L.12/2026*
[160] *Article 36(4)* — *amended by L.12/2026*
[161] *Article 36A* — *inserted by L.1/2024*
[162] *Article 38(2)* — *substituted by L.6/2019*
[163] *Article A39* — *substituted by L.1/2021*
[164] *Article 39* — *substituted by L.6/2019, amended by L.1/2021*
[165] *Article 41A* — *inserted by L.12/2005, heading amended by L.6/2019, substituted by L.1/2021*
[166] *Article 41AA* — *inserted by L.1/2021*
[167] *Article 41AB* — *inserted by L.6/2019, heading amended by L.6/2020, renumbered by L.1/2021*
[168] *Article 41AA(5)* — *amended by L.6/2020*
[169] *Article 41B* — *inserted by L.12/2005, substituted by L.5/2024*
[170] *Article 41BA* — *inserted by L.5/2024*
[171] *Article 41BB* — *inserted by L.5/2024*
[172] *Article 41BC* — *inserted by L.5/2024*
[173] *Article 41BD* — *inserted by L.5/2024*
[174] *Article 41C* — *inserted by L.12/2005, substituted by L.1/2021, amended by L.5/2022*
[175] *Article 41C(2)* — *amended by L.3/2023*
[176] *Article 41CA* — *inserted by L.1/2021*
[177] *Article 41CA(3)* — *amended by L.5/2022, L.3/2023*
[178] *Article 41CB* — *inserted by L.1/2021*
[179] *Article 41CC* — *inserted by L.1/2021*
[180] *Article 41CD* — *inserted by L.1/2021*
[181] *Article 41CD(3)* — *amended by L.5/2024*
[182] *Article 41CE* — *inserted by L.1/2021*
[183] *Article 41CF* — *inserted by L.1/2021*
[184] *Article 41D* — *inserted by L.12/2005, deleted by L.5/2024*
[185] *Article 41DA* — *inserted by L.4/2012, deleted by L.5/2024*
[186] *Article 41E* — *inserted by L.12/2005*
[187] *Article 41E(5A)* — *inserted by L.3/2013*
[188] *Article 41E(5B)* — *inserted by L.3/2013*
[189] *Article 41E(5C)* — *inserted by L.3/2013*
[190] *Article 41E(5D)* — *inserted by L.3/2013*
[191] *Article 41E(5E)* — *inserted by L.3/2013*
[192] *Article 41E(8)* — *amended by L.1/2016*
[193] *Article 41F* — *inserted by L.12/2005*
[194] *Article 41F(3)* — *amended by L.3/2023*
[195] *Article 41F(5)* — *amended by L.3/2023*
[196] *Article 41F(8)* — *amended by L.1/2016, L.2/2022*
[197] *Article 41G* — *inserted by L.12/2005, substituted by L.1/2021*
[198] *Article 41G(1)* — *substituted by L.5/2024*
[199] *Article 41H* — *inserted by L.12/2005; heading substituted by L.6/2017, substituted by L.1/2021*
[200] *Article 41H(3)* — *amended by L.18/2021, substituted by L.5/2024*
[201] *Article 41H(3A)* — *inserted by L.18/2021, deleted by L.5/2024*
[202] *Article 41HA* — *inserted by L.15/2012*
[203] *Article 41I* — *inserted by L.12/2005*

| | |
|---|---|
| [204] *Article 41I(1)* | *substituted by L.6/2019, L.6/2020, amended by L.1/2021* |
| [205] *Article 41I(2)* | *amended by L.6/2019, L.6/2020* |
| [206] *Article 41I(3)* | *substituted by L.6/2019, L.1/2021, deleted by L.3/2023* |
| [207] *Article 41I(8)* | *substituted by L.2/2022* |
| [208] *Article 41I(9)* | *repealed by L.15/2006* |
| [209] *Article 41I(10)* | *inserted by L.6/2020, substituted by L.1/2021* |
| [210] *Article 42* | *substituted by L.5/2024* |
| [211] *Article 44(1)* | *amended by L.19/2010, revised on 17 June 2026 by Law Revision Board item 2026/1* |
| [212] *Article 45(3)* | *substituted by L.27/2009, amended by L.5/2024* |
| [213] *Article 49A* | *inserted by L.22/2009* |
| [214] *Article 49B* | *inserted by R&O.157/2013, substituted by R&O.132/2020* |
| [215] *Article 49B(2A)* | *inserted by L.3/2023* |
| [216] *Article 49B(3)* | *amended by L.3/2023* |
| [217] *Article 50* | *substituted by L.30/1986* |
| [218] *Article 50(1)* | *renumbered and amended by L.12/2026* |
| [219] *Article 50(2)* | *inserted by L.12/2026* |
| [220] *Article 51* | *substituted by L.22/1983, L.30/1986, L.21/2007* |
| [221] *Article 51(1)* | *amended by L.18/2008, L.22/2009, L.21/2011, L.1/2024, L.12/2026* |
| [222] *Article 51(2)* | *amended by L.18/2008, substituted by L.12/2026* |
| [223] *Article 51(3)* | *substituted by L.22/2009* |
| [224] *Article 51(4)* | *repealed by L.22/2009* |
| [225] *Article 51(5)* | *repealed by L.22/2009* |
| [226] *Article 51A* | *inserted by L.21/2007* |
| [227] *Article 51A(2)* | *amended by L.21/2011* |
| [228] *Article 52* | *substituted by L.30/1986, heading amended by L.21/2007* |
| [229] *Article 52(1)* | *amended by L.21/2007* |
| [230] *Article 52(2)* | *amended by L.14/2018* |
| [231] *Article 52(2A)* | *inserted by L.14/2018* |
| [232] *Article 52(2B)* | *inserted by L.14/2018* |
| [233]*Article 52(2C)* | *inserted by L.14/2018* |
| [234] *Article 52(4)* | *substituted by L.6/2025* |
| [235] *Article 52(5)* | *inserted by L.6/2025* |
| [236] *Article 52A* | *inserted by L.19/2010, deleted by L.6/2025* |
| [237] *Article 52B* | *inserted by L.6/2025* |
| [238] *Article 53* | *substituted by L.30/1986* |
| [239] *Article 53* | *amended by L.21/2007* |
| [240] *Article 54* | *substituted by L.30/1986* |
| [241] *Article 54(1)* | *amended by L.2/1998* |
| [242] *Article 54(2)* | *substituted by L.2/1998* |
| [243] *Article 54(2A)* | *inserted by L.2/1998* |
| [244] *Article 54A* | *inserted by L.21/2007*<br>*heading amended by L.21/2011* |
| [245] *Article 54A* | *amended by L.21/2011, L.6/2025* |
| [246] *Article 55(2)* | *substituted by L.21/2011, amended by L.15/2012, L.3/2023* |
| [247] *Article 55A* | *inserted by L.21/2007*<br>*heading amended by L.21/2011* |
| [248] *Article 55A* | *amended by L.21/2011* |
| [249] *Article 55B* | *inserted by L.12/2026* |
| [250] *Article 61(1)* | *amended by L.23/2002, L.22/2003, L.12/2005, L.18/2008, L.27/2011, L.4/2012, editorial change, in sub-paragraph (c), "dependent" deleted, "dependant" inserted instead* |

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|---|---|
| [251] *Article 61(1A)* | *repealed by L.21/2007* |
| [252] *Article 61(2)* | *inserted by L.20/2004* |
| [253] *Article 61(3)* | *substituted by L.3/2013* |
| [254] *Article 61(4)* | *deleted by L.3/2013* |
| [255] *Article 62* | *heading amended by L.18/2008, L.3/2013* |
| [256] *Article 62(1)* | *amended by L.23/2002, L.22/2003, L.18/2008, L.21/2011, L.27/2011, L.4/2012, L.3/2013, L.2/2014, L.48/2014, L.3/2016, editorial change, in Case VII, "dependent" deleted, "dependant" inserted instead* |
| [257] *Article 62(3)* | *inserted by L.1/2024* |
| [258] *Article 62A* | *substituted by L.21/2011* |
| [259] *Article 62B* | *repealed by L.3/2013* |
| [260] *Article 62C* | *inserted by L.3/2011, substituted by L.25/2025* |
| [261] *Article 62D* | *inserted by L.15/2012* |
| [262] *Article 63* | *substituted by L.12/2026* |
| [263] *Article 64A* | *inserted by L.21/2007* |
| [264] *Article 64B* | *inserted by L.21/2007* |
| [265] *Article 64C* | *inserted by L.21/2007* |
| [266] *Article 64D* | *inserted by L.21/2007* |
| [267] *Article 64E* | *inserted by L.21/2007* |
| [268] *Article 64F* | *inserted by L.21/2007* |
| [269] *Article 64G* | *inserted by L.21/2007* |
| [270] *Article 64H* | *inserted by L.21/2007* |
| [271] *Article 65* | *heading amended by L.21/2007* |
| [272] *Article 65(1)* | *amended by L.14/2001, L.21/2007, L.3/2023* |
| [273] *Article 65(1A)* | *inserted by L.14/2001* |
| [274] *Article 65(1B)* | *inserted by L.14/2001* |
| [275] *Article 65A* | *inserted by L.14/2001* |
| [276] *Article 65B* | *inserted by L.22/2003* |
| [277] *Article 65B(3)* | *amended by L.3/2016* |
| [278] *Article 65B(4)* | *amended by L.20/2004* |
| [279] *Article 66* | *repealed by L.21/2007* |
| [280] *Article 67* | *repealed by L.21/2007* |
| [281] *Article 68* | *repealed by L.21/2007* |
| [282] *Article 69* | *repealed by L.21/2007* |
| [283] *Article 69A* | *inserted by L.14/2001* |
| [284] *Article 69A(1)* | *editorial change, "shall charged" deleted, "shall be charged" inserted instead* |
| [285] *Article 69A(2)* | *amended by L.22/2003* |
| [286] *Article 70* | *amended by L.22/1983, L.30/1986, L.23/2002, L.21/2007, L.5/2022* |
| [287] *Article 70A* | *inserted by L.15/1980, amended by L.16/2000* |
| [288] *Article 70A(1)* | *amended by L.21/1995, L.19/1999* |
| [289] *Article 70A(1A)* | *substituted by L.2/2014* |
| [290] *Article 70A(2)* | *substituted by L.2/2014* |
| [291] *Article 70B* | *inserted by L.3/2011, substituted by L.25/2025* |
| [292] *Article 70C* | *inserted by L.3/2021* |
| [293] *Article 70D* | *inserted by L.3/2021* |
| [294] *Article 70E* | *inserted by L.1/2024* |
| [295] *Article 70F* | *inserted by L.6/2025* |
| [296] *Article 74* | *substituted by L.3/2023* |
| [297] *Article 75(1)* | *amended by L.16/1979, deleted by L.3/2023* |
| [298] *Article 75(2)* | *amended by L.11/1963, L.3/2023* |
| [299] *Article 75A* | *inserted by L.3/2023* |

[300] *Article 76* *deleted by L.3/2023*
[301] *Article 76A* *inserted by L.21/1995*
[302] *Article 76A(3)* *substituted by L.3/2023*
[303] *Article 76A(3A)* *inserted by L.3/2023*
[304] *Article 76A(4)* *amended by L.15/2012*
[305] *Article 76A(5)* *deleted by L.3/2023*
[306] *Article 76A(6)* *amended by L.15/2012*
[307] *Article 76B* *inserted by L.4/2011*
[308] *Article 76B(5)* *deleted by L.3/2023*
[309] *Article 76B(6)* *amended by L.15/2012*
[310] *Article 76B(7)* *deleted by L.3/2023*
[311] *Article 76B(8)* *amended by L.15/2012*
[312] *Article 76C* *inserted by L.4/2011*
[313] *Article 76C(5)* *deleted by L.3/2023*
[314] *Article 76C(6)* *amended by L.15/2012*
[315] *Article 76C(7)* *deleted by L.3/2023*
[316] *Article 76C(8)* *amended by L.15/2012*
[317] *Article 76D* *inserted by L.6/2013*
[318] *Article 76D(5)* *deleted by L.3/2023*
[319] *Article 76D(7)* *substituted by L.2/2017, deleted by L.3/2023*
[320] *Article 76D(8)* *substituted by L.2/2017, deleted by L.3/2023*
[321] *Article 76D(9)* *inserted by L.2/2017, deleted by L.3/2023*
[322] *Article 76D(10)* *inserted by L.2/2017*
[323] *Article 76E* *inserted by L.14/2018*
[324] *Article 76E(1)* *substituted by L.3/2023*
[325] *Article 76E(2)* *substituted by L.3/2023*
[326] *Article 76E(3)* *substituted by L.3/2023*
[327] *Article 76E(4)* *substituted by L.3/2023*
[328] *Article 76E(5)* *deleted by L.3/2023*
[329] *Article 76E(6)* *deleted by L.3/2023*
[330] *Article 76E(7)* *deleted by L.3/2023*
[331] *Article 76E(8)* *deleted by L.3/2023*
[332] *Article 76E(9)* *deleted by L.3/2023*
[333] *Article 76E(10)* *deleted by L.3/2023*
[334] *Article 77(6)* *substituted by L.2/2022*
[335] *Article 77(7)* *inserted by L.2/2022*
[336] *Article 77AA* *inserted by L.48/2014*
[337] *Article 77AA(1)* *amended by L.6/2019, R&O.137/2020*
[338] *Article 77AA(2)* *amended by L.5/2024*
[339] *Article 77AA(3)* *deleted by L.5/2024*
[340] *Article 77AA(4)* *inserted by L.6/2019, deleted by L.5/2024*
[341] *Cross heading* *inserted by L.3/2013*
[342] *Article 77A* *inserted by L.3/2013*
[343] *Article 77B* *inserted by L.3/2013*
[344] *Article 77C* *inserted by L.3/2013*
[345] *Article 77D* *inserted by L.3/2013*
[346] *Article 77E* *inserted by L.3/2013*
[347] *Article 78(1A)* *inserted by L.3/2013, amended by L.2/2014, L.3/2023*
[348] *Article 78(1B)* *inserted by L.3/2013*
[349] *Article 78(1C)* *inserted by L.2/2014*
[350] *Article 79* *amended by L.20/2004, L.6/2019*

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|---|---|
| [351] *Article 79A* | *inserted by L.12/2026, editorial change, in the heading, "of" deleted, "or" inserted instead* |
| [352] *Article 80(1)* | *amended by L.20/1974, L.14/2001* |
| [353] *Article 80(1A)* | *inserted by L.14/2001, deleted by L.1/2024* |
| [354] *Article 80(1B)* | *inserted by L.14/2001, deleted by L.1/2024* |
| [355] *Article 80(2)* | *substituted by L.20/1974, amended by L.5/2022* |
| [356] *Article 80(3)* | *amended by L.20/1974* |
| [357] *Article 80(3A)* | *inserted by L.3/2021, amended by L.3/2023* |
| [358] *Article 80(3B)* | *inserted by L.1/2024* |
| [359] *Article 80(4)* | *amended by L.5/2022, substituted by L.2/2022* |
| [360] *Article 80(5)* | *substituted by L.2/2022* |
| [361] *Article 80A* | *inserted by L.5/2022* |
| [362] *Heading* | *amended by L.22/2003* |
| [363] *Article 81(1)* | *amended by L.22/2003, L.20/2004, L.48/2014* |
| [364] *Article 81A* | *inserted by L.20/1974* |
| [365] *Cross heading* | *inserted by L.18/2008* |
| [366] *Article 81B* | *repealed by L.27/2011* |
| [367] *Article 81C* | *inserted by L.18/2008* |
| [368] *Article 81C* | *amended by L.27/2011* |
| [369] *Article 81CA* | *repealed by L.27/2011* |
| [370] *Article 81CB* | *repealed by L.27/2011* |
| [371] *Article 81D* | *repealed by L.27/2011* |
| [372] *Article 81E* | *repealed by L.27/2011* |
| [373] *Article 81F* | *repealed by L.27/2011* |
| [374] *Article 81FA* | *repealed by L.27/2011* |
| [375] *Article 81FB* | *repealed by L.27/2011* |
| [376] *Article 81G* | *repealed by L.27/2011* |
| [377] *Article 81GA* | *repealed by L.27/2011* |
| [378] *Article 81GB* | *repealed by L.27/2011* |
| [379] *Article 81H* | *repealed by L.27/2011* |
| [380] *Article 81I* | *repealed by L.27/2011* |
| [381] *Article 81J* | *repealed by L.27/2011* |
| [382] *Article 81K* | *repealed by L.27/2011* |
| [383] *Article 81L* | *repealed by L.27/2011* |
| [384] *Article 81M* | *repealed by L.27/2011* |
| [385] *Article 81N* | *repealed by L.27/2011* |
| [386] *Article 81O* | *inserted by L.18/2008* |
| [387] *Article 81O(1)* | *amended by L.27/2011* |
| [388] *Article 81O(7)* | *deleted by L.3/2016* |
| [389] *Article 81O(8)* | *deleted by L.3/2016* |
| [390] *Article 81O(9)* | *deleted by L.3/2016* |
| [391] *Article 81O(10)* | *deleted by L.3/2016* |
| [392] *Article 81P* | *inserted by L.18/2008* |
| [393] *Cross heading* | *inserted by L.3/2013* |
| [394] *Article 81Q* | *inserted by L.3/2013* |
| [395] *Article 81Q(1)* | *amended by L.2/2014* |
| [396] *Article 81R* | *substituted by L.2/2014* |
| [397] *Article 81S* | *inserted by L.3/2013* |
| [398] *Article 81T* | *inserted by L.3/2013* |
| [399] *Article 81T(2)* | *amended by L.2/2014* |
| [400] *Article 81U* | *inserted by L.3/2013* |
| [401] *Article 81V* | *inserted by L.3/2013* |

[402] *Article 81V(2)* *amended by L.2/2014*
[403] *Article 81W* *inserted by L.3/2013*
[404] *Article 81X* *inserted by L.3/2013*
[405] *Article 81X(1)* *amended by L.2/2014*
[406] *Article 81X(2)* *amended by L.2/2014, editorial change in (b)(ii)(A) and (B), "has been previously been" deleted, "has previously been" inserted instead*
[407] *Article 81X(3)* *amended by L.2/2014*
[408] *Article 81X(4)* *amended by L.2/2014*
[409] *Article 81X(6)* *amended by L.2/2014*
[410] *Article 81X(6A)* *inserted by L.2/2014*
[411] *Article 81X(6B)* *inserted by L.2/2014*
[412] *Article 81Y* *inserted by L.3/2013*
[413] *Article 81Y(2)* *amended by L.2/2014*
[414] *Article 81YA* *inserted by L.2/2014*
[415] *Article 81Z* *inserted by L.3/2013*
[416] *Article 82(1)* *amended by L.18/2008, L.27/2011, L.48/2014*
[417] *Article 82(2)* *added by L.18/2008*
[418] *Article 82A* *inserted by L.18/2008*
[419] *Article 82A(1)* *amended by L.19/2010*
[420] *Article 82AA* *inserted by L.19/2010*
[421] *Article 82B* *repealed by L.27/2011*
[422] *Article 83* *amended by L.23/2002*
[423] *Cross heading* *inserted by L.18/2008*
[424] *Article 85A* *inserted by L.18/2008*
[425] *Article 85B* *inserted by L.18/2008*
[426] *Article 85C* *inserted by L.18/2008*
[427] *Article 85D* *inserted by L.18/2008*
[428] *Article 85E* *inserted by L.18/2008*
[429] *Article 85F* *repealed by L.27/2011*
[430] *Article 85FA* *repealed by L.27/2011*
[431] *Article 85G* *repealed by L.27/2011*
[432] *Article 85H* *repealed by L.27/2011*
[433] *Part 11* *heading amended by L.3/2013*
[434] *Article 86(1)* *amended by L.8/1965, L.20/2004*
[435] *Article 86(2)* *substituted by L.20/2004, amended L.19/2007, by L.21/2007*
[436] *Article 86(2A)* *inserted by L.20/2004*
[437] *Article 86(2B)* *inserted by L.20/2004*
[438] *Article 86(3)* *amended by L.11/1971, amended by L.21/2007*
[439] *Article 87(1)* *amended by L.24/1996, L.22/2003, L.21/2007, L.21/2011, L.4/2012, L.48/2014*
[440] *Article 87(3)* *inserted by L.21/2007*
[441] *Article 87(4)* *inserted by L.21/2007, amended by L.48/2014*
[442] *Article 87(5)* *inserted by L.21/2007*
[443] *Article 87(6)* *added by L.48/2014*
[444] *Article 87A* *inserted by L.7/1992*
[445] *Article 87A(2)* *substituted by L.21/1995*
[446] *Article 87A(3)* *substituted by L.21/1995, amended by L.6/2019*
[447] *Article 87B* *inserted by L.7/1992*
[448] *Article 87B(1)* *amended by L.21/1995, L.19/2001, L.2/2014*
[449] *Article 88* *heading amended by L.3/2013*
[450] *Article 88* *substituted by L.18/2008*
[451] *Article 88(2)* *substituted by L.3/2013*

[452] *Article 88(2A)* *inserted by L.3/2013*
[453] *Article 88(5)* *substituted by L.3/2016*
[454] *Article 88(5A)* *substituted by L.3/2016*
[455] *Article 88(5B)* *substituted by L.3/2016*
[456] *Article 88(5C)* *deleted by L.3/2016*
[457] *Article 88(5D)* *deleted by L.3/2016*
[458] *Article 88(5E)* *deleted by L.3/2016*
[459] *Article 88(6)* *substituted by L.3/2013*
[460] *Article 88A* *inserted by L.12/2026*
[461] *Article 89* *heading amended by L.3/2013*
[462] *Article 89(1)* *substituted by L.18/2008, amended by L.3/2013*
[463] *Article 89(1A)* *substituted by L.3/2013*
[464] *Article 89(1B)* *inserted by L.3/2013*
[465] *Article 89(2)* *amended by L.5/1977, L.11/1999, L.2/2022*
[466] *Article 89(3)* *added by L.3/2013*
[467] *Article 89(4)* *added by L.3/2013*
[468] *Article 89A* *inserted by L.21/1997*
[469] *Article 89A(2)* *amended by L.20/2004, L.19/2007, L.6/2020*
[470] *Article 90* *amended by L.20/2004, L.19/2007, L.6/2019, L.6/2020*
[471] *Article 90AA* *inserted by L.20/2004, repealed by L.3/2016*
[472] *Article 90AB* *inserted by L.20/2004, heading amended by L.5/2022*
[473] *Article 90AB(1)* *amended by L.5/2022*
[474] *Article 90AB(2)* *amended by L.6/2020, L.5/2022*
[475] *Article 90AB(2A)* *inserted by L.5/2022*
[476] *Article 90AB(2B)* *inserted by L.5/2022*
[477] *Article 90AB(2C)* *inserted by L.5/2022*
[478] *Article 90AB(2D)* *inserted by L.5/2022*
[479] *Article 90AB(3)* *deleted by L.5/2022*
[480] *Article 90AB(4)* *amended by L.5/202221*
[481] *Article 90AB(5)* *deleted by L.5/2022*
[482] *Article 90AC* *inserted by L.20/2004*
[483] *Article 90AC(1)* *amended by L.5/2022*
[484] *Article 90AC(2)* *amended by L.6/2020*
[485] *Article 90AC(3)* *amended by L.6/2020*
[486] *Article 90AD* *inserted by L.20/2004*
[487] *Article 90AD(1)* *amended by L.5/2022*
[488] *Article 90AD(2)* *amended by L.6/2020*
[489] *Article 90AD(3)* *amended by L.6/2020*
[490] *Article 90AD(4)* *amended by L.6/2020, L.5/2022*
[491] *Article 90AD(4A)* *inserted by L.5/2022*
[492] *Article 90AD(4B)* *inserted by L.5/2022*
[493] *Article 90AD(5)* *substituted by L.5/2022*
[494] *Article 90AE* *inserted by L.20/2004, heading amended by L.3/2016*
[495] *Article 90AE(1)* *amended by L.3/2016*
[496] *Article 90AE(2)* *amended by L.3/2016*
[497] *Article 90AE(2A)* *inserted by L.2/2014, amended by L.5/2022*
[498] *Article 90AE(3)* *amended by L.19/2007, amended by L.5/2022*
[499] *Article 90AE(3A)* *inserted by L.19/2007, deleted by L.3/2016*
[500] *Article 90AE(4)* *amended by L.19/2007, deleted by L.3/2016*
[501] *Article 90AE(5)* *amended by L.19/2007, L.3/2016*
[502] *Article 90AF* *inserted by L.20/2004*
[503] *Article 90A* *inserted by L.20/1997*

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|---|---|
| [504] *Article 90A(1)* | *amended by L.4/2012* |
| [505] *Article 90B* | *inserted by L.20/1997*<br>*heading amended by L.19/2007* |
| [506] *Article 90B(1)* | *substituted by L.20/2004, amended by L.4/2012, L.28/2014, L.3/2016, R&O.9/2019, L.16/2025* |
| [507] *Article 90B(2)* | *amended by L.19/2007* |
| [508] *Article 90B(4)* | *amended by L.20/2004, L.4/2012* |
| [509] *Article 90B(5)* | *added then deleted by L.19/2007* |
| [510] *Article 90C* | *inserted by L.20/1997*<br>*heading amended by L.19/2007* |
| [511] *Article 90C(3)* | *substituted by L.19/2007* |
| [512] *Article 90C(4)* | *amended by L.19/2007* |
| [513] *Article 90C(5)* | *amended by L.19/2007* |
| [514] *Article 90C(9)* | *added then deleted by L.19/2007* |
| [515] *Article 90D* | *inserted then repealed by L.19/2007* |
| [516] *Article 92* | *repealed by L.19/2007* |
| [517] *Article 92A* | *substituted by L.19/2007, L.5/2024* |
| [518] *Article 92A(2)* | *amended by L.6/2025, L.12/2026* |
| [519] *Article 92AA* | *inserted by L.5/2024* |
| [520] *Article 92B* | *substituted by L.19/2007, L.5/2024* |
| [521] *Article 92B(2)* | *amended by L.12/2026* |
| [522] *Article 92B(8)* | *amended by L.6/2025, L.12/2026* |
| [523] *Article 92C* | *inserted by L.19/2007, heading amended by L.12/2026* |
| [524] *Article 92C(1)* | *amended by L.1/2014* |
| [525] *Article 92C(2)* | *substituted by L.19/2007, amended by L.3/2016* |
| [526] *Article 92C(3)* | *added by L.47/2014* |
| [527] *Article 92C(4)* | *added by L.47/2014* |
| [528] *Article 92C(5)* | *added by L.47/2014* |
| [529] *Article 92C(6)* | *added by L.47/2014* |
| [530] *Article 94* | *repealed by L.19/2007* |
| [531] *Article 95* | *substituted by L.6/2019* |
| [532] *Article 95(1)* | *amended by L.3/2021, L.35/2022, L.1/2024, L.6/2025, L.12/2026* |
| [533] *Article 95(4)* | *amended by L.3/2021, L.35/2022, L.1/2024, L.6/2025, L.12/2026* |
| [534] *Article 98A* | *substituted by L.10/1990* |
| [535] *Article 98A(1)* | *substituted by L.6/2019* |
| [536] *Article 98A(1AA)* | *inserted by L.6/2019* |
| [537] *Article 98A(1A)* | *substituted by L.3/2016, L.6/2019, amended by L.3/2021, L.35/2022, L.1/2024, L.6/2025, L.12/2026* |
| [538] *Article 98A(2)* | *amended by L.3/2016* |
| [539] *Article 98A(3)* | *amended by L.3/2016, L.19/2018* |
| [540] *Article 98A(3A)* | *inserted by L.4/2012, amended L.3/2016* |
| [541] *Article 98A(4)* | *amended by L.3/2016* |
| [542] *Article 98(4A)* | *repealed by L.3/2016* |
| [543] *Article 98A(4B)* | *inserted by L.3/2016, amended by L.3/2016* |
| [544] *Article 98A(5)* | *substituted by L.3/2016* |
| [545] *Article 99* | *inserted by L.5/2024* |
| [546] *Article 99(2)* | *amended by L.6/2025* |
| [547] *Article 99(4)* | *substituted by L.6/2025* |
| [548] *Article 101* | *repealed by L.3/2013* |
| [549] *Article 101A* | *repealed by L.19/2007* |
| [550] *Article 101B* | *repealed by L.19/2007* |
| [551] *Article 102* | *repealed by L.12/2005* |

[552] *Article 103* *repealed by L.6/2019*
[553] *Article 105(2)* *amended by L.20/2004*
[554] *Article 106* *repealed by L.6/2019*
[555] *Part 12A* *heading inserted by L.31/1986*
[556] *Article 106A* *inserted by L.31/1986*
[557] *Article 106A(2)* *amended by L.3/2021*
[558] *Article 106A(2A)* *inserted by L.3/2021*
[559] *Article 106A(4A)* *inserted by L.3/2021*
[560] *Article 106A(5)* *amended by L.3/2021*
[561] *Article 106A(6)* *amended by L.3/2023*
[562] *Article 106A(6A)* *inserted by L.3/2023*
[563] *Article 106A(6B)* *inserted by L.3/2023*
[564] *Article 106AB* *inserted by L.3/2021*
[565] *Article 106AB(1)* *amended by L.3/2023*
[566] *Article 106AB(1A)* *inserted by L.3/2023*
[567] *Article 106B* *inserted by L.31/1986*
[568] *Article 106BA* *inserted by L.1/2024*
[569] *Article 106C* *inserted by L.31/1986*
[570]*Article 106C(3)* *amended by L.20/2004*
[571] *Article 106C(5)* *substituted by L.3/2023*
[572] *Article 107(1)* *amended by L.1/1995, L.20/2004, L.18/2008*
[573] *Article 107(1A)* *inserted by L.18/2008*
[574] *Article 107(2)* *amended by L.6/2020*
[575] *Article 107(3)* *amended by L.1/1995*
[576] *Article 107A* *inserted by L.1/1995*
[577] *Article 107A(1)* *amended by L.21/2007, L.18/2008, L.21/2011*
[578] *Article 107A(1A)* *inserted by L.18/2008*
[579] *Article 107A(2)* *amended by L.6/2020*
[580] *Article 107A(3)* *amended L.21/2007*
[581] *Article 107A(4)* *substituted by L.21/2007, amended by L.18/2008*
[582] *Article 108(1)* *amended by L.16/1979, L.21/2007, L.18/2008, L.21/2011*
[583] *Article 108(2)* *amended by L.21/2007*
[584] *Article 108(3)* *substituted by L.16/1979*
[585] *Article 110A* *inserted by L.3/2013*
[586] *Article 110B* *inserted by L.3/2021*
[587] *Article 112(3)* *amended by L.20/2004, L.6/2017, L.1/2024*
[588] *Article 112(5)* *amended by L.21/1995, L.6/2017, L.1/2024*
[589] *Article 112(9A)* *inserted by L.6/2017, substituted by L.1/2024*
[590] *Article 112(12)* *added by L.3/2013*
[591] *Article 113* *heading amended by L.6/2017*
[592] *Article 113(1)* *amended by L.6/2017*
[593] *Article 113(2)* *amended by L.6/2017*
[594] *Article 113(3)* *amended by L.3/2013*
[595] *Part 14A* *inserted by L.6/2017*
[596] *Article 114A* *inserted by L.6/2017*
[597] *Article 114B* *inserted by L.6/2017*
[598] *Article 114C* *inserted by L.6/2017*
[599] *Part 14B* *inserted by L.1/2024*

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| [600] *Article 115* | *amended by L.11/1963, L.21/1963, L.8/1964, L.20/1974, L.13/1975, L.17/1979, L.15/1980, L.10/1990, L.2/1995, L.24/1996, L.16/2000, L.10/2001, L.22/2003, L.50/2002, L.20/2004, L.15/2006, R&O.127/2007, L.13/2010, L.22/2009, L.3/2011, L.19/2010, L.3/2013, L.41/2014, L.48/2014, R&O.158/2015, L.6/2019, L.6/2020, L.3/2021, R&O.29/2021, L.1/2024, revised on 11 January 2024 by Law Revision Board item 2023/1, amended by R&O.10/2024* |
| [601] *Article 115(1)* | *renumbered by L.12/2026, amended by L.25/2025* |
| [602] *Article 115(2)* | *inserted by L.12/2026* |
| [603] *Article 115A* | *inserted by L.15/2012* |
| [604] *Article 116* | *amended by L.10/1967, L.24/1996, deleted by L.1/2024* |
| [605] *Article 117(2)* | *amended by L.3/2013* |
| [606] *Article 117(2A)* | *inserted by L.3/2013* |
| [607] *Article 117(3)* | *amended by L.3/2013* |
| [608] *Article 117(4)* | *added by L.3/2013* |
| [609] *Article 118(2)* | *amended by L.13/1984, L.23/2002* |
| [610] *Article 118A* | *inserted by L.23/2002* |
| [611] *Article 118B* | *inserted by L.21/2007* |
| [612] *Article 118B(1)* | *amended by L.18/2008, L.22/2009, L.3/2013, L.2/2014, L.3/2016, L.6/2019, L.3/2023, L.1/2024, L.12/2026* |
| [613] *Article 118B(1A)* | *inserted by L.3/2016* |
| [614] *Article 118B(1B)* | *inserted by L.1/2024* |
| [615] *Article 118B(1C)* | *inserted by L.1/2024* |
| [616] *Article 118B(2)* | *substituted by L.3/2023, amended by L.12/2026* |
| [617] *Article 118C* | *inserted by L.20/2011* |
| [618] *Article 118D* | *inserted by L.6/2019* |
| [619] *Article 118D(1)* | *amended by L.6/2020* |
| [620] *Article 118D(2)* | *amended by L.6/2020* |
| [621] *Article 119(1)* | *revised on 11 January 2024 by Law Revision Board item 2023/1* |
| [622] *Article 119A* | *inserted by L.11/1971* |
| [623] *Article 119A(1)* | *amended by L.20/2004* |
| [624] *Article 120(4)* | *revised on 11 January 2024 by Law Revision Board item 2023/1* |
| [625] *Article 120AA* | *inserted by L.3/2023* |
| [626] *Article 120AB* | *inserted by L.7/2025* |
| [627] *Article 120AB(4)* | *deleted by L.12/2026* |
| [628] *Article 120AC* | *inserted by L.7/2025* |
| [629] *Article 120AD* | *inserted by L.7/2025* |
| [630] *Part 16* | *heading amended by L.18.2021, deleted by L.5/2024* |
| [631] *Part 16A* | *inserted by L.4/2012, heading amended by L.18/2021, deleted by L.5/2024* |
| [632] *Part 17* | *heading amended by L.21/2007* |
| [633] *Article 123(1)* | *substituted by L.20/2007, amended by L.21/2007, L.3/2016* |
| [634] *Article 123AA* | *inserted by L.6/2020* |
| [635] *Article 123A* | *repealed by L.21/2007* |
| [636] *Article 123B* | *repealed by L.15/2012* |
| [637] *Article 123C* | *inserted by L.21/2007, heading amended by R&O.144/2021* |
| [638] *Article 123C(1)* | *substituted by L.21/2007, L.18/2008, amended by L.20/2011, R&O.144/2021* |
| [639] | *L.1/1861 (repealed)* |
| [640] *Article 123C(3)* | *amended by L.18/2008, chapter 03.050* |
| [641] *Article 123C(4)* | *deleted by L.18/2008* |
| [642] *Article 123CAA* | *inserted by L.21/2011* |

[643] *Article 123CAA(1)* *substituted by L.2/2014*
[644] *Article 123CAA(2)* *substituted by L.2/2014, amended by L.47/2014*
[645] *Article 123CAA(4)* *added by L.47/2014*
[646] *Article 123CA* *inserted by L.19/2010*
[647] *Article 123D* *inserted by L.21/2007*
[648] *Article 123D(1)* *substituted by L.21/2007, L.18/2008*
[649] *Article 123D(3)* *deleted by L.18/2008*
[650] *Article 123D(4)* *inserted by L.14/2018*
[651] *Article 123D(4A)* *inserted by R&O.34/2022*
[652] *Article 123D(5)* *inserted by L.14/2018*
[653] *Article 123D(6)* *inserted by L.14/2018, substituted by L.6/2020*
[654] *Article 123DA* *inserted by R&O.144/2021*
[655] *Article 123E* *inserted by L.21/2007*
[656] *Article 123EA* *inserted by L.18/2008, deleted by L.6/2025*
[657] *Article 123F* *inserted by L.21/2007, substituted by L.6/2025*
[658] *Article 123G* *inserted by L.48/2014*
[659] *Part 17 1A* *inserted by L.14/2018*
[660] *Article 123L(7)* *amended by L.6/2025*
[661] *Article 123O(1)* *deleted by L.6/2019*
[662] *Article 123O(2)* *amended by L.6/2019*
[663] *Article 123OA* *inserted by L.6/2019*
[664] *Article 123Q* *substituted by L.6/2019*
[665] *Article 123S* *substituted by L.6/2025*
[666] *Part 17A* *heading inserted by L.21/2007*
[667] *Article 124(1)* *amended by R&O.49/2018*
[668] *Article 125(1)* *amended by L.6/2019*
[669] *Part 18* *heading amended by L.5/2022*
[670] *Article 127* *amended by R&O.49/2018*
[671] *Article 128A* *inserted by L.21/2007*
[672] *Article 129AA* *inserted by L.5/2022*
[673] *Article 129AA(2)* *substituted by L.5/2024*
[674] *Article 129AA(2A)* *inserted by L.5/2024, amended by L.6/2025*
[675] *Article 129AA(4)* *amended by L.5/2024*
[676] *Article 129A* *inserted by L.12/2005, heading amended by L.5/2022*
[677] *Article 129A(1)* *amended by L.3/2016, substituted by L.5/2022*
[678] *Article 129A(2)* *deleted by L.3/2016*
[679] *Article 129A(3)* *amended by L.6/2020, L.5/2022*
[680] *Article 129A(3A)* *inserted by L.5/2022*
[681] *Article 129A(4)* *deleted by L.3/2016, inserted by L.5/2022*
[682] *Article 129B* *inserted by L.6/2019*
[683] *Article 129B(1)* *amended by L.5/2024*
[684] *Cross heading* *inserted by L.48/2014*
[685] *Article 130* *substituted by L.48/2014*
[686] *Article 130(1)* *amended by L.6/2017*
[687] *Article 130(2)* *amended by L.3/2016*
[688] *Article 130A* *inserted by L.48/2014*
[689] *Article 130A(2)* *editorial change, in sub-paragraph (b), "dependant" deleted, "dependent" inserted instead*
[690] *Article 130A(3)* *editorial changes, in sub-paragraphs (a) and (c), "dependant" deleted, "dependent" inserted instead, in sub-paragraph (b), "dependance" deleted, "dependence" inserted instead*
[691] *Article 130B* *inserted by L.48/2014*

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| [692] *Article 130B(2)* | *editorial change, in the definition "defined benefit scheme", "independantly" deleted, "independently" inserted instead* |
| [693] *Article 130C* | *inserted by L.48/2014, substituted by L.5/2024* |
| [694] *Cross heading* | *inserted by L.48/2014* |
| [695] *Article 131* | *substituted by L.48/2014* |
| [696] *Article 131(9)* | *substituted by L.3/2016* |
| [697] *Article 131(11)* | *substituted by L.6/2019* |
| [698] *Article 131(13)* | *deleted by L.14/2018* |
| [699] *Article 131(14)* | *deleted by L.14/2018* |
| [700] *Article 131(15A)* | *inserted by L.3/2016* |
| [701] *Article 131A* | *substituted by L.48/2014* |
| [702] *Article 131B* | *substituted by L.48/2014* |
| [703] *Article 131B(7)* | *amended by L.3/2016* |
| [704] *Article 131C* | *substituted by L.48/2014* |
| [705] *Article 131CA* | *substituted by L.48/2014* |
| [706] *Article 131CA(6)* | *substituted by L.3/2016* |
| [707] *Article 131CA(6A)* | *inserted by L.3/2016* |
| [708] *Cross heading* | *inserted by L.48/2014* |
| [709] *Article 131CB* | *inserted by L.48/2014* |
| [710] *Article 131CC* | *inserted by L.48/2014* |
| [711] *Article 131CD* | *inserted by L.48/2014* |
| [712] *Article 131CE* | *inserted by L.48/2014* |
| [713] *Article 131CE(1)* | *amended by L.14/2018, L.1/2024* |
| [714] *Article 131CE(3)* | *inserted by L.14/2018, substituted by L.1/2024, amended by L.6/2025* |
| [715] *Article 131CE(4)* | *inserted by L.1/2024* |
| [716] *Article 131CF* | *inserted by L.48/2014* |
| [717] *Article 131CF(1)* | *amended by L.6/2020* |
| [718] *Article 131CF(2)* | *amended by L.6/2019* |
| [719] *Article 131CF(3)* | *amended by L.6/2019* |
| [720] *Article 131CF(4)* | *amended by L.6/2019, editorial change, "her" inserted* |
| [721] *Article 131CF(4A)* | *inserted by L.6/2019* |
| [722] *Article 131CG* | *inserted by L.48/2014* |
| [723] *Article 131CG(6)* | *substituted by L.3/2016* |
| [724] *Article 131CH* | *inserted by L.14/2018* |
| [725] *Article 131CI* | *inserted by L.14/2018* |
| [726] *Cross heading* | *inserted by L.48/2014* |
| [727] *Article 131D* | *substituted by L.48/2014* |
| [728] *Article 131D(1)* | *substituted by L.6/2017* |
| [729] *Article 131D(1A)* | *inserted by L.6/2017* |
| [730] *Article 131D(2)* | *substituted by L.6/2017* |
| [731] *Article 131D(3)* | *substituted by L.6/2017* |
| [732]*Article 131D(4)* | *amended by L.14/2018* |
| [733] *Article 131D(7)* | *inserted by L.6/2017* |
| [734] *Article 131E* | *substituted by L.48/2014* |
| [735] *Article 131F* | *substituted by L.48/2014* |
| [736] *Article 131F(1)* | *amended by L.6/2017* |
| [737] *Article 131FA* | *inserted by L.6/2017* |
| [738] *Article 131FB* | *inserted by L.6/2017* |
| [739] *Cross heading* | *inserted by L.48/2014* |
| [740] *Article 131G* | *substituted by L.48/2014* |
| [741] *Article 131H* | *inserted by L.48/2014* |
| [742] *Article 131I* | *inserted by L.48/2014* |

[743] *Article 131I(3)* *amended by L.3/2016*
[744] *Article 131J* *inserted by L.48/2014*
[745] *Article 131JA* *inserted by L.3/2016*
[746] *Article 131K* *inserted by L.48/2014*
[747] *Article 131K(1)* *amended by L.14/2018*
[748] *Article 131K(4)* *amended by L.5/2024*
[749] *Article 131L* *inserted by L.48/2014*
[750] *Article 131L(1)* *amended by L.3/2016*
[751] *Article 131L(3)* *amended by L.14/2018, L.6/2019*
[752] *Article 131L(3A)* *inserted by L.6/2019*
[753] *Article 131L(3B)* *inserted by L.6/2019*
[754] *Article 131L(3C)* *inserted by L.6/2019*
[755] *Article 131L(3D)* *inserted by L.6/2019*
[756] *Article 131L(4)* *amended by L.3/2016*
[757] *Article 131M* *inserted by L.48/2014*
[758] *Article 131N* *substituted by L.3/2016*
[759] *Article 131O* *inserted by L.48/2014*
[760] *Article 131OA* *inserted by L.6/2017*
[761] *Article 131OA(5)* *amended by L.3/2021*
[762] *Cross heading* *inserted by L.48/2014*
[763] *Article 131P* *inserted by L.48/2014*
[764] *Article 131P(8)* *amended by L.3/2021*
[765] *Article 131Q* *inserted by L.48/2014*
[766] *Article 131Q(1)* *amended by L.3/2016*
[767] *Article 131Q(2)* *substituted by L.2/2022*
[768] *Cross heading* *inserted by L.48/2014*
[769] *Article 131R* *inserted by L.48/2014*
[770] *Article 132(2A)* *inserted by L.11/1971*
[771] *Article 132(7)* *amended by L.8/1965, L.21/1995, L.22/2003, L.19/2010, L.3/2013*
[772] *Article 133(1)* *paragraph (aa) inserted by L.20/2004*
[773] *Article 133(1)* *amended by L.14/2001, L.3/2016*
[774] *Article 133(1A)* *inserted by L.14/2001, amended by L.22/2003*
[775] *Article 133(2)* *amended by L.16/1979*
[776] *Article 133(3)* *amended by L.16/1979*
[777] *Article 133(4)* *amended by L.18/2008, L.27/2011*
[778] *Article 133(4A)* *deleted by L.27/2011*
[779] *Article 134* *substituted by L.21/1999*
[780] *Article 134(3)* *amended by L.20/2004*
[781] *Part 20A* *heading inserted by L.10/1967*
[782] *Article 134A* *inserted by L.10/1967*
[783] *Article 134A(1)* *amended by L.21/2007*
[784] *Article 134A(3)* *amended by L.21/2007*
[785] *Article 135(2)* *amended by L.6/2020*
[786] *Part 21A* *substituted by R&O.30/2013*
[787] *Article 135A* *substituted by L.2/2014*
[788] *Article 135A(1)* *substituted by L.14/2018*
[789] *Article 135A(2)* *substituted by L.14/2018*
[790] *Article 135A(2A)* *inserted by L.14/2018, amended by L.13/2023*
[791] *Article 135A(2B)* *inserted by L.14/2018*
[792] *Article 135A(2C)* *inserted by L.13/2023*
[793] *Article 135A(3)* *substituted by L.14/2018*
[794] *Article 135A(3A)* *inserted by L.14/2018, amended by L.6/2019*

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| [795] *Article 135A(3B)* | *inserted by L.13/2023* |
| [796] *Article 135A(4)* | *substituted by L.14/2018, amended by L.13/2023* |
| [797] *Article 135A(6)* | *amended by L.14/2018* |
| [798] *Article 135A(9)* | *substituted by L.14/2018* |
| [799] *Article 135A(10)* | *substituted by L.14/2018* |
| [800] *Article 135A(11)* | *substituted by L.14/2018* |
| [801] *Article 135A(12)* | *substituted by L.14/2018, amended by L.13/2023* |
| [802] *Article 135A(12A)* | *inserted by L.14/2018* |
| [803] *Article 135A(12B)* | *inserted by L.14/2018, amended by L.6/2019, L.3/2025* |
| [804] *Article 135B* | *substituted by L.2/2014* |
| [805] *Article 135B(1)* | *amended by L.6/2017* |
| [806] *Part 21B* | *inserted by R&O.34/2022* |
| [807] *Article 136* | *heading amended by L.6/2019, deleted by L.2/2022* |
| [808] *Article 137* | *heading amended by L.6/2019, substituted by L.13/2019* |
| [809] *Article 137(1)* | *amended by L.2/2022* |
| [810] *Article 138* | *repealed by L.22/2009* |
| [811] *Article 139(1)* | *amended by L.5/1977, L.11/1999, L.2/2022* |
| [812] *Article 139(2)* | *amended by L.20/2004* |
| [813] *Article 139(3)* | *inserted by L.20/2004* |
| [814] *Part 22A* | *inserted by L.19/2010* |
| [815] *Article 141A* | *inserted by L.19/2010* |
| [816] *Article 141B* | *inserted by L.19/2010* |
| [817] *Article 141C* | *inserted by L.19/2010* |
| [818] *Article 142(1)* | *amended by L.23/2002* |
| [819] *Article 142(7)* | *added by L.3/2013* |
| [820] *Article 142A* | *inserted by L.5/2019* |
| [821] *Article 143* | *inserted by L.6/2019* |
| [822] *Article 143AA* | *inserted by L.3/2021* |
| [823] *Article 143A* | *inserted by L.6/2019* |
| [824] *Article 144(2)* | *deleted by L.8/2021* |
| [825] *Article 145* | *amended by L.12/1993, L.6/2020, substituted by L.3/2021* |
| [826] *Article 149A* | *inserted by L.20/2004; renumbered as paragraph (1) by L.18/2008; amended by L.21/2007* |
| [827] *Article 149A(2)* | *added by L.18/2008* |
| [828] *Article 149B* | *inserted by L.5/2024* |
| [829] *Schedule A1* | *inserted by L.18/2008, amended by L.19/2010, L.2/2014* |
| [830] *Schedule 1* | *amended by L.19/2010, repealed by L.13/2019* |
| [831] *Schedule 1A* | *inserted by R&O.157/2013, revised by L.3/2014, R&O.157/2015, L.3/2016, L.1/2016, L.19/2018, L.6/2019, amended by L.6/2020, substituted by R&O.132/2020, amended by L.5/2022, L.3/2023, in paragraph 2(2)(a) "no" reinserted (previously deleted in error), amended by L.5/2024* |
| [832] *Schedule 2* | *inserted by L.22/2003, amended by L.20/2004, L.22/2009, L.3/2013, L.41/2014, L.48/2014, L.3/2023, L.6/2025, L.12/2026* |
| [833] *Schedule 3* | *inserted by L.22/2003, amended by L.20/2004, L.3/2013, L.3/2023* |
| [834] *Schedule 3A* | *inserted by L.21/2007, amended by L.21/2011, L.3/2013, L.1/2016, L.6/2020* |
| [835] *Schedule 5* | *inserted by L.20/2004, amended by L.12/2005, L.15/2006, L.19/2007, L.21/2007, L.18/2008, L.27/2011, L.15/2012, L.3/2013, L.3/2016, L.14/2018, L.6/2019, L.1/2021, L.3/2021, L.2/2022, R&O.64/2024, R&O.10/2025, R&O.65/2024* |
| [836] *Schedule 6* | *added by L.21/2007, deleted by R&O.64/2024* |

[837] *Schedule 7* *inserted by L.5/2024, amended by L.6/2025*