
STATUTORY INSTRUMENTS

2013 No. 3154

**CAPITAL GAINS TAX
CORPORATION TAX
INCOME TAX
INHERITANCE TAX
VALUE ADDED TAX**

The International Tax Enforcement (Guernsey) Order 2013

Made - - - - 11th December 2013

At the Court at Buckingham Palace, the 11th day of December 2013

Present,

The Queen's Most Excellent Majesty in Council

A draft of this Order was laid before the House of Commons in accordance with section 173(7) of the Finance Act 2006⁽¹⁾ and approved by a resolution of that House.

Accordingly, Her Majesty, in exercise of the powers conferred upon Her by section 173(1) to (3) of the Finance Act 2006, by and with the advice of Her Privy Council, orders as follows—

Citation

1. This Order may be cited as the International Tax Enforcement (Guernsey) Order 2013.

Tax information exchange arrangements to have effect

2. It is declared that—
 - (a) the arrangements specified in the Exchange of Letters set out in Part 1 of the Schedule to this Order and in the Agreement set out in Part 2 of that Schedule, which amend the agreement set out in Part 2 of the Schedule of the Double Taxation Relief and International Tax Enforcement (Guernsey) Order 2009⁽²⁾, have been made with the States of Guernsey;

(1) 2006 c. 25.

(2) S.I. 2009/3011.

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- (b) the arrangements have been made with a view to the exchange of information foreseeably relevant to the administration or enforcement or recovery of the taxes, and debts relating to the taxes, covered by the agreement; and
- (c) it is expedient that those arrangements should have effect.

Richard Tilbrook
Clerk of the Privy Council

SCHEDULE

Article 2

PART 1

EXCHANGE OF LETTERS

**BETWEEN THE UNITED KINGDOM AND GUERNSEY CONCERNING
THE 2009 AGREEMENT BETWEEN THE TWO GOVERNMENTS FOR THE
EXCHANGE OF INFORMATION RELATING TO TAX MATTERS**

London, 22nd October 2013

Sir,

Having regard to the wish of our governments to enhance and facilitate the terms and conditions governing the exchange of information relating to taxes and respecting the constitutional relationship between the United Kingdom of Great Britain and Northern Ireland and Guernsey, I have the honour to propose to you an Agreement amending the 2009 Agreement between the United Kingdom and Guernsey for the exchange of information relating to tax matters in the Appendix to this letter and that this Agreement shall have effect in accordance with paragraph 2 thereof.

I have the honour to propose that, if the above is acceptable to the States of Guernsey, this letter together with its Appendix and your confirmation shall together constitute our mutual acceptance and making of the Agreement between the United Kingdom of Great Britain and Northern Ireland and Guernsey.

Please accept, Sir, the assurance of our highest consideration.

For the Government of the United Kingdom of Great Britain and Northern Ireland

David Gauke

London, 22nd October 2013

Sir,

I have the honour to acknowledge receipt of your letter of 22nd October 2013, which reads as follows:

“Having regard to the wish of our governments to enhance and facilitate the terms and conditions governing the exchange of information relating to taxes and respecting the constitutional relationship between the United Kingdom of Great Britain and Northern Ireland and Guernsey, I have the honour to propose to you an Agreement amending the 2009 Agreement between the United Kingdom and Guernsey for the exchange of information relating to tax matters in the Appendix to this letter and that this Agreement shall have effect in accordance with paragraph 2 thereof.

I have the honour to propose that, if the above is acceptable to the States of Guernsey, this letter together with its Appendix and your confirmation shall together constitute our mutual acceptance

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and making of the Agreement between the United Kingdom of Great Britain and Northern Ireland and Guernsey.

Please accept, Sir, the assurance of our highest consideration.”

I am able to confirm that the contents of your letter dated 22nd October 2013 are acceptable to the States of Guernsey, and therefore that this letter together with your letter and its Appendix constitute our mutual acceptance of the provisions of the Agreement between Guernsey and the United Kingdom of Great Britain and Northern Ireland.

Please accept, Sir, the assurance of my highest consideration.

For the States of Guernsey

Peter Harwood

Chief Minister

PART 2

AGREEMENT BETWEEN THE UNITED KINGDOM AND GUERNSEY AMENDING THE 2009 AGREEMENT BETWEEN THE UNITED KINGDOM AND GUERNSEY FOR THE EXCHANGE OF INFORMATION RELATING TO TAX MATTERS

The United Kingdom and Guernsey (“the Parties”), desiring to amend the Agreement between the Parties for the exchange of information relating to tax matters (“the 2009 Agreement”), have agreed as follows:

1. The following shall be added after Article 5 (Exchange of Information Upon Request):

“Article 5a

Automatic Exchange of Information

1. The competent authorities of the Parties may automatically transmit information to each other for the purposes referred to in Article 1 (Object and Scope of the Agreement). The Parties shall determine the items of information to be exchanged pursuant to this Article and the procedures to be used to exchange such items of information.
2. The competent authorities of the Parties may mutually agree on additional procedures to be used for the purposes of this Article.

Article 5b

Spontaneous Exchange of Information

The competent authority of a Party may spontaneously transmit to the competent authority of the other Party information that has come to the attention of the first-mentioned competent authority and that the first-mentioned competent authority supposes to be foreseeably relevant to the accomplishment of the purposes referred to in Article 1 (Object and Scope of the Agreement). The competent authorities of the Parties shall determine the procedures to be used to exchange such information.”

2. Each of the Parties shall notify to the other the completion of the procedures required by its law for the bringing into force of this Agreement. This Agreement shall enter into force on the date of the later of these notifications and shall have effect for information exchanged on or after that date without regard to the taxable period to which the information relates.

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EXPLANATORY NOTE

(This note is not part of the Order)

The Schedule to this Order contains arrangements (“the Arrangements”) which amend an agreement between the Government of the United Kingdom of Great Britain and Northern Ireland and the States of Guernsey for the exchange of information relating to tax matters (“the Agreement”). The Agreement was scheduled to the Double Taxation Relief and International Tax Enforcement (Guernsey) Order 2009 (S.I. 2009/3011). This Order brings the Arrangements into effect.

The Agreement provides for the exchange of information relevant to the administration or enforcement or recovery of the taxes covered by the Agreement, by the revenue authorities of the two territories. Information will be exchanged in accordance with the provisions of the Agreement.

The Arrangements amend the Agreement to provide for the automatic and spontaneous exchange of such information.

Article 1 provides for citation.

Article 2 makes a declaration as to the effect and content of the Arrangements.

The Arrangements will enter into force on the date of the later of the notifications by each territory of the completion of its legislative procedures and take effect for information exchanged on or after that date.

The date of entry into force will, in due course, be published in the *London, Edinburgh and Belfast Gazettes*.

A Tax Information and Impact Note has not been produced for this Order as it gives effect to a previously announced policy to enact a double taxation agreement.