

PROJET DE LOI

ENTITLED

The Dwellings Profits Tax (Guernsey) Law, 1975 *

[CONSOLIDATED TEXT]

NOTE

This consolidated version of the enactment incorporates all amendments listed in the footnote below. It has been prepared for the Guernsey Law website and is believed to be accurate and up to date, but it is not authoritative and has no legal effect. No warranty is given that the text is free of errors and omissions, and no liability is accepted for any loss arising from its use. The authoritative text of the enactment and of the amending instruments may be obtained from Her Majesty's Greffier, Royal Court House, Guernsey, GY1 2PB.

© States of Guernsey

* Ordres en Conseil Vol. XXV, p. 91; as amended by the Dwellings Profits Tax (Amendment) (Guernsey) Law, 1983 (Ordres en Conseil Vol. XXVIII, p. 294); the Dwellings Profits Tax (Amendment) (Guernsey) Law, 1989 (Ordres en Conseil Vol. XXXII, p. 307); the Income Tax (Amendment) (Guernsey) Law, 1990 (Ordres en Conseil Vol. XXV, p. 91); the Dwellings Profits Tax (Guernsey) (Amendment) Law, 2003 (XXVII of 2003, Ordres en Conseil Vol. XLIII(2), p. 856); the Machinery of Government (Transfer of Functions) (Guernsey) Ordinance, 2003 (No. XXXIII of 2003, Recueil d'Ordonnances Tome XXIX, p. 406); the States Treasurer (Transfer of Functions) (Guernsey) Ordinance, 2008 (No. VII of 2008, Recueil d'Ordonnances Tome XXXIII, p. 38); the Administrator of Income Tax (Guernsey) (Transfer of Functions) Ordinance, 2009 (No. VII of 2009, Recueil d'Ordonnances Tome XXXIII, p. 472); the Chief Accountant (Transfer of Functions) (Guernsey) Ordinance, 2013 (No. XLIII of 2013); the Organisation of States' Affairs (Transfer of Functions) Ordinance, 2016 (No. IX of 2016); the Director of Income Tax (Transfer of Functions) (Guernsey) Ordinance, 2018 (No. XXVII of 2018); the Guernsey Revenue Service Tribunal Ordinance, 2021 (No. ** of 2021). The operation of the provisions of this Law has been suspended by the Dwellings Profits Tax (Suspension of Law) (Guernsey) Ordinance, 2009 (No. XII of 2009, Recueil d'Ordonnances Tome XXXIII, p. 484).

PROJET DE LOI

ENTITLED

The Dwellings Profits Tax (Guernsey) Law, 1975

ARRANGEMENT OF SECTIONS

1. Profits tax.
2. Transactions to which Law applies.
3. Persons chargeable to profits tax.
4. Rate of profits tax.
5. Calculated profit from a sale.
6. Calculated profit from a lease, etc.
- 6A. Calculated profit from certain transactions.
7. Calculation of inflation element.
8. Apportionment of chargeable profit in case of mixed properties.
9. Transactions exempt from profits tax.
10. Treatment of any loss sustained from any transaction to which Law applies.
11. Income tax allowed as a deduction.
12. Charge and payment of profits tax on past transactions.
13. Charge and payment of profits tax on future sales.
14. Charge and payment of profits tax on future transactions other than sales.
15. Appeals.
16. Recovery of profits tax.
17. General provisions against legal avoidance.
18. Service of notices.
19. General penalty.
20. False statements, etc.
21. Failure to supply information.
22. Penalty for fraudulent practices.
23. Penalty for aiding and abetting.
24. Offences by bodies corporate.
25. Care and management of profits tax.
26. Oath of secrecy.
27. Disposal of profits tax.
28. Interpretation.
29. Suspension of Law.
30. Extent.
31. Citation.
32. Commencement.

SCHEDULE Table.

PROJET DE LOI

ENTITLED

The Dwellings Profits Tax (Guernsey) Law, 1975

THE STATES, in pursuance of their Resolutions of the thirty-first day of October, nineteen hundred and seventy-three, and the twenty-sixth day of June, nineteen hundred and seventy-four, have approved the following provisions which, subject to the Sanction of Her Most Excellent Majesty in Council, shall have force of law in the Island of Guernsey.

Profits tax.

1. Subject to the succeeding provisions of this Law, a tax (hereinafter referred to as "**profits tax**") shall be charged in accordance with the provisions of this Law in respect of the profit accruing to a person from a transaction to which this Law applies and computed in accordance with the provisions of this Law (hereinafter referred to as "**the chargeable profit**").

NOTE

In accordance with the provisions of the Dwellings Profits Tax (Suspension of Law) (Guernsey) Ordinance, 2009, section 1, with effect from 25th March, 2009, the operation of the provisions of this Law is suspended.

Transactions to which Law applies.

[2. (1) This Law applies to any transaction relating to any dwelling in Guernsey or Herm which consists of –

(a) the sale of a dwelling,

Consolidated text

- (b) the grant of a lease or a sub-lease or the assignment of a lease or a sub-lease of a dwelling in consideration of a premium,
- (c) the sale of a right of usufruct in a dwelling,
- (d) the grant of a lease or a sub-lease or the assignment of a lease or a sub-lease of a right of usufruct in a dwelling in consideration of a premium,
- (e) the disposal or transfer of shares, or the disposal or transfer of the beneficial ownership of shares, in a body corporate the effect of which is to transfer an interest in that body corporate from one person to another person at a time when that body corporate is the owner or lessee of a dwelling if, in the opinion of the [Director], one of the benefits which accrues to the first mentioned person from the transaction is the avoidance or reduction of liability to profits tax,
- (f) the transfer of the beneficial interest in a dwelling which is held in trust from one beneficiary to another beneficiary at a time when the trustees are the owners or the lessees of the dwelling if, in the opinion of the [Director], one of the benefits which accrues to the first mentioned beneficiary from the transaction is the avoidance or reduction of liability to profits tax,
- (g) the transfer of the beneficial interest in a dwelling which is held in trust by the disposal or transfer of shares, or the disposal or transfer of the beneficial

ownership of shares, in a body corporate being for the time a beneficiary under the said trust the effect of which is to transfer an interest in the said body corporate from one person to another person at a time when the trustees of the trust are the owners or the lessees of the said dwelling if, in the opinion of the [Director], one of the benefits which accrues to the first mentioned person from the transaction is the avoidance or reduction of liability to profits tax.

(2) Notwithstanding the provisions of the last preceding subsection, this Law shall not apply to any transaction which consists of the grant of a lease or a sub-lease of a dwelling or a lease or a sub-lease of a right of usufruct in a dwelling for which the only consideration is the payment of an annual rental fixed by way of a bargain made at arm's length notwithstanding that the said rental is payable at intervals of less than one year.]

NOTES

Section 2 was substituted by the Dwellings Profits Tax (Amendment) (Guernsey) Law, 1983, section 1(a), with effect from 27th May, 1981.

In section 2, the words in square brackets were substituted by the Director of Income Tax (Transfer of Functions) (Guernsey) Ordinance, 2018, section 1, with effect from 1st November, 2018, subject to the savings and transitional provisions in section 2 of the 2018 Ordinance.¹

Persons chargeable to profits tax.

3. (1) Profits tax shall be chargeable upon the person or persons to whom the chargeable profit from any transaction to which this Law applies accrues and shall be paid –

(a) where the chargeable profit accrues to a person and that

person is an individual, by that individual,

- (b) where the chargeable profit accrues to a person and that person is a body corporate, by that body corporate,
- (c) where the chargeable profit accrues to two or more persons, by those persons jointly and severally.

(2) Notwithstanding the provisions of paragraph (c) of the last preceding subsection the total amount of profits tax may, where the chargeable profit accrues to two or more persons, at the discretion of the [Director], be apportioned equally among those persons and shall be charged upon and paid by those persons equally.

[(3A) Profits tax adjusted at the discretion of the [Director] in accordance with the provisions of section seventeen of this Law shall be chargeable and shall be paid –

- (a) in the case of a transaction to which this Law applies by virtue of paragraph (e) of subsection (1) of the last preceding section, by the first mentioned person referred to in the said paragraph (e),
- (b) in the case of a transaction to which this Law applies by virtue of paragraph (f) of subsection (1) of the last preceding section, by the first mentioned beneficiary referred to in the said paragraph (f),
- (c) in the case of a transaction to which this Law applies by virtue of paragraph (g) of subsection (1) of the last preceding section, by the first mentioned person

referred to in the said paragraph (g).]

NOTES

In section 3,

the words in, first, the square brackets in subsection (2) and, second, the square brackets within subsection (3A) were substituted by the Director of Income Tax (Transfer of Functions) (Guernsey) Ordinance, 2018, section 1, with effect from 1st November, 2018, subject to the savings and transitional provisions in section 2 of the 2018 Ordinance;²

subsection (3A) was inserted by the Dwellings Profits Tax (Amendment) (Guernsey) Law, 1983, section 1(b), with effect from 27th May, 1981.

Rate of profits tax.

[4. Profits tax shall be charged at the rate of one hundred per centum upon the chargeable profit computed in accordance with the provisions of section five or section six of this Law or as so computed and adjusted at the discretion of the [Director] in accordance with the provisions of section seventeen of this Law, as the case may be.]

NOTES

Section 4 was substituted by the Dwellings Profits Tax (Amendment) (Guernsey) Law, 1983, section 1(c), with effect from 27th May, 1981.

In section 4, the word in square brackets was substituted by the Director of Income Tax (Transfer of Functions) (Guernsey) Ordinance, 2018, section 1, with effect from 1st November, 2018, subject to the savings and transitional provisions in section 2 of the 2018 Ordinance.³

Calculated profit from a sale.

5. (1) Subject to the succeeding provisions of this section, the chargeable profit accruing to a person from a transaction to which this Law applies which consists of the sale of a dwelling shall be the difference between the selling

price of the dwelling and the purchase price of the dwelling both prices computed in accordance with the succeeding provisions of this section.

(2) The selling price of a dwelling referred to in the last preceding subsection shall be the full amount of the consideration receivable by the vendor for the sale of the dwelling after deduction therefrom of any agent's or other fees and charges incurred by the vendor wholly and exclusively in connection with the sale of the dwelling.

(3) The purchase price of a dwelling referred to in subsection (1) of this section shall be the sum of the following amounts, that is to say –

- (a) the full amount of the expenditure incurred wholly and exclusively in connection with the purchase of the dwelling concerned by the vendor when he purchased the dwelling or, where the said vendor constructed the dwelling, the full amount of the expenditure incurred wholly and exclusively by him in connection with the construction of the dwelling,
- (b) any expenditure incurred by the vendor on any construction, reconstruction, renovation, alteration or extension of, or repairs to, the dwelling after the purchase or construction thereof,
- (c) where the dwelling was, at the time of purchase or construction, charged with a rente, any expenditure incurred on the redemption of such rente by him,
- (d) such amount (hereinafter referred to as "**the inflation element**") as may, from time to time, be computed in

accordance with the provisions of section seven of this Law:

PROVIDED that the inflation element shall be applied to the amount of any expenditure referred to in the preceding paragraphs of this subsection on a monthly basis as if the said expenditure had been incurred on the first day of the month in which it was incurred rather than on any other day of that month.

(4) Any reference in this section to the date on which expenditure is incurred shall be construed as a reference to the date when the sums in question were paid.

[(4A) The chargeable profit accruing from a transaction described in section 9(4) of this Law which consists of the sale of a dwelling shall be –

(a) that portion of the net consideration receivable by the vendor for the sale of the dwelling which, in the opinion of the [Director], accrues to the benefit of the person who has the controlling or beneficial interest in the body corporate or trusts, less

(b) the sum of –

(i) that portion of any expenditure incurred by the person who has the controlling or beneficial interest in the body corporate or trust in acquiring that interest, which, in the opinion of the [Director], was referable to the value of the dwelling, and

- (ii) that portion of any expenditure such as is described in paragraphs (b) and (c) of subsection (3) of this section which, in the opinion of the [Director], was met out of funds provided by that person, and
- (iii) the inflation element calculated in accordance with section 7 of this Law.]

[(5) The foregoing provisions of this section shall apply, subject to such adaptations and modifications as the [Director] may consider necessary, in relation to a transaction to which this Law applies which consists of the sale of a right of usufruct in a dwelling as they apply in relation to a transaction to which this Law applies which consists of the sale of a dwelling.]

NOTES

In section 5,

subsection (4A) was inserted by the Dwellings Profits Tax (Amendment) (Guernsey) Law, 1989, section 2(a), with effect from 5th December, 1989;

the words in square brackets within subsection (4A) and within subsection (5) were substituted by the Director of Income Tax (Transfer of Functions) (Guernsey) Ordinance, 2018, section 1, with effect from 1st November, 2018, subject to the savings and transitional provisions in section 2 of the 2018 Ordinance;⁴

subsection (5) was inserted by the Dwellings Profits Tax (Amendment) (Guernsey) Law, 1983, section 1(d), with effect from 27th May, 1981.

Calculated profit from a lease, etc.

6. (1) Subject to the succeeding provisions of this section, the

chargeable profit accruing to a person from a transaction to which this Law applies which consists of the grant of a lease or a sub-lease or the assignment of a lease or a sub-lease of a dwelling shall be the difference between the premium received in respect of such grant or assignment and the adjusted purchase price computed in accordance with the provisions of subsection (3) or subsection (4), as the case may be, of this section.

(2) The premium referred to in the last preceding subsection shall be the full consideration receivable for the grant of a lease or a sub-lease or the assignment of a lease or a sub-lease, as the case may be, after deduction therefrom of any agent's or other fees and charges incurred wholly and exclusively in connection with the said grant or assignment.

(3) Where the transaction is the grant of a lease, the adjusted purchase price referred to in subsection (1) of this section shall be the amount computed in accordance with subsection (3) of section five of this Law.

(4) Where the transaction consists of –

(a) the grant of a sub-lease the adjusted purchase price referred to in subsection (1) of this section shall be the sum of the following amounts, that is to say –

(i) the full amount of the expenditure incurred on acquiring the head lease,

(ii) any expenditure incurred by the lessee on any construction, reconstruction, renovation, alteration or extension of, or repairs to, the dwelling in respect of which the head lease was granted,

- (iii) the inflation element determined in accordance with the provisions of section seven of this Law,
- (b) the assignment of a lease or a sub-lease the adjusted purchase price referred to in subsection (1) of this section shall be the sum of the following amounts, that is to say –
 - (i) the full amount of the expenditure incurred on acquiring the lease or the sub-lease, as the case may be,
 - (ii) any expenditure incurred by the lessee or the sub-lessee on any construction, reconstruction, renovation, alteration or extension of, or repairs to, the dwelling in respect of which the lease or the sub-lease, as the case may be, was granted,
 - (iii) the inflation element determined in accordance with section seven of this Law.

(5) In the case of the grant of a lease or a sub-lease where any interest in the dwelling concerned is retained by the lessor or the sub-lessor, the adjusted purchase price referred to in subsection (3) or paragraph (a) of subsection (4) of this section shall be reduced in accordance with the provisions of subsection (7) of this section in respect of the value of such interest as at the date of the lease or sub-lease, as the case may be.

(6) Where on the grant of a sub-lease or the assignment of a lease or a sub-lease of a dwelling, the unexpired portion of the lease or the sub-lease does

not exceed fifty years there shall be excluded from the adjusted purchase price thereof a fraction of such adjusted purchase price in accordance with the provisions of subsection (8) of this section.

(7) Where the expenditure referred to in subsection (3) or subsection (4) of this section has to be reduced in respect of the value of any interest retained in a lease or a sub-lease, the reduction shall be made by multiplying the said expenditure by the fraction $\frac{A}{A+B}$, where A is the consideration referred to in subsection (2) of this section and B is the open market value of the interest in the lease or the sub-lease, as the case may be, which has been retained.

(8) The fraction referred to in subsection (6) of this section is $\frac{P1-P2}{P1}$, where –

- (a) the percentage derived from the Table set out in the Schedule to this Law for the term of the lease or the sub-lease at the commencement thereof is P1,
- (b) the percentage derived from the Table set out in the said Schedule for the unexpired portion of the lease at the time of the grant of the sub-lease or the assignment of the lease or the sub-lease, as the case may be, is P2.

(9) Where –

- (a) a dwelling is the subject of a transaction to which the provisions of this section apply which consists of the lease or the sub-lease of a dwelling, and

- (b) if the said dwelling had been owned by the lessee or the sub-lessee, as the case may be, then by virtue of the provisions of section eight of this Law a proportion of the chargeable profit would have been excluded from the charge to profits tax in respect of such dwelling,

the provisions of that subsection shall apply to the computation of the chargeable profit under this section as if the said dwelling had at all material times been owned by the said lessee.

[(9A) The chargeable profit accruing from a transaction described in section 9(4) of this Law which consists of the grant of a lease or a sub-lease, or the assignment of a lease or a sub-lease, of a dwelling shall be –

- (a) that portion of the net consideration receivable by the vendor for the grant or assignment which, in the opinion of the [Director], accrues to the benefit of the person who has the controlling or beneficial interest in the body corporate or trust, less
- (b) the sum of –
 - (i) that portion of any expenditure incurred by the person who has the controlling or beneficial interest in the body corporate or trust in acquiring that interest, which, in the opinion of the [Director], was referable to the value of the dwelling, the head lease, the lease or the sub-lease (as the case may be), and
 - (ii) that portion of any expenditure such as is

described in paragraph (a)(ii) or (b)(ii) (as the case may be) of subsection (4) of this section which, in the opinion of the [Director], was met out of funds provided by that person, and

- (iii) the inflation element calculated in accordance with section 7 of this Law,

adjusted as appropriate in accordance with subsections (5) to (8) inclusive of this section.]

[(10) The foregoing provisions of this section shall apply, subject to such adaptations and modifications as the [Director] may consider necessary, in relation to a transaction to which this Law applies which consists of the grant of a lease or a sub-lease or the assignment of a lease or a sub-lease of a right of usufruct in a dwelling as they apply in relation to a transaction to which this Law applies which consists of the grant of a lease or a sub-lease or the assignment of a lease or a sub-lease of a dwelling.]

NOTES

In section 6,

subsection (9A) was inserted by the Dwellings Profits Tax (Amendment) (Guernsey) Law, 1989, section 2(b), with effect from 5th December, 1989;

the words in square brackets within subsection (9A) and within subsection (10) were substituted by the Director of Income Tax (Transfer of Functions) (Guernsey) Ordinance, 2018, section 1, with effect from 1st November, 2018, subject to the savings and transitional provisions in section 2 of the 2018 Ordinance;⁵

subsection (10) was inserted by the Dwellings Profits Tax (Amendment) (Guernsey) Law, 1983, section 1(e), with effect from 27th May, 1981.

[Calculated profit from certain transactions.]

6A. The chargeable profit accruing to a person from a transaction to which this Law applies by virtue of paragraph (e), (f) or (g) of subsection (1) of section two of this Law shall be such amount as shall be computed and adjusted at the discretion of the [Director] in accordance with the provisions of section seventeen of this Law.]

NOTES

Section 6A was inserted by the Dwellings Profits Tax (Amendment) (Guernsey) Law, 1983, section 1(f), with effect from 27th May, 1981.

In section 6A, the word in square brackets was substituted by the Director of Income Tax (Transfer of Functions) (Guernsey) Ordinance, 2018, section 1, with effect from 1st November, 2018, subject to the savings and transitional provisions in section 2 of the 2018 Ordinance.⁶

Calculation of inflation element.

7. The amount to be applied by way of the inflation element to the purchase price of a dwelling in accordance with the provisions of subsection (3) of section five or subsection (4) of section six of this Law, as the case may be, shall be as follows –

- (a) in respect of expenditure incurred in any month prior to the month of November, nineteen hundred and seventy-four, the percentage derived from the application of the percentage factors set out in the following table –

for each month of –	Percentage factors.
October, November and December 1968	0.12
January to December ... 1969	0.41

Consolidated text

January to December ...	1970	0.56
January to December ...	1971	0.72
January to December ...	1972	0.79
January to December ...	1973	1.05
January, February and March	1974	1.87
April, May and June ...	1974	2.28
July, August, September and October	1974	1.02,

- (b) in respect of each month included in subsequent periods of three months in each quarter after the quarter ended on the thirty-first day of October, nineteen hundred and seventy-four, that is to say, November, December and January respectively, February, March and April respectively, May, June and July respectively and August, September and October respectively, a percentage equal to 100 less than the cube root of 10,000 (100 + F), where F is the percentage increase in the Index of Retail Prices compiled by or on behalf of the States for the quarter immediately preceding each such period:

Provided that if for any period referred to in this paragraph the said Index of Retail Prices is not compiled as aforesaid for any period the States may, from time to time, by Ordinance prescribe the amount of the inflation element which is to be applied for the time being or during such period as may be specified in any such Ordinance.

Apportionment of chargeable profit in case of mixed properties.

8. Subject to the provisions of paragraph (o) of section nine of this Law, where a dwelling is specifically divided into sections or parts at least one of which has been used or has been available for use solely for the purposes of a business (hereinafter referred to as "**the business section**") during the period of twelve months immediately preceding the date of the completion of any transaction to which this Law applies there shall be excluded from the chargeable profit computed in accordance with the provisions of section five or section six of this Law, as the case may be, such proportion of the said chargeable profit as the adjusted floor area of the business section bears to the adjusted floor area of the dwelling, where –

"the adjusted floor area of the business section" means the total internal floor area of the business section multiplied by a factor of four, and

"the adjusted floor area of the dwelling" means the amount arrived at after deducting from the actual total internal floor area of the dwelling the actual floor area of the business section thereof and adding to the amount so obtained the adjusted floor area of the business section:

PROVIDED that for the purposes of any of the aforesaid calculations no account shall be taken of the areas of any garden, shed or other domestic outbuilding, as the case may be, within the curtilage of the dwelling.

Transactions exempt from profits tax.

9. (1) Notwithstanding the provisions of section one of this Law, profits tax shall not be chargeable in respect of any chargeable profit accruing to a person from any transaction to which this Law applies which consists of –

- (a) the sale of a dwelling by a person who acquired the ownership of that dwelling prior to the commencement of the period of twelve months immediately preceding

the date of such sale if –

- (i) the said dwelling had been occupied throughout any continuous period of twelve months by that person as his only or main residence, or
 - (ii) the said dwelling had been occupied throughout any continuous period of twelve months by the spouse of that person as the only or main residence of that spouse, or
 - (iii) the said dwelling had been occupied for part of any continuous period of twelve months by that person and for the remainder of any such period of twelve months by the spouse of that person as the only or main residence of that person or that spouse, as the case may be, or
- (b) the sale of a dwelling by a person who was occupying that dwelling on the eighth day of October, nineteen hundred and seventy-three, as his only or main residence if he can prove to the satisfaction of the [Director] that on or before the said eighth day of October he had committed himself to the sale of the said dwelling, or
- (c) the sale of a dwelling by a person who acquired the ownership of that dwelling by gift inter vivos during the period of five years immediately preceding the date of such sale, by will or by operation of law otherwise than as a result of saisie proceedings, or

- (d) the sale of a dwelling by a body corporate which acquired the ownership of that dwelling prior to the commencement of the period of twelve months immediately preceding the date of such sale if, throughout the said period of twelve months, the said dwelling was occupied by a person having the controlling interest in that body corporate as his only or main residence [...], or
- (e) the grant of a lease of a dwelling by a person who acquired the ownership of that dwelling prior to the commencement of the period of twelve months immediately preceding the date of such grant if, throughout the said period of twelve months, the said dwelling was occupied by that person as his only or main residence, or
- (f) the grant of a lease of a dwelling by a person who was occupying that dwelling on the eighth day of October, nineteen hundred and seventy-three, as his only or main residence if he can prove to the satisfaction of the [Director] that on or before the said eighth day of October he had committed himself to the grant of the lease of the said dwelling, or
- (g) the grant of a lease of a dwelling by a person who acquired the ownership of that dwelling by gift inter vivos during the period of five years immediately preceding the date of such grant, by will or by operation of law otherwise than as a result of saisie proceedings,

or

- (h) the grant of a sub-lease or the assignment of a lease or a sub-lease of a dwelling by a person who acquired the lease or the sub-lease of that dwelling prior to the commencement of the period of twelve months immediately preceding the date of such grant or such assignment if, throughout said period of twelve months, the said dwelling was occupied by that person as his only or main residence, or
- (i) the grant of a sub-lease or the assignment of a lease or a sub-lease of a dwelling by a person who was occupying that dwelling on the eighth day of October, nineteen hundred and seventy-three, as his only or main residence if he can prove to the satisfaction of the [Director] that on or before the said eighth day of October he had committed himself to such grant or such assignment, or
- (j) the grant of a sub-lease or the assignment of a lease or a sub-lease of a dwelling by a person who acquired the lease or the sub-lease of that dwelling by gift inter vivos during the period of five years immediately preceding the date of such grant, by will or by operation of law, or
- (k) the sale of a dwelling [or the grant of a lease of a dwelling] by a person who acquired the dwelling as a result of saisie proceedings unless –

- (i) the person so acquiring the dwelling (hereinafter referred to as "**the new owner**") was a body corporate in which the person from whom the property was so acquired (hereinafter referred to as "**the former owner**") had the controlling interest at the time when the saisie proceedings were instituted or the former owner was a body corporate in which the new owner had the controlling interest at the said time or both the former owner and the new owner are bodies corporate and some other person had the controlling interest over both of them at the said time, or
 - (ii) it appears to the [Director] that the sole or main purpose of the said saisie proceedings was the avoidance or reduction of liability to profits tax, or
- (l) the sale of a dwelling or the grant of a lease or a sub-lease or the assignment of a lease or a sub-lease of a dwelling by a person if the said dwelling consists of premises in respect of which there is for the time being in force a boarding permit granted under the provisions of the Tourist Law, 1948^a, and if, throughout the period of twelve months immediately preceding the date of such sale, grant or assignment, the said dwelling was used or was available for use for the purposes for which such boarding permit was granted, or

^a Ordres en Conseil Vol. XIII, p. 329.

- (m) [subject to section 9(4) of this Law,] the sale of a dwelling or the grant of a lease or a sub-lease or the assignment of a lease or a sub-lease of a dwelling by a person who acquired the ownership of that dwelling or the lease or the sub-lease, as the case may be, of that dwelling, prior to the commencement of the period of five years immediately preceding the date of such sale, grant or assignment, or

- (n) the sale of a dwelling [or the grant of a lease of a dwelling] by a person in the ordinary course of his business, the sole or main activity of which is the construction, reconstruction, repair or renovation of buildings if –
 - (i) the said dwelling was constructed in the ordinary course of such business, or

 - (ii) the said dwelling was acquired in the course of such business and that an amount of not less than twenty per centum of the selling price of such dwelling has been expended wholly and exclusively upon the reconstruction, repair or renovation of the said dwelling, or

- (o) the sale of a dwelling or the grant of a lease or a sub-lease or the assignment of a lease or a sub-lease of a dwelling by a person if the floor area of the business section of the said dwelling amounts to at least seventy per centum of the total floor area of the said dwelling.

(2) Notwithstanding the provisions of section one of this Law, profits tax shall not be chargeable in respect of any chargeable profit accruing to a charity from any transaction to which this Law applies if and so far as the chargeable profit is applied to charitable purposes only.

[(3) Any reference in any of the provisions of subsection (1) of this section –

- (a) to the sale of a dwelling or the grant of a lease or a sub-lease or the assignment of a lease or a sub-lease of a dwelling shall be deemed to include a reference to the sale of a right of usufruct in a dwelling or the grant of a lease or a sub-lease or the assignment of a lease or a sub-lease of a right of usufruct in a dwelling, as the case may be,
- (b) to the acquisition of the ownership of a dwelling or a lease or a sub-lease of a dwelling shall be deemed to include a reference to the acquisition of a right of usufruct in a dwelling or a lease or a sub-lease of a right of usufruct in a dwelling, as the case may be.]

[(4) The exemption from profits tax set out in paragraph (m) of subsection (1) of this section does not apply to the sale of a dwelling, or to the grant of a lease or a sub-lease of a dwelling or the assignment of a lease or a sublease of a dwelling, by a body corporate or trust if a person who has a controlling interest in that body corporate or a beneficial interest in that trust acquired that controlling or beneficial interest –

- (a) on or after 10th March, 1989, and

- (b) less than five years before the date of that sale, grant or assignment,

but the chargeable profit accruing from that sale, grant or assignment shall be calculated in accordance with section 5(4A) or 6(9A) of this Law, as the case requires.]

NOTES

In section 9,

the word "Director" in square brackets, wherever occurring, was substituted by the Director of Income Tax (Transfer of Functions) (Guernsey) Ordinance, 2018, section 1, with effect from 1st November, 2018, subject to the savings and transitional provisions in section 2 of the 2018 Ordinance;⁷

the words omitted in square brackets in paragraph (d) of subsection (1) were repealed by the Dwellings Profits Tax (Amendment) (Guernsey) Law, 1989, section 1, with effect from 5th December, 1989;

the words in the first pair of square brackets in paragraph (k) of subsection (1) were inserted by the Dwellings Profits Tax (Amendment) (Guernsey) Law, 1983, section 1(g)(i), with effect from 27th May, 1981;

the words in square brackets in paragraph (m) of subsection (1) were inserted by the Dwellings Profits Tax (Amendment) (Guernsey) Law, 1989, section 2(c), with effect from 5th December, 1989;

the words in square brackets in paragraph (n) of subsection (1) were inserted by the Dwellings Profits Tax (Amendment) (Guernsey) Law, 1983, section 1(g)(ii), with effect from 27th May, 1981;

subsection (3) was inserted by the Dwellings Profits Tax (Amendment) (Guernsey) Law, 1983, section 1(h), with effect from 27th May, 1981;

subsection (4) was inserted by the Dwellings Profits Tax (Amendment) (Guernsey) Law, 1989, section 2(d), with effect from 5th December, 1989.

Treatment of any loss sustained from any transaction to which Law applies.

10. (1) Where a loss is sustained by a person from any transaction to which this Law applies that loss shall, for the purposes of this section, be computed in like manner as a chargeable profit is computed in accordance with the provisions of section five or section six of this Law, as the case may be.

(2) Where a loss computed in accordance with the provisions of the last preceding subsection is sustained by a person from any transaction to which this Law applies it shall be set off against the whole or part of any chargeable profit accruing to the same person from any other transaction to which this Law applies during the same calendar year and any profits tax which has been paid on the whole or part of such chargeable profit against which the said loss has been set off shall be repaid to such person:

PROVIDED that if any part of such loss sustained cannot be set off in whole or in part, the amount not so set off shall be carried forward and set off against any chargeable profit accruing to the same person from any other transaction to which this Law applies in a subsequent calendar year.

(3) Any loss sustained by a person from any transaction to which this Law applies which if it were a chargeable profit would be exempt from profits tax in accordance with the provisions of section nine of this Law shall not be taken into account for any purpose under any of the provisions of this Law.

Income tax allowed as a deduction.

11. Where tax has been charged under the provisions of the Income Tax (Guernsey) Laws, 1950 to 1974, on the profit accruing to a person from any transaction to which this Law applies, the whole amount of such tax shall be allowed as a deduction from any profits tax charged in respect of that transaction.

NOTE

The Income Tax (Guernsey) Law, 1950 has since been repealed by the Income Tax (Guernsey) Law, 1975, section 210, Second Schedule, with effect from 1st January, 1974, subject to the savings provisions in section 146, section 178, section 210 and section 211 of the 1975 Law.

Charge and payment of profits tax on past transactions.

12. (1) In the case of a transaction to which this Law applies completed during the period which commenced on the eighth day of October, nineteen hundred and seventy-three, and ended on the day immediately preceding the date of the registration of this Law –

- (a) which consists of the sale of a dwelling, the vendor, or
- (b) which consists of such a transaction other than the sale of a dwelling, each party to the transaction,

shall, prior to the expiration of the period of twenty-eight days next following the date of the registration of this Law, inform the [Director] of the fact and furnish him with the date of the completion of the transaction and shall, upon being requested by notice in writing served on him or them, as the case may be, by the [Director], furnish the [Director], in writing, with such information as the [Director] may require in order to determine –

- (a) whether the transaction is exempt from profits tax, or
- (b) if the transaction is not so exempt, the amount of chargeable profit which accrued from the transaction and the amount of the profits tax chargeable thereon.

(2) A notice in writing stating the amount of chargeable profit accruing to a person from a transaction to which the last preceding subsection relates and the amount of profits tax chargeable thereon shall be served by the [Director] on

the person chargeable with the profits tax under the provisions of section two of this Law and the amount of such profits tax shall be paid to the [Director] by the said person prior to the expiration of the period of twenty-eight days next following the date of such notice or prior to the expiration of such longer period as the [Director], in his discretion, may allow.

NOTES

In section 12, the word "Director" in square brackets, wherever occurring, was substituted by the Director of Income Tax (Transfer of Functions) (Guernsey) Ordinance, 2018, section 1, with effect from 1st November, 2018, subject to the savings and transitional provisions in section 2 of the 2018 Ordinance.⁸

The Law was registered on the Records of the Island of Guernsey on 17th June, 1975.

Charge and payment of profits tax on future sales.

13. (1) In the case of a transaction to which this Law applies which consists of the sale of a dwelling the conveyance of which is to be completed after the date of the registration of this Law, the vendor shall, prior to the commencement of the period of twenty-eight days next preceding the date of the said conveyance, furnish the [Director], in writing, with the following information –

- (a) the name and address of the said vendor,
- (b) the address of the dwelling which is to be conveyed,
- (c) the date on which the said vendor purchased the said dwelling or, if he acquired the dwelling, otherwise than by purchase, the date on which it was so acquired,
- (d) the date on which it is intended to convey the said

dwelling to the intending purchaser thereof,

- (e) the name and address of the intending purchaser of the said dwelling,
- (f) whether the said dwelling has been or will have been occupied by the vendor as his only or main residence throughout the period of twelve months immediately preceding the date on which the information is supplied or the date on which the dwelling is to be conveyed, as the case may be.

(2) On the same date as the said vendor furnishes the [Director] with the information required by the provisions of the last preceding subsection the said vendor shall send to the [Director] a statement, in writing, signed by the said vendor and the said intending purchaser stating –

- (a) the consideration which is to be included in the conveyance of the said dwelling, and
- (b) that that consideration is the full consideration for the sale of the said dwelling and that no other consideration has been or will be paid, either directly or indirectly, by the said intending purchaser to, or on behalf of the said vendor, for the sale of the said dwelling.

(3) Upon receipt of the information and the statement required to be furnished to him under the last two preceding subsections the [Director] may require the said vendor or the intending purchaser, or both, to furnish him with such further information as the [Director] may consider necessary or desirable.

(4) From the information and the statement furnished to him in accordance with the preceding provisions of this section, the [Director] shall determine –

- (a) whether the transaction is exempt from profits tax, or
- (b) if the transaction is not so exempt, the amount of chargeable profit which accrued from the transaction and the amount of the profits tax chargeable thereon.

(5) A notice in writing stating the amount of the chargeable profit accruing to a person from a transaction to which subsection (1) of this section relates and the amount of profits tax chargeable thereon shall be served by the [Director] on the person chargeable with the profits tax under the provisions of section two of this Law and the amount of such profits tax shall be paid to the [Director] by the said person prior to the date on which the dwelling to which the transaction relates is conveyed to the purchaser thereof or prior to such later date as the [Director] may, in his discretion, allow.

(6) A conveyance of a dwelling shall not be signed by the Royal Court sitting as an Ordinary Court unless the said Royal Court is satisfied –

- (a) that the transaction is exempt from profits tax, or
- (b) if the transaction is not so exempt –
 - (i) that the profits tax chargeable thereon has been paid in accordance with the provisions of the last preceding subsection, or
 - (ii) that the profits tax chargeable thereon is not

payable until such later date as the [Director] has in the exercise of his discretion under the provisions of the last preceding subsection allowed.

NOTES

In section 13, the word "Director" in square brackets, wherever occurring, was substituted by the Director of Income Tax (Transfer of Functions) (Guernsey) Ordinance, 2018, section 1, with effect from 1st November, 2018, subject to the savings and transitional provisions in section 2 of the 2018 Ordinance.⁹

The Law was registered on the Records of the Island of Guernsey on 17th June, 1975.

Charge and payment of profits tax on future transactions other than sales.

14. (1) In the case of a transaction to which this Law applies other than the sale of a dwelling and which is to be completed after the date of the registration of this Law, each party to the transaction shall, prior to the commencement of the period of twenty-eight days next preceding the date of such completion, inform the [Director] of the fact and furnish him with the date on which the transaction is to be completed and shall, upon being requested by notice in writing served on him or them, as the case may be, furnish the [Director], in writing, with such further information as the [Director] may require in order to determine –

- (a) whether the transaction is exempt from profits tax, or
- (b) if the transaction is not so exempt, the amount of the chargeable profit which accrued from the transaction and the amount of profits tax chargeable thereon.

(2) A notice in writing stating the amount of chargeable profit

accruing to a person from a transaction to which the last preceding subsection relates and the amount of profits tax chargeable thereon shall be served by the [Director] on the person chargeable with the profits tax under the provisions of section two of this Law and the amount of such profits tax shall be paid to the [Director] prior to the expiration of the period of twenty-eight days next following the date of such notice or prior to the expiration of such longer period as the [Director] may, in his discretion, allow.

NOTES

In section 14, the word "Director" in square brackets, wherever occurring, was substituted by the Director of Income Tax (Transfer of Functions) (Guernsey) Ordinance, 2018, section 1, with effect from 1st November, 2018, subject to the savings and transitional provisions in section 2 of the 2018 Ordinance.¹⁰

The Law was registered on the Records of the Island of Guernsey on 17th June, 1975.

Appeals.

15. (1) Any person aggrieved by a notice served on him by the [Director] under the provisions of subsection (2) of section twelve, subsection (5) of section thirteen or subsection (2) of section fourteen of this Law, as the case may be, shall be entitled to appeal to [the Guernsey Revenue Service Tribunal] on giving to the [Director] notice in writing (stating the grounds of appeal) within twenty-one days of the date of the said notice:

PROVIDED that where the transaction to which the appeal relates was completed during the period which commenced on the eighth day of October, nineteen hundred and seventy-three, and ended on the date of the registration of this Law, such notice of appeal shall be served on the [Director] prior to the expiration of the twenty-one days next following the date of a notice served by the [Director] under the provisions of subsection (2) of section twelve of this Law:

PROVIDED further that [the Guernsey Revenue Service Tribunal] may admit an appeal if it is satisfied that owing to absence, sickness or other reasonable cause a person has been prevented from giving the aforesaid notice within the time limited.

(2) The provisions of sections sixty-three to sixty-six of the Law of 1950, shall apply in the case of an appeal under the provisions of subsection (1) of this section as if the notice served by the [Director] under the provisions of subsection (2) of section twelve, subsection (5) of section thirteen or subsection (2) of section fourteen of this Law, as the case may be, were an assessment made under the provisions of the Law of 1950.

NOTES

In section 15,

the word "Director" in square brackets, wherever occurring, was substituted by the Director of Income Tax (Transfer of Functions) (Guernsey) Ordinance, 2018, section 1, with effect from 1st November, 2018, subject to the savings and transitional provisions in section 2 of the 2018 Ordinance;¹¹

the words "the Guernsey Revenue Service Tribunal" in square brackets, wherever occurring, were substituted by the Guernsey Revenue Service Tribunal Ordinance, 2021, section 2, with effect from 1st January, 2022.¹²

The jurisdiction, privileges, functions, rights and liabilities of the Guernsey Tax Tribunal and of its members and officers arising under or by virtue of this Law were transferred to and vested in, respectively, the Guernsey Revenue Service Tribunal and its members and officers by the Guernsey Revenue Service Tribunal Ordinance, 2021, section 1, subject to, first, the savings and transitional provisions in section 3 and, second, the provisions of section 5 and section 6 of the 2021 Ordinance.

The Law was registered on the Records of the Island of Guernsey on 17th June, 1975.

The Income Tax (Guernsey) Law, 1950 ("the Law of 1950") has since been repealed by the Income Tax (Guernsey) Law, 1975, section 210, Second Schedule, with effect from 1st January, 1974, subject to the savings provisions in section 146, section 178, section 210 and section 211 of the 1975 Law.

Recovery of profits tax.

16. Any profits tax which becomes payable in pursuance of the provisions of this Law may be recovered as a civil debt due to the States.

General provisions against legal avoidance.

17. [(1)] Where the [Director] is of opinion that the main purpose, or one of the main purposes, of a transaction is the avoidance or reduction of the liability of any person to profits tax, he may, in his discretion, direct that such adjustments be made as respects the liability of that person to the profits tax as may in his opinion be appropriate to counteract the avoidance or reduction of liability which would otherwise be effected by such transaction.

[(2) Without prejudice to the generality of the provisions of the last preceding subsection, the [Director] may, in particular, direct –

- (a) that profits tax be charged on any person who, but for such adjustments directed to be made under the provisions of the last preceding subsection, would not be chargeable with any profits tax or, would not be so chargeable to the same extent,
- (b) that profits tax shall be charged on any person in a greater amount than would be chargeable but for any adjustments directed to be made under the provisions of the last preceding subsection.]

NOTES

Section 17 was re-numbered as section 17(1), and subsection (2) was inserted, by the Dwellings Profits Tax (Amendment) (Guernsey) Law, 1983,

section 1(i), with effect from 27th May, 1981.

In section 17, the word "Director" in square brackets, wherever occurring, was substituted by the Director of Income Tax (Transfer of Functions) (Guernsey) Ordinance, 2018, section 1, with effect from 1st November, 2018, subject to the savings and transitional provisions in section 2 of the 2018 Ordinance.¹³

Service of notices.

18. Any notice which may be served for the purposes of this Law shall be validly served –

- (a) on any person, if delivered to him, left, or sent by post or by recorded delivery service to him, at his usual or last known place of abode,
- (b) on any firm if delivered to any partner of the firm or left at, or sent by post or by recorded delivery service to, the principal or last known principal place of business of the firm,
- (c) on any body corporate, if left at, or sent by post or by recorded delivery service to its registered office if situate in this Island or, if its registered office is not so situate, its principal or last known principal place of business in this Island.

General penalty.

19. Any person who fails to comply with the provisions of section twelve, section thirteen or section fourteen of this Law shall be guilty of an offence and liable, on conviction, to a fine not exceeding ten thousand pounds.

False statements, etc.

20. Any person who makes any statement or furnishes any information which he is required to make or furnish under or by virtue of any of the provisions of this Law which he knows to be false or recklessly makes any such statement or furnishes any such information which is false in a material particular shall be guilty of an offence and liable, on conviction, to a fine not exceeding ten thousand pounds.

Failure to supply information.

21. Any person who without reasonable excuse fails to make any statement or furnish any information which he is required to make or furnish under or by virtue of any of the provisions of this Law shall be guilty of an offence and liable, on conviction, to a fine not exceeding five thousand pounds.

Penalty for fraudulent practices.

22. Any person who in order not to be charged with profits tax or to be charged with a lesser amount of profits tax than that with which he ought to be charged, is guilty of any fraud whatsoever, shall be guilty of an offence and liable, on conviction, to a fine not exceeding ten thousand pounds or three times the profits tax chargeable under this Law, whichever is the greater.

Penalty for aiding and abetting.

23. Any person who wilfully aids or abets another person in committing any offence under the provisions of this Law shall, if the said offence involves fraud, be guilty of an offence and liable, on conviction, to a fine not exceeding five thousand pounds.

[Offences by bodies corporate.

24. (1) Where an offence under this Law is committed by a body corporate and is proved to have been committed with the consent or connivance of, or to be attributable to any neglect on the part of, any director, manager, secretary or other similar officer of the body corporate, or any person purporting to act in any such capacity, he as well as the body corporate shall be guilty of the offence and may be

proceeded against and punished accordingly.

(2) Where the affairs of a body corporate are managed by its members, subsection (1) applies to a member in connection with his functions of management as if he were a director.]

NOTE

Section 24 was substituted by the Dwellings Profits Tax (Guernsey) (Amendment) Law, 2003, section 1, with effect from 1st December, 2003.

Care and management of profits tax.

25. Subject to the general direction and control of [the Committee] profits tax shall be under the care and management of the [Director].

NOTES

In section 25,

the words in the first pair of square brackets were substituted by the Organisation of States' Affairs (Transfer of Functions) Ordinance, 2016, section 5(1), Schedule 3, paragraph 1, with effect from 1st May, 2016;

the word in the second pair of square brackets was substituted by the Director of Income Tax (Transfer of Functions) (Guernsey) Ordinance, 2018, section 1, with effect from 1st November, 2018, subject to the savings and transitional provisions in section 2 of the 2018 Ordinance.¹⁴

Oath of secrecy.

26. The oath taken by any person under the provisions of section eighty-five of the Law of 1950, shall apply to any official function discharged in the execution of this Law as if such function were a function discharged under the provisions of the Law of 1950.

NOTE

The Income Tax (Guernsey) Law, 1950 ("the Law of 1950") has since been repealed by the Income Tax (Guernsey) Law, 1975, section 210, Second Schedule, with effect from 1st January, 1974, subject to the savings provisions in section 146, section 178, section 210 and section 211 of the 1975 Law.

Disposal of profits tax.

27. The proceeds of the profits tax shall be paid by the [Director] to the [States Treasurer] for the account of the General Revenue.

NOTES

In section 27,

the word in the first pair of square brackets was substituted by the Director of Income Tax (Transfer of Functions) (Guernsey) Ordinance, 2018, section 1, with effect from 1st November, 2018, subject to the savings and transitional provisions in section 2 of the 2018 Ordinance;¹⁵

the words in the second pair of square brackets were substituted by the Chief Accountant (Transfer of Functions) (Guernsey) Ordinance, 2013, section 1, with effect from 1st December, 2013, subject to the savings and transitional provisions in section 2 of the 2013 Ordinance.¹⁶

Interpretation.

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

"**the [Director]**" means the [Director of the Revenue Service] referred to in [section 205(1) of the Income Tax (Guernsey) Law, 1975],

"**[the Committee]**" means the [Policy & Resources Committee],

"**business**" includes any trade or commerce or any adventure or concern in the nature of trade or commerce but does not include any adventure

or concern in the nature of trade or commerce where such adventure or concern relates to one dwelling only,

"calendar year" means the period commencing on the first day of January in any year and ending on the thirty-first day of December next following,

"charity" –

- (a) means any body of persons or trust established for charitable purposes, and
- (b) where any property or fund the income whereof is applicable to charitable purposes only is entrusted to any person or body of persons, means, in relation to that property and the income thereof, that person or body,

"the controlling interest" means in relation to a body corporate –

- (a) the power of a person to secure, by means of the holding of shares or the possession of voting power in or in relation to that or any other body corporate, or by virtue of any powers conferred by the Articles of Association or other document regulating that or any other body corporate, that the affairs of the first mentioned body corporate are conducted in accordance with the wishes of that person,
- (b) the power of a person who is a loan creditor of a body corporate and who is, in the opinion of the

Administrator, able to exercise that power to secure that the affairs thereof are conducted in accordance with the wishes of that person,

"conveyance" means a conveyance on sale for an estate of inheritance,

"dwelling" means any premises, or any part of any premises, wholly or principally used for the purposes of human habitation and includes –

- (a) a flat,
- (b) any land which the occupier of a dwelling has for his own occupation or enjoyment with that dwelling as its garden or grounds up to an area (inclusive of the site of the dwelling) of two and one half vergées,
- (c) any garage, shed or other domestic out-building within the curtilage of a dwelling which the occupier of a dwelling has for his own occupation or enjoyment with that dwelling, and
- (d) a dwelling in the course of construction,

"flat" means a separate and self-contained set of premises constructed for the purposes of a dwelling and forming part of a building from some other part of which it is divided horizontally,

[**"[the Guernsey Revenue Service Tribunal]"** means the Tribunal established by the Third Schedule to the Income Tax (Guernsey) Law, 1975,]

"individual" means a natural person and does not include a body corporate,

"the Law of 1950" means the Income Tax (Guernsey) Law, 1950^b,

"premium" includes any like sum, whether payable to the immediate or superior lessor,

"purchaser and vendor" include joint purchasers and joint vendors respectively.

(2) For the purposes of this Law any sum (other than rent) paid on or in connection with the granting of a lease, a sub-lease or the assignment of a lease or a sub-lease shall be presumed to have been paid by way of premium except in so far as other consideration for the payment is shown to have been given.

(3) Any reference in this Law to **"the sale of a dwelling"** includes a reference to the sale of that dwelling together with any other property and, where any dwelling is sold together with other property, so much of the net proceeds of the sale of the whole property as, on a just apportionment, is properly attributable to the dwelling shall, for the purposes of this Law, be deemed to be the net proceeds of the sale of the dwelling, and references to **"expenditure incurred on the acquisition or the purchase of a dwelling"** shall be construed accordingly.

(4) For the purposes of the last preceding subsection, all the property which is sold in pursuance of one bargain shall be deemed to be sold together, notwithstanding that separate prices are, or purport to be, agreed for certain items of that property or that there are, or purport to be, separate sales of separate items of that property.

^b Ordres en Conseil Vol. XIV, p. 235.

(5) Any reference in this Law to any other enactment shall be construed as including a reference to that enactment as amended, repealed and replaced, extended or applied by or under any other enactment including this Law.

NOTES

In section 28,

the words in square brackets in the definition of the expression "the Director" in subsection (1) were substituted by the Director of Income Tax (Transfer of Functions) (Guernsey) Ordinance, 2018, section 1, with effect from 1st November, 2018, subject to the savings and transitional provisions in section 2 of the 2018 Ordinance;¹⁷

the words in the first and second pairs of square brackets in the definition of the expression "the Committee" in subsection (1) were substituted by the Organisation of States' Affairs (Transfer of Functions) Ordinance, 2016, respectively section 5(1), Schedule 3, paragraph 1 and section 2, Schedule 1, paragraph 15(a), with effect from 1st May, 2016;¹⁸

the words in square brackets immediately after the definition of the expression "flat" in subsection (1) were inserted by the Income Tax (Amendment) (Guernsey) Law, 1990, section 1(5)(b), with effect from 15th June, 1992;

the words "the Guernsey Revenue Service Tribunal" in square brackets, wherever occurring, were substituted by the Guernsey Revenue Service Tribunal Ordinance, 2021, section 2, with effect from 1st January, 2022.

The functions, rights and liabilities of the Treasury and Resources Department and of its Minister or Deputy Minister arising under or by virtue of this Law were transferred to and vested in, respectively, the Policy & Resources Committee and its President or Vice-President by the Organisation of States' Affairs (Transfer of Functions) Ordinance, 2016, section 1, Schedule 1, paragraph 15(a), with effect from 1st May, 2016, subject to the savings and transitional provisions in section 3 of the 2016 Ordinance.¹⁹

The jurisdiction, privileges, functions, rights and liabilities of the Guernsey Tax Tribunal and of its members and officers arising under or by virtue of this Law were transferred to and vested in, respectively, the Guernsey Revenue Service Tribunal and its members and officers by the Guernsey Revenue Service Tribunal Ordinance, 2021, section 1, subject to, first, the savings and transitional provisions in section 3 and, second, the provisions

of section 5 and section 6 of the 2021 Ordinance.

The Income Tax (Guernsey) Law, 1950 has since been repealed by the Income Tax (Guernsey) Law, 1975, section 210, Second Schedule, with effect from 1st January, 1974, subject to the savings provisions in section 146, section 178, section 210 and section 211 of the 1975 Law.

Suspension of Law.

29. (1) The States may, from time to time, by Ordinance suspend the operation of all or any of the provisions of this Law during the period of operation of such Ordinance or during such period as may be specified therein.

(2) Any power conferred by the last preceding subsection to make any Ordinance suspending the operation of all or any of the provisions of this Law shall be construed as including a power exercisable in the like manner to vary or repeal the Ordinance.

NOTE

The following Ordinance has been made under section 29:

Dwellings Profits Tax (Suspension of Law) (Guernsey) Ordinance, 2009.

Extent.

30. (1) Notwithstanding the provisions of section two of the Alderney (Application of Legislation) Law, 1948^c, this Law shall not have effect in the Island of Alderney.

(2) This Law shall not have effect in the Island of Jethou.

Citation.

^c Ordres en Conseil Vol. XIII, p. 448.

31. This Law may be cited as the Dwellings Profits Tax (Guernsey) Law, 1975.

Commencement.

32. This Law shall be deemed to have come into force on the eighth day of October, nineteen hundred and seventy-three.

SCHEDULE
TABLE

Section six

Years	Percentage	Years	Percentage
50 (or more)	100	25	81.100
49	99.657	24	79.622
48	99.289	23	78.055
47	98.902	23	76.399
46	98.490	21	74.635
45	98.059	20	72.770
44	97.595	19	70.791
43	97.107	18	68.697
42	96.593	17	66.470
41	96.041	16	64.116
40	95.457	15	61.617
39	94.842	14	58.971
38	94.189	13	56.167
37	93.497	12	53.191
36	92.761	11	50.038
35	91.981	10	46.695
34	91.156	9	43.154
33	90.280	8	39.399
32	89.354	7	35.414
31	88.371	6	31.195
30	87.330	5	26.722
29	86.226	4	21.983
28	85.053	3	16.959
27	83.816	2	11.629
26	82.496	1	5.983
		0	0

If the term of the lease at the commencement thereof or the unexpired portion of the lease at the time of the grant of the sub-lease or the assignment of the lease or the sub-lease, as the case may be, is not an exact number of years the percentage to be derived from the Table above shall be the percentage for the whole number of years plus one-twelfth of the difference between that and the percentage for the next higher number of years for each whole month, ignoring fractions of a month.

1 These words were previously substituted by the Administrator of Income Tax (Guernsey) (Transfer of Functions) Ordinance, 2009, section 1, with effect from 25th February, 2009, subject to the savings and transitional provisions in section 2 of the 2009 Ordinance.

2 These words were previously substituted by the Administrator of Income Tax (Guernsey) (Transfer of Functions) Ordinance, 2009, section 1, with effect from 25th February, 2009, subject to the savings and transitional provisions in section 2 of the 2009 Ordinance.

3 These words were previously substituted by the Administrator of Income Tax (Guernsey) (Transfer of Functions) Ordinance, 2009, section 1, with effect from 25th February, 2009, subject to the savings and transitional provisions in section 2 of the 2009 Ordinance.

4 These words were previously substituted by the Administrator of Income Tax (Guernsey) (Transfer of Functions) Ordinance, 2009, section 1, with effect from 25th February, 2009, subject to the savings and transitional provisions in section 2 of the 2009 Ordinance.

5 These words were previously substituted by the Administrator of Income Tax (Guernsey) (Transfer of Functions) Ordinance, 2009, section 1, with effect from 25th February, 2009, subject to the savings and transitional provisions in section 2 of the 2009 Ordinance.

6 These words were previously substituted by the Administrator of Income Tax (Guernsey) (Transfer of Functions) Ordinance, 2009, section 1, with effect from 25th February, 2009, subject to the savings and transitional provisions in section 2 of the 2009 Ordinance.

7 These words were previously substituted by the Administrator of Income Tax (Guernsey) (Transfer of Functions) Ordinance, 2009, section 1, with effect from 25th February, 2009, subject to the savings and transitional provisions in section 2 of the 2009 Ordinance.

8 These words were previously substituted by the Administrator of Income Tax (Guernsey) (Transfer of Functions) Ordinance, 2009, section 1, with effect from 25th February, 2009, subject to the savings and transitional provisions in section 2 of the 2009 Ordinance.

9 These words were previously substituted by the Administrator of Income Tax (Guernsey) (Transfer of Functions) Ordinance, 2009, section 1, with effect from 25th February, 2009, subject to the savings and transitional provisions in section 2 of the 2009 Ordinance.

10 These words were previously substituted by the Administrator of Income Tax (Guernsey) (Transfer of Functions) Ordinance, 2009, section 1, with effect from 25th February, 2009, subject to the savings and transitional provisions in section 2 of the 2009 Ordinance.

11 These words were previously substituted by the Administrator of Income Tax (Guernsey) (Transfer of Functions) Ordinance, 2009, section 1, with effect from 25th February, 2009, subject to the savings and transitional provisions in section 2 of the 2009 Ordinance.

12 These words were previously substituted by the Income Tax (Amendment) (Guernsey) Law, 1990, section 1(2), with effect from 15th June, 1992, subject to the transitional provisions relating to appeals in section 1(7) of, and Schedule 2 to, the 1990 Law.

13 These words were previously substituted by the Administrator of Income Tax

(Guernsey) (Transfer of Functions) Ordinance, 2009, section 1, with effect from 25th February, 2009, subject to the savings and transitional provisions in section 2 of the 2009 Ordinance.

14 These words were previously substituted by the Administrator of Income Tax (Guernsey) (Transfer of Functions) Ordinance, 2009, section 1, with effect from 25th February, 2009, subject to the savings and transitional provisions in section 2 of the 2009 Ordinance.

15 These words were previously substituted by the Administrator of Income Tax (Guernsey) (Transfer of Functions) Ordinance, 2009, section 1, with effect from 25th February, 2009, subject to the savings and transitional provisions in section 2 of the 2009 Ordinance.

16 These words were previously substituted by the States Treasurer (Transfer of Functions) (Guernsey) Ordinance, 2008, section 1, with effect from 1st February, 2008, subject to the savings and transitional provisions in section 2 of the 2008 Ordinance.

17 These words were previously substituted by the Administrator of Income Tax (Guernsey) (Transfer of Functions) Ordinance, 2009, section 1, with effect from 25th February, 2009, subject to the savings and transitional provisions in section 2 of the 2009 Ordinance.

18 The words "Policy & Resources Committee" were previously substituted by the Machinery of Government (Transfer of Functions) (Guernsey) Ordinance, 2003, section 2, Schedule 1, paragraph 18, with effect from 6th May, 2004.

19 The functions, rights and liabilities of the Treasury and Resources Department and its Minister arising under or by virtue of this Law were previously transferred to and vested in them, respectively, from the Income Tax Authority and its President by the Machinery of Government (Transfer of Functions) (Guernsey) Ordinance, 2003, section 1, Schedule 1, paragraph 18, with effect from 6th May, 2004, subject to the savings and transitional provisions in section 4 of the 2003 Ordinance.