

# ORDER IN COUNCIL

**IV  
1979**

ratifying a Projet de Loi

ENTITLED

## **The Income Tax (Amendment) (Guernsey) Law, 1979**

---

(Registered on the Records of the Island of Guernsey  
on the 3rd July, 1979.)

---



---

1979

# ORDER IN COUNCIL



IN THE ROYAL COURT OF THE ISLAND OF GUERNSEY

*The 3rd day of July, 1979 before Charles Keith Frossard, Esquire, Deputy Bailiff; present:— Stanley Walter Gavey, Esquire, O.B.E., D'Arcy George Le Tissier, Esquire, Edward James Lainé, Esquire, C.B.E., D.F.C., Walter Francis Robin, Richard Alan Kinnersly, Esquires, Harry Wall Poat, Esquire, D.S.O., M.C., A.D.C., Richard Oliver Symons, Albert Richard McCartney Straw, Esquires, Frederick William Winslow Chandler, Esquire, D.S.O., D.F.C., Lionel Walter Sarre, Esquire, M.B.E., K.P.M., Donald Pescott Plummer, Esquire and Sydney Haydn Heard, Esquire, M.B.E., Jurats.*

The Deputy Bailiff having this day placed before the Court an Order of Her Majesty in Council dated the 23rd day of May, 1979, ratifying a Projet de Loi entitled "The Income Tax (Amendment) (Guernsey) Law, 1979", the Court, after the reading of the said Order in Council and after having heard Her Majesty's Comptroller thereon, ordered that the said Order in Council be registered on the records of this Island and that an extract of this present Act, together with a copy of the said Order in Council, be sent by Her Majesty's Greffier to the Clerk of the Court of Alderney for registration on the records of that Island, of which Order in Council the tenor followeth:—

## At the Court at Buckingham Palace

The 23rd day of May 1979

PRESENT,

### The Queen's Most Excellent Majesty in Council

WHEREAS there was this day read at the Board a Report from the Right Honourable the Lords of the Committee of Council for the Affairs of Guernsey and Jersey dated the 15th day of May 1979 in the words following, viz.:—

“ YOUR MAJESTY having been pleased, by Your General Order of Reference of the 22nd day of February 1952, to refer unto this Committee the humble Petition of the States of the Island of Guernsey, setting forth:—

1. That, in pursuance of their Resolutions of the 26th day of April 1978, the 28th day of September 1978 and the 25th day of April 1979, the States of Deliberation at a meeting held on the said 25th day of April 1979 approved a Bill or “Projet de Loi” entitled “The Income Tax (Amendment) (Guernsey) Law, 1979”, and requested the Bailiff to present a most humble Petition to Your Majesty in Council praying for Your Royal Sanction thereto. 2. That the said Bill or “Projet de Loi” is in the words and figures set forth in the Schedule hereunto annexed. 3. That this Petition supersedes the Petition of the 28th day of December 1978. And most humbly praying that Your Majesty might be graciously pleased to grant Your Royal Sanction to the Bill or “Projet de Loi” of the States

of Guernsey entitled "The Income Tax (Amendment) (Guernsey) Law, 1979", and to order that the same shall have force of Law in the Islands of Guernsey and Herm.'

"THE LORDS OF THE COMMITTEE, in obedience to Your Majesty's said Order of Reference, have taken the said Petition and the said Projet de Loi into consideration, and do this day agree humbly to report, as their opinion, to Your Majesty, that it may be advisable for Your Majesty to comply with the prayer of the said Petition and to approve of and ratify the said Projet de Loi."

HER MAJESTY having taken the said Report into consideration is pleased, by and with the advice of Her Privy Council, to approve of and ratify the said Projet de Loi, and to order, as it is hereby ordered, that the same shall have the force of Law within the Islands of Guernsey and Herm.

AND HER MAJESTY doth hereby further direct that this Order, and the said Projet de Loi (a copy whereof is hereunto annexed), be entered upon the Register of the Island of Guernsey and observed accordingly.

AND the Lieutenant-Governor and Commander-in-Chief of the Island of Guernsey, the Bailiff and Jurats, and all other Her Majesty's Officers for the time being in the said Island, and all other persons whom it may concern, are to take notice and govern themselves accordingly.

*N. E. Leigh*



Projet de Loi referred to in the foregoing  
Order in Council.

## PROJET DE LOI

ENTITLED

### **The Income Tax (Amendment) (Guernsey) Law, 1979**

THE STATES, in pursuance of their Resolutions of the twenty-sixth day of April, nineteen hundred and seventy-eight, the twenty-eighth day of September, nineteen hundred and seventy-eight, and the twenty-fifth day of April, nineteen hundred and seventy-nine, have approved the following provisions which, subject to the Sanction of Her Most Excellent Majesty in Council, shall have force of law in the Islands of Guernsey and Herm.

1. The Income Tax (Guernsey) Law, 1975(a), as amended(b), is hereby further amended as follows:—

Amend-  
ments to  
Law of  
1975.

(a) the full stop at the end of paragraph (y) of section forty thereof is deleted and a semi-colon and the following paragraph are substituted therefor:—

“(z) any payment of expense allowances, not exceeding in any year of charge the sum of four hundred pounds or such other sum as the States may from time to time by Resolution prescribe, made to a member of the States or a member of a Committee of the States under and in accordance with the provisions of Resolution No. XI of the twenty-eighth day of September, nine-

(a) Ordres en Conseil Vol. XXV, p. 124.

(b) Ordre en Conseil No. X of 1976; No. I of 1977.

teen hundred and seventy-eight, or any Resolution amending or replacing the same.”;

(b) section sixty-five thereof is repealed and the following section is substituted therefor:—

“Income under certain revocable settlements to be treated as income of the settlor.

65. (1) Subject to the provisions of subsection (2) of this section, all income arising to any person by virtue or in consequence of a revocable settlement shall be deemed to be the income of the settlor unless—

- (a) the settlement is not revocable for a period exceeding six years or during the lifetime of the person on whom the settlement has been made; and
- (b) the settlor has divested himself, while the settlement remains irrevocable, of all control over or right to receive any beneficial interest thereunder; and
- (c) the settlement is made in such manner and contains such particulars as may, from time to time, be prescribed by the Authority by regulations, under and for the purposes of this Law and any such regulations may make different provisions in respect of

different classes of settlement.

(2) Where, in respect of any year of charge, the amount of a covenanted donation to a charity or the amount of covenanted donations in the aggregate to charities made by a person under a settlement or settlements made or entered into on or after the fourteenth day of April, nineteen hundred and seventy-eight, exceeds the approved sum, any part of such donation or donations in the aggregate in excess of the approved sum shall be deemed to be the income of the settlor:

Provided that where, in respect of any year of charge, both a husband and wife in respect of whom there is in force an application under section forty-six of this Law for separate charges make covenanted donations to a charity or charities the approved sum shall be apportioned between them in such manner as they may agree or, in default of such agreement, in the same proportions as the amounts of their respective covenanted donations to a charity or charities bear to the total of the covenanted donations to a charity or charities of both of them.

(3) For the purposes of this section, a settlement shall be deemed to be revocable if any income or property which may at any time arise under or be comprised in the settlement is, or will or may become, payable to or applicable for the benefit of the settlor or the wife or husband of the settlor in any circumstances whatsoever:

Provided that a settlement shall not be deemed to be revocable—

- (a) if and so long as any income arising under or property comprised in the settlement cannot become payable or applicable as aforesaid except in the event of—
  - (i) the insolvency of some person who is or may become beneficially entitled to that income or property; or
  - (ii) any assignment of or charge on that income or property being made or given by some such person; or
  - (iii) in the case of a marriage settlement, the death of both the parties to the marriage and of all

or any of the children of the marriage; or

(iv) the death under the age of twenty-five or some lower age of some person who would be beneficially entitled to that income or property on attaining that age; or

(b) if and so long as some person is alive and under the age of twenty-five during whose life that income or property cannot become payable or applicable as aforesaid except in the event of that person becoming insolvent or assigning or charging his interest in that income or property.

(4) In this section the following expressions have the meanings hereby respectively assigned to them, that is to say:—

“the approved sum” means, in respect of any year of charge, one hundred pounds or such other sum as the States may, from time to time, by Ordinance prescribe;

“charity” has the meaning assigned to it by paragraph

(k) of section forty of this Law;

“covenanted donation” means a payment made under a settlement in favour of a charity;

“settlement” includes any disposition, trust, covenant, agreement or arrangement made or entered into directly or indirectly by any person, and the expression “settlor” shall be construed accordingly.”;

- (c) in section one hundred and three thereof the words “event such as is mention” are repealed and the words “event such as is mentioned” are substituted therefor;
- (d) in paragraph (c) of subsection (2) of section one hundred and seventy-nine thereof the words “the amount of any annuity” are repealed and the words “the amount of any annuity” are substituted therefor;
- (e) the full stop at the end of subsection (1) of section two hundred and six thereof is deleted and a colon and the following proviso are substituted therefor:—

“ Provided that nothing in this section shall preclude the Administrator or the Assistant Administrator from disclosing to the States Insurance Authority the name and address of any employer and the address of any other person.”.

2. This Law shall be deemed to have come into force on the first day of January, nineteen hundred and seventy-nine. Commence-  
ment.

3. This Law may be cited as the Income Tax (Amendment) (Guernsey) Law, 1979, and this Law and the Income Tax (Guernsey) Laws, 1975 to 1977, may be cited together as the Income Tax (Guernsey) Laws, 1975 to 1979. Citation and  
collective  
title.

**K. H. TOUGH,**  
Her Majesty's Deputy Greffier.