

**The Income Tax (Substance Requirements)
(Implementation) (Amendment)
Regulations, 2020**

<i>Made</i>	10 th September, 2020
<i>Coming into operation</i>	1 st October, 2020
<i>Laid before the States</i>	, 2020

THE POLICY & RESOURCES COMMITTEE, in exercise of the powers conferred upon it by sections 75CC(1A), 171A and 203A of the Income Tax (Guernsey) Law, 1975, as amended^a, and all other powers enabling it in that behalf, hereby makes the following regulations:-

Amendment of Substance Requirements Regulations.

1. The Income Tax (Substance Requirements) (Implementation) Regulations, 2018^b are further amended as follows.

^a Ordres en Conseil Vol. XXV, p. 124; sections 75CC(1A) and 171A were inserted by the Income Tax (Substance Requirements) (Guernsey) (Amendment) Ordinance, 2018 and section 203A was inserted by the Income Tax (Guernsey) (Amendment) Law, 2005 (No. XVII of 2005); there are other amendments not material to these Regulations.

^b G.S.I. No. 90 of 2018; as amended by the Income Tax (Substance Requirements) (Implementation) (Amendment) Regulations, 2018 (G.S.I. No. 93 of 2018); and the Income Tax (Substance Requirements) (Implementation) (Amendment) Regulations, 2019.

2. After regulation 1(3) insert the following paragraphs -

“(4) These Regulations do not apply to a collective investment vehicle within the meaning of the Income Tax (Exempt Bodies) (Guernsey) Ordinance, 1989 unless it is a self-managed collective investment vehicle.

(5) A self-managed collective investment vehicle is subject to the provisions of these regulations -

(a) in all respects as if it carried on the relevant activity of fund management and received income from that relevant activity (and the provisions of these regulations shall apply accordingly with the necessary adaptations), and

(b) whether or not it has been granted an exemption from tax by the Director under section 3 of the Income Tax (Exempt Bodies) (Guernsey) Ordinance, 1989.”.

3. In regulation 2(a) after the words “carrying on business” insert “or activities”.

4. In regulation 17(5) in the definitions of “business documents” and “business premises” after the word “business” wherever appearing (but not in the defined expressions themselves) insert “or activity”.

5. In regulation 20(4) for "the authorised officer" substitute "the Director".

6. In regulation 31, immediately after the definition of "resident company" insert the following definition -

"self-managed collective investment vehicle" means a company which is a collective investment vehicle within the meaning of the Income Tax (Exempt Bodies) (Guernsey) Ordinance, 1989 and which has no other person or body conducting fund management in respect of it, and for this purpose fund management means exercising any managerial function in relation to an investment or in relation to the assets underlying an investment,".

Citation.

7. These Regulations may be cited as the Income Tax (Substance Requirements) (Implementation) (Amendment) (No. 2) Regulations, 2019.

Commencement.

8. These Regulations shall come into force on the 1st day of October, 2020.

Dated this 10th day of September, 2020



DEPUTY GAVIN ST PIER

President of the Policy & Resources Committee

For and on behalf of the Committee

EXPLANATORY NOTE

(This note is not part of the regulations)

These Regulations amend the Income Tax (Substance Requirements) (Implementation) Regulations, 2018, which implement and enable the administration and enforcement in domestic law of substance requirements in respect of companies which are tax resident, by bringing self-managed collective investment vehicles within the scope of the regulations and various other consequential modifications.