

Guernsey deal on tax information with UK

THE UK Government has reached an agreement with Guernsey over the exchange of tax information in a bid to reduce the amount of tax evasion related to offshore deposits.

The new tax information exchange agreement between the UK and Guernsey governments was signed on January 20 by Lord Bach, Parliamentary Under Secretary of State for Justice, and Lyndon Trott, Chief Minister of Guernsey.

The two governments have also agreed to amend the provisions of the 1952 arrangement to avoid double taxation on income tax, and also to add a provision on the taxation of pensions.

This will prevent anyone on the island being taxed twice – once by the UK and again by Guernsey.

The Financial Secretary to

the Treasury, the Rt. Hon Stephen Timms MP said: “This new tax information exchange agreement represents a significant step in our efforts to counter and prevent tax evasion and avoidance.

“I welcome the willingness of the States of Guernsey to implement these high standards of transparency and exchange of information.”

Lord Bach, who is also the Crown Dependencies Minister, said: “The signing of this agreement shows the collaborative nature of the relationship between the UK and Guernsey, and Guernsey’s commitment to meeting high international standards.”

The agreement will be enforced as soon as legislation has been put in place to effect it.