

Offshore relocations

Moving your business to Jersey



Ogier

Jersey is a
beautiful and
secure island
offering an ideal
base for
international
businesses and
individuals

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Moving your business to Jersey

An increasing number of businesses are relocating to Jersey, citing a business-friendly environment and quality lifestyle as the motivating factors.

Organisations such as Locate Jersey and Digital Jersey facilitate inward investment, and Jersey has welcomed many new businesses over the past few years from a range of sectors including mining, funds, fintech, finance, retail and hospitality.

Key factors making Jersey so attractive include:

- zero rate of corporate tax for foreign-owned businesses and low rates of personal taxation
- no capital gains or inheritance tax and no stamp duty other than on real estate transactions
- ability to centralise management and control
- ability to demonstrate real substance in Jersey
- modern and flexible legislation
- good supply infrastructure resources including office space and support services

- highly skilled service providers
- a skilled local work force
- a government willing and keen to encourage inward investment and business relocation
- proximity to London and ability to deal with New York and Hong Kong in the same business day
- economic and political stability
- strong transport links to London and other European centres

International businesses with a diverse geographical asset base and UK organisations such as London-headquartered businesses have considered the advantages of relocating their owners or management teams to a more attractive tax neutral jurisdiction which also offers a quality lifestyle close to the UK and France.

Establishing a Jersey workforce

Jersey law does not prohibit foreign employees and owners from moving to and working in the island, or businesses setting up in Jersey.

Jersey is not a member of the European Union and applies local immigration, residency and trading rules in relation to individuals and businesses with a Jersey physical presence.

From an immigration law perspective, the starting position is non-British or Irish nationals seeking to reside in Jersey for work purposes must apply for a work permit, which operate on a similar basis as the United Kingdom. UK visa requirements may also apply.

From the perspective of Jersey's unique residency and trading laws, there are multiple pathways via which overseas employees or owners can move to and reside in Jersey:

1. Licensed

Where the required skill set cannot be readily found in Jersey, an application can be made for a Licensed staffing permission, which permits the business to recruit the necessary professionals from outside Jersey on the basis that they are deemed "essentially employed" on the island.

Factors taken into account in granting Licensed status include the lack of suitably-available locally residually qualified employees, the expected economic contribution of the employer through the employment of the employee and otherwise, and the qualifications of the employee.

The Licensed position is required to command a base salary exceeding the threshold(s) detailed in current government policy.

The Jersey authorities have demonstrated an increased willingness to grant Licensed status to employees of new businesses that meet the criteria for establishing a presence in the Island. These individuals are subject to Jersey income tax at a headline rate of 20%.

2. Skilled High Earners

Jersey's Skilled High Earner (SHE) route provides a pathway for entrepreneurs, consultants and senior professionals wishing to relocate to the island and establish themselves in business. This is a variation of the licensed regime summarised above.

Applicants must establish and actively operate a business in Jersey, generate an annual taxable income of at least £250,000 and demonstrate their wider socioeconomic contribution to the island.

Unlike traditional business license applications, there is no requirement to employ local staff, making the route particularly attractive for founders, consultants and internationally mobile professionals relocating their activities to Jersey.

Successful applicants receive Licensed residential status and may access Jersey's housing market, subject to the scheme requirements.

3. High net worth individuals

For high net worth individuals who are principals of a business, approval for residency may be granted based on the following criteria:

- the ability to generate a minimum annual tax contribution of £250,000, supported by annual worldwide income in excess of £1.25 million
- relevant business, professional and social background
- personal wealth, which may be expected to exceed £10 million, although alternative criteria may apply where residency forms part of a wider economic contribution proposal
- business relocation proposals and Jersey-based business activities which contribute to the island's economy
- family and lifestyle arrangements, Jersey-based activities and charitable involvement
- any other economic or non-economic benefits for Jersey

The successful principal would generally be expected to occupy suitable Jersey accommodation. This will typically comprise a property with a minimum value of £1,750,000 for an apartment and £3,500,000 for a house, whether purchased or rented. There is

generally an expectation that rented accommodation will lead to a property purchase within 12 months.

Whilst the general headline rate of Jersey income tax is 20%, banded headline rates apply for high net worth individuals under the current high value residency rules, as follows:

- minimum tax payable for all new residents is £250,000 per year
- the first £1,250,000 is taxed at 20% on worldwide income and 1% on anything over that amount
- income generated from land and buildings in Jersey is taxed at 20%

Applications are reviewed by Revenue Jersey and the Housing and Work Advisory Group and are typically considered within six to eight weeks of submission.

One key factor is ensuring previous tax residency is appropriately addressed before relocating.

Principals should obtain specialist tax advice for detailed worldwide tax planning and Ogier can make introductions to specialist advisers on request.



A world-class commercial environment in a relaxed, safe, holiday location – what more could you ask for?



Establishing a business in Jersey

Do I need a Jersey company?

Foreign companies can conduct business in Jersey and there is no requirement that a business be owned by a Jersey company. However, many businesses do incorporate a new Jersey company to hold or operate the business.

Alternatively, it is often possible to migrate a foreign company to Jersey via a de-registration and re-registration process.

It is often easier to relocate using an English scheme of arrangement or a straight forward share swap (where there are not many shareholders) and insert a Jersey holding company. Ogier has expertise in all these areas and will work with your local advisers to implement such structuring.

Does my business need any licences?

In addition to consents for relocating employees to reside and work in Jersey, the undertaking must apply for a Jersey business licence evidencing its approval to operate. Once the licence is granted, the business can employ locally residentially qualified employees (candidates processing Entitled and Entitled for Work Only residency status) without needing to apply for permission.

Applications for new employees arriving from outside Jersey, or candidates already in Jersey but possessing Licensed or Registered residency status, can be made at any time. The importance is to fulfil the criteria.

The government department that administers the business licensing regime recognises that organisations need to bring in specific expertise from outside Jersey, but this will be subject to sufficient evidence that the post could not be filled by a candidate from Entitled or Entitled for Work only status.

Other licences may also be required. For example, if your business is conducting a regulated activity such as investment management or insurance business. Sector specific licences or approval may also be required, such as those covering the provision of care, gaming or gambling, tourism products or services and certain hospitality activities (for example, alcohol sales). Ogier can advise on all aspects of these licences.

Intellectual property

Jersey's intellectual property regime has recently been modernised to better align with international standards and support the needs of innovative and globally active businesses. The updated framework strengthens the protection and management of intellectual property rights, including patents, trade marks, copyright and design rights.

These changes are intended to make Jersey an increasingly attractive jurisdiction for businesses seeking to develop, protect and manage intellectual property, while supporting investment, innovation and international growth.

Local resources

Jersey has all the infrastructure and expertise most businesses require with new office space under construction to add to that already available. Back office functions, IT, banking, compliance and accounting functions are all readily available. Local professional advisers operate in a manner that would be familiar to anyone working in London and work to high standards of client delivery.

Various organisations and authorities continue to scrutinise international finance centres and there are an increasing number of challenges being made by governments and revenue authorities to the integrity of structures. Therefore, it is becoming increasingly important for businesses to demonstrate proper substance in the jurisdiction not just with management and control but also with office space and employees. This is often not possible in other jurisdictions but is very easy to achieve in Jersey.

Local taxes

Corporate tax

The profits of most Jersey companies owned by non Jersey residents are subject to tax at a rate of 0% on their worldwide income. A higher rate of 10% applies to the income of a restricted sector of local financial services companies. This is known as the Zero Ten regime. There is no taxation of capital gains in Jersey.

In addition, should the Zero Ten regime be amended or not suitable for the business it may also be possible to structure arrangements in certain circumstances so that a tax ruling is obtained from the relevant authorities in Jersey to ensure minimal tax is paid in Jersey. However, the government in Jersey has stressed the importance of the Zero Ten regime and has publicly announced that it is seeking to amend the regime rather than change the regime by abolishing the zero rate of tax.

In contrast to other jurisdictions, Jersey social security contributions are capped for both employer and employee. Employer contributions are levied at 6.5% of salary (up to monthly earnings thresholds) and employee contributions are levied at 6% to the same salary level.

Personal tax

Jersey has a straight-forward personal tax regime. There are:

- no wealth taxes
- no capital gains taxes
- no gift taxes
- no inheritance taxes

Stamp duty is only payable on the acquisition and financing of Jersey property and a capped probate duty is payable on the registration of Jersey wills. There is no stamp duty generally in respect of the transfer of shares in a Jersey company (except local real estate transactions where property is owned through shares).

Jersey's fiscal stability and tax certainty is demonstrated by the headline rate of income tax having remained at 20% since circa 1940. However, as set out above, a separate regime applies to high net worth individual immigrants.

Goods and services tax

In addition to income tax there is a goods and services tax of 5% on all goods and services supplied in Jersey although some services are either zero rated (for example, International services) or exempt (for example, financial services or medical supplies). We would recommend that specific tax advice is taken prior to relocation as regards any liability to GST on services provided from outside Jersey to any Jersey business or where goods or services are being provided by the Jersey business to outside of Jersey. Further detail is available at www.gov.je/taxesmoney/gst.

 Our services to relocating families, individuals and firms goes beyond basic conveyancing - we advise on finding a property, and work with clients to introduce them to our trusted networks of local suppliers and professionals.



Moving your family to Jersey

Finding a location that offers the very best tax advantages might be your driving force, but choosing a jurisdiction that is to become your home is about much more. The key is to settle somewhere that works for your wealth but, first and foremost, works for you and your family too.

The international relocation process starts with an assessment of where to move. This deceptively simple question requires detailed consideration. It's vital to know where you can potentially go, and how you might acquire rights to live and/or work there. If relocating with family, it's important to understand how easy it is for them to accompany you. Once you arrive in your new home, how easy is it to buy a house, or start a business? What is the education system like? How's the healthcare? On the tax front, you will need to understand how the move impacts on your overall tax and reporting obligations. Are there any local taxes that you need to consider?

Jersey, like the BVI, Cayman Islands and Guernsey, is an independent, low (or no) tax jurisdiction. It is a cosmopolitan island that offers a beautiful, secure place to live with traditional values sitting at the very heart of a contemporary lifestyle. Respect and privacy are enjoyed. Business and leisure opportunities abound, the schools are superb and the health services on the Island are first class.

Ogier's relocation services include:

- advice on personal and business legal implications of relocation
- applications to secure residence
- helping make 'settling in' connections
- local tax guidance
- options for residence

- property purchases
- relocation of dependent relatives
- retaining rights of residence
- restrictions on property ownership

Jersey has a very good healthcare system with a wealth of doctors, dentists and other medical practitioners. Crime is low and the streets are much safer than in the UK and other parts of the world.

The quality of the Island's schools is very good and pupil/teacher ratios are low. The performance of pupils at Jersey schools is generally higher for GCSE and A-Level results than in the UK.

Quality of life is enhanced by beautiful, clean beaches and countryside and all the sports facilities you would expect with a particular focus on watersports as well as on mainstream sports such as football, rugby, cricket and golf.

Jersey has excellent transport connections to the UK, Switzerland and France with regular flights and ferry services between the Channel Islands, UK and France. There are also flights to other European destinations. There are up to 12 flights a day between Jersey and London, with a flight time of around an hour, as well as direct connections to other major UK hubs including Birmingham, Edinburgh and Manchester. At just 45 square miles, Jersey also offers considerably shorter commuting distances, with most places on the Island within around half an hour's drive.

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