Treasury and
Exchequer

Gouvèrnément d'Jèrri

International Tax Update

Cora O’Brien – Deputy Comptroller, Revenue Jersey

10 October 2025

Agenda

- A tax strategy to support the FRPS sector
- Pillar 2 update
  - Implementation
  - Geo-political landscape
- Other international developments

Treasury and Exchequer

Gouvèrnément d'Jèrri

A tax strategy to support FRPS

FRPS Competitiveness Programme Overview

The programme is built around four core workstreams and is informed by close and continuous engagement with industry locally and internationally.

W1 International Tax Strategy

Revenue Jersey

Led by Revenue Jersey, this workstream focuses on a ***forward-looking tax strategy*** to maintain and strengthen Jersey's position as a leading IFC.

W2 Business Environment Improvements

Economy | Jersey Financial Services Commission

Improves the ease of doing business, delivering quick-win reforms as well as medium and long-term changes to enhance the Island's appeal to global investors.

W3 External Growth Strategy

External Relations | Jersey Finance

Conducts a ***global market analysis*** to inform Jersey's external engagement strategy, identifying future value pools and Jersey's competitive positioning.

Related Projects

Jersey Financial Services Commission

JFSC Strategy

Registry Review

Jersey Finance

Vision2050

W4 Strategy and Positioning

Panel of independent industry experts

Brings together ***insights from all workstreams*** and ***independent expert knowledge and expertise***.

March 2026

Government of Jersey

Report containing ***clear and actionable recommendations.***

W1 – the Tax Strategy to support FRPS

- Key principles
- Tax policy
- Tax administration
- Overlay with W3 (McKinsey) and W2 (Mourant)

Tax Principles underpinning the strategy

- **Simplicity** - Tax rules that are clear, easy to understand, and straightforward from a compliance perspective – through digital first channels.
- **Reliability** - A legislative and administrative system and infrastructure that provides stable, predictable, and consistent outcomes to businesses and tax professionals within and outside Jersey.
- **Competitiveness** - A tax regime which supports international tax competitiveness with tax neutrality at its core.
- **International compliance** - A trusted, transparent, and internationally compliant system that fosters confidence at home and credibility abroad.
- **Responsiveness** - While maintaining tax neutrality at its core, a dynamic approach to taxation which evolves in step with international developments (such as BEPS and Pillar Two), ensuring that Jersey remains a future-ready jurisdiction that supports innovation, sustainability, and global best practice.

Emerging findings - tax policy

- Our tax regime/tax policy is broadly competitive and fit for purpose
- Core importance of tax neutrality and 0/10
- Good response to Pillar 2 – needs to be kept under review (below)
- Policy areas that need further review to remove frictions and increase jurisdictional competitiveness e.g. on tax and talent, incentivising innovation etc.
- Some thoughts on tax policy from Mourant work that we are considering (below)
- Discuss

Policy – quick wins

- ISEs
  - Stage 1, new form designed and published early 2025
  - Stage 2, digital help boxes - publication imminently
  - Policy discussions ongoing about fee structures – link to JFSC review
- BIK exempt amount for relocation expenses – doubled to £15k in lodged Budget
- Revised guidance for Jersey residents temporarily abroad – close to finalisation
- Global return option for employers of short-term inbound workers (60-182 days) – for 2026
- Tax residence flowchart
- Consultation on transparency and proportionality of AEOI penalties

Emerging conclusions - tax administration

- Equally important as tax policy is how we implement and administer it
- In line with the tax principles
- Had feedback from you through the Mourant work on W2
  - Administrative issues that require a “digital” solution
  - Other administrative issues e.g. duplication of information, customer relationship managers etc
  - Cross Revenue Jersey team looking at these
- Discuss

Administration – "quick" wins

- Pillar 2 will be digital by default
- Leverage Pillar 2 investments to deliver an online portal and digital journeys for businesses and their agents
  - Access to assessments and statements online
  - Switch off paper-based processes and letter-based outputs
  - Pre-population of returns where appropriate
  - Digital journeys for Employers to obtain Effective rates directly
  - Again, funding in lodged Budget

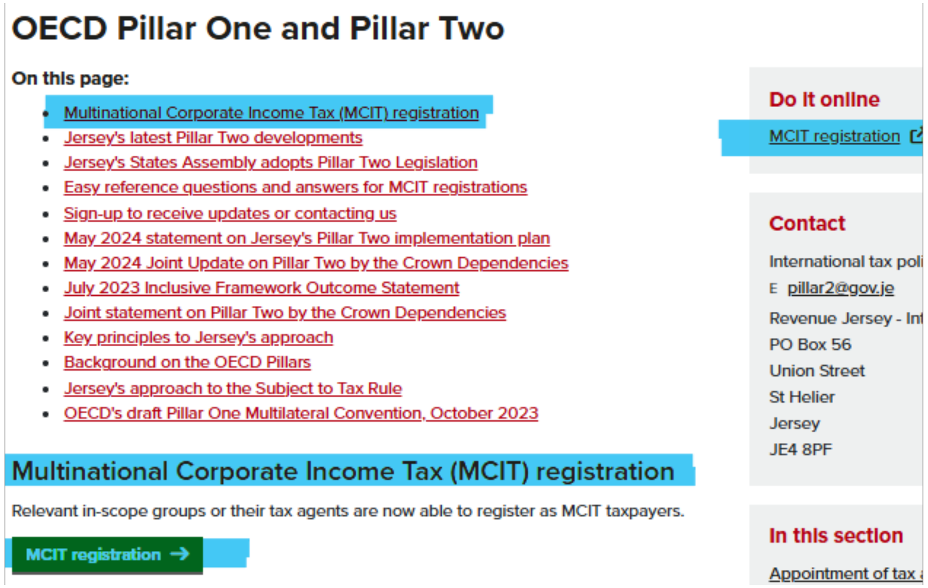
Treasury and Exchequer

Gouvèrnément d'Jèrri

Pillar 2 implementation

Pillar 2 Implementation – Registration

- MCIT registration live since 8 August
- Lookout for reminder letters to all in-scope entities to review Pillar Two compliance requirements
- Direct link via pillartwo.tax.gov.je or via gov.je (see screenshot below):


OECD Pillar One and Pillar Two

On this page:

- Multinational Corporate Income Tax (MCIT) registration
- Jersey's latest Pillar Two developments
- Jersey's States Assembly adopts Pillar Two Legislation
- Easy reference questions and answers for MCIT registrations
- Sign-up to receive updates or contacting us
- May 2024 statement on Jersey's Pillar Two implementation plan
- May 2024 Joint Update on Pillar Two by the Crown Dependencies
- July 2023 Inclusive Framework Outcome Statement
- Joint statement on Pillar Two by the Crown Dependencies
- Key principles to Jersey's approach
- Background on the OECD Pillars
- Jersey's approach to the Subject to Tax Rule
- OECD's draft Pillar One Multilateral Convention, October 2023

Multinational Corporate Income Tax (MCIT) registration

Relevant in-scope groups or their tax agents are now able to register as MCIT taxpayers.

MCIT registration →

Do it online

MCIT registration

Contact

International tax poli

E pillar2@gov.je

Revenue Jersey - Int

PO Box 56

Union Street

St Helier

Jersey

JE4 8PF

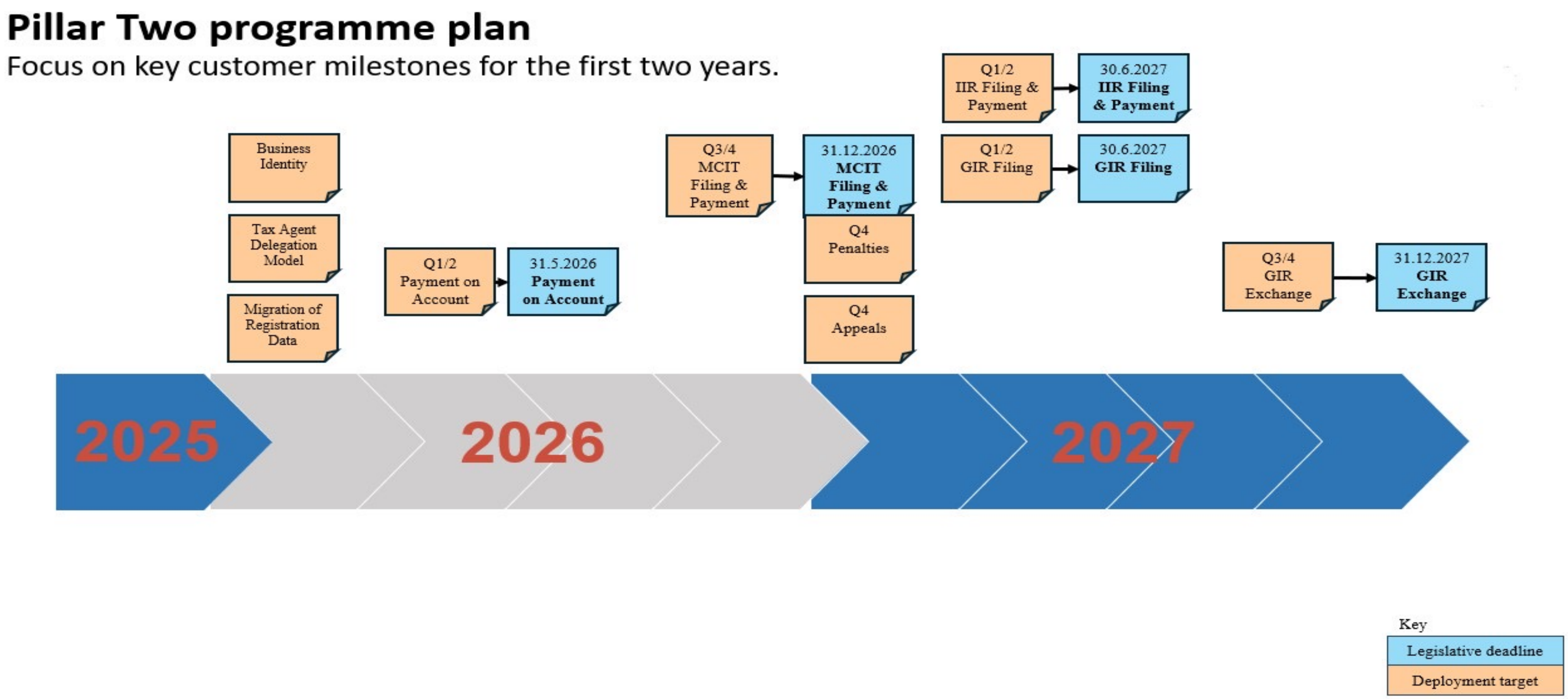
In this section

Appointment of tax

Pillar 2 Implementation – Guidance and Communications

- First bulletin issued in June; next issue mid Q4
- Ongoing publication of FAQs on gov.je
- Technical and Administrative guidance to be issued mid Q4
- Queries mailbox: Pillar2@gov.je
- Portal development underway - will support agents and business users (see next slide)

Pillar 2 Implementation – Portal planned timeline



Pillar 2 Implementation – Proposed Portal Landing Page View

Tax Agent Landing Page: Client Selection

Returns
File and manage returns efficiently
- File a return
- Amend a return
- View previous returns
- Submit an exemption election
- Submit a GIR notification

Profile
Manage registration details easily
- View and update contact details
- Modify accounting period
- Add or remove constituent entities
- Deregister group

Tax Account
Keep a track of payments and outstanding debt
- Summary of payments and debts
- View and export statement of account
- View tax allocation by constituent entity
- Payment details

Queries
Handle all correspondence in one place
- Submit general and technical inquiries
- Request a tax ruling
- Receive a case number to track each inquiry
- Email notifications for new correspondence
- Access and review previous correspondence

Home
Get an overview of tax affairs and stay up to date with important notifications
- Personalised dashboard
- Overview of tax affairs at a glance
- Reminders of upcoming events
- Notifications of outstanding actions
- Quick links to important sections
- Latest news and updates

Waivers & Appeals
Manage waivers and appeals effectively
- Request a waiver
- File an appeal
- Receive a case number to track each waiver and appeal
- View previous waiver requests and appeals

Help & Guidance
Access helpful resources and guidance
- Frequently asked questions
- Step by step guides
- Technical guidance
- Links to laws and regulations
- Contact details
- Customer Feedback Channel

Repayments
Request and track repayments
- Request a repayment
- View previous repayment requests

Admin
Control user access and permissions
- Add tax agent
- Add multiple users with specified role permissions
- View audit trails

Treasury and Exchequer

Gouvèrnément d'Jèrri

Pillar 2 – policy and future direction

Jersey’s Policy Position

- Our Pillar 2 taxes
  - Income Inclusion Rule - awarded OECD Qualified status.
  - MCIT - domestic covered tax outside the assessment framework
- Jersey’s OECD engagement
  - Re-elected to the Steering Group of the Inclusive Framework (SGIF) for a new 2-year term.

Background to the Side-by-Side (SbS) System

Origin of the SbS	Key considerations	Next steps
• The U.S. has long argued that Pillar Two unfairly targets U.S. headquartered groups already subject to GILTI and other minimum taxes. • In May 2025, it proposed retaliatory measures against jurisdictions applying extraterritorial Pillar 2 rules.	• On 28 June 2025, the G7 issued a joint statement supporting a SbS approach. • This would exempt US parented groups from IIR and UTPR. Domestic Pillar 2 taxes remain uncontested. • In return, the US agreed to remove retaliatory tax measures.	• The SbS system is still under negotiation at an OECD level and not yet a legal framework. • Further discussions are expected to clarify timing of implementation and safeguard against base erosion.

On-going approach to developments

- Competitive – acting in Jersey's best interests
- Thoughtful – responding (if necessary) in a sustainable way based on our wide-ranging book of business
- Agile – but with agility once the final OECD landing zone is known
- Engaged
  - With taxpayers/advisers in Jersey and overseas
  - At the OECD
  - Bilaterally with key jurisdictions
- Any decisions will be in line with our original aims
  - Tax neutrality
  - Level playing field
  - Simplicity of administration

Other international tax policy initiatives

- Pillar 3
  - Tax on wealth
  - Tax and mobility
- United Nations convention on tax cooperation
- Digital services taxes

Treasury and Exchequer

Gouvèrnément d'Jèrri

Questions?