

Advice Notes

Investment Companies

If a non-employed person has a beneficial ownership in an investment company the company's taxable income may be attributable for social security purposes.

If the company has investment income which is taxed at the company level, such as Guernsey property income, we add the tax adjusted profit into our calculations of liability.

Hence, a person classified as non-employed is obliged to inform the department if they hold an interest in a company which receives such income. The person will be asked to complete a form detailing that interest and giving their permission for us to request more information from Income Tax.

The appropriate net tax adjusted profit will then be added to the individual's personal tax figures. If a distribution had been made to the individual from the company, such as a dividend, the payment will not be double counted in the calculation of liability.