



States of Guernsey

Income Tax

Domestic Reporting of Interest

Bulletin 2016/9

This Bulletin supersedes previous guidance published by the Director in December 2015 and in February 2016 relating to Interest Received and Interest Paid (IRIP).

Following a recent meeting between members of the Policy & Resources Committee, Members of the Committee for Economic Development, officers from the Income Tax Office and representatives from the Association of Guernsey Banks a statement was made by Deputy St Pier during the States meeting on 14 December 2016.

This statement provided an update on the previous resolution of the States to introduce the domestic reporting of interest paid to Guernsey residents on 11 December 2013 (Billet d'Etat XXIV of 2013).

Deputy St Pier explained that in light of both international tax developments, which have led to greater automatic exchange of information for tax purposes and proposals made by Jersey to introduce domestic reporting in their 2017 Budget, that the Policy & Resources Committee plan to bring forward proposals to amend the 2013 resolution and resultant legislation to align the domestic reporting of interest with that under the Common Reporting Standard. The intention is also for the timing of this to be aligned with Jersey (as far as possible given the different administration processes), with both Guernsey and Jersey working together to introduce domestic reporting of interest.

In light of the above, and in order to provide clarity to the banks, the Director of Income Tax will not require reporting of any interest paid or credited by banks to an individual resident in Guernsey for a calendar year preceding 2017. Also, for clarity, the Director will not seek to impose penalties in the event that a Tax Identification Number has not been obtained for accounts established by individual's tax resident in Guernsey prior to 31 December 2016. For the avoidance of doubt for Guernsey residents the Tax Identification Number (TIN) is the social security number.

Further information regarding the domestic reporting of interest under the Common Reporting Standard will be provided in due course.

23 December 2016