

M25 INTERNATIONAL RETIREMENT BENEFIT SCHEMES - EXEMPTION UNDER SECTION 40(o) OF THE INCOME TAX (GUERNSEY) LAW, 1975

This subsection exempts the income derived from investments and deposits of any superannuation fund established in Guernsey under irrevocable trust in connection with the carrying on of a business or the exercise of functions wholly or mainly outside of Guernsey.

Only genuine international retirement benefit schemes established to provide benefits in retirement would qualify for the exemption if the minimum retirement date, which should be stated in the Rules, should not be prior to the age of 50.

Retirement Benefits

Retirement benefits may take the form of a pension and/or lump sum.

Death Benefits

Death benefits, in the form of a pension and/or lump sum, may be paid before or after retirement benefits are paid.

Leaving Service

Benefits may be payable on termination of the employment prior to minimum retirement date due to serious ill-health or redundancy, or because it would be normal in the particular occupation or in the country of employment for retirement to take place at an earlier age.

Trivial Pension Funds

Lump sum benefits may be paid where the value of the benefits is **Trivial in amount**. **Trivial in amount** means a fund value not exceeding £50,000, or a fund value not exceeding the equivalent currency value of the country at the date of payment.

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