

GSCCA Circular 10

11 March 2019

(updated 30 October 2020)

Process for notifying changes to corporate residence

This circular provides important information on the process for notifying the Revenue Service of changes to a company's jurisdiction of residence. More information on the recent changes to the definition of corporate residence that took effect from 1 January 2019 is contained in circular 9 at www.gov.gg/taxationstatementsofpractice.

Notification that a company is now Guernsey tax resident

Following the change to the definition of corporate residence you must:

1. Complete Form 706 to register a foreign incorporated company centrally managed and controlled in Guernsey (i.e. where the directors meet and exert control) with the Revenue Service
2. Retain the tax reference number subsequently allocated to that company, as it will be required to register and file the corporate tax return, and should be used in all correspondence with the Revenue Service
3. Ensure you are familiar with the substance requirements if the company carries on a geographically mobile activity - see www.gov.gg/economicssubstance for more information
4. Submit a 2019 corporate tax return for all Guernsey tax resident companies by 30 November 2020, (extended to 28 February 2021) with an electronic copy of the company's accounts

Please note that it is intended that the composite return for corporate service providers will no longer be available from 2020 (2019 return).

Please note that these requests will be processed manually, therefore please be patient and ensure you submit a request in sufficient time to be notified of the tax reference number which you will need to submit the corporate tax return.

Application for a company to be non-Guernsey tax resident

You may apply for a Guernsey incorporated or controlled company to be treated as non-tax resident in Guernsey by providing all of the following information on Form 707:

1. Certificate of tax residence in another jurisdiction
2. Confirmation that the company is centrally managed and controlled in that jurisdiction



3. Either:
 - a. Confirming that the highest rate of tax on a company in that jurisdiction is at least 10%, or
 - b. Confirming that the company is tax resident in a jurisdiction with which Guernsey has a double taxation arrangement in which a tie-breaker clause applies
4. Certification that the company's tax resident status in the other jurisdiction is not motivated by the avoidance, reduction or deferral of the liability of any person to tax

If the Revenue Service is satisfied that the company is non-resident on the basis of the information supplied, it will not need to complete an annual return and will not be subject to the substance requirements in Guernsey. Periodic checks will be made by the Revenue Service, but it is the company's responsibility to notify the Revenue Service if its circumstances change, such that it becomes tax resident in Guernsey.

Information may be disclosed about the jurisdiction of residence of the company with tax authorities in the other relevant jurisdictions.

N Forshaw
Director of the Revenue Service