

The Income Tax
(Approved International Agreements) (Implementation)
(United Kingdom and United States of America)
(Amendment) Regulations, 2021

<i>Made</i>	29 th April, 2021
<i>Coming into operation</i>	29 th April, 2021
<i>Laid before the States</i>	, 2021

THE POLICY AND RESOURCES COMMITTEE, in exercise of the powers conferred upon it by sections 75CC and 203A of the Income Tax (Guernsey) Law, 1975¹, and all other powers enabling it in that behalf, hereby makes the following regulations:-

Amendment of 2014 regulations.

1. For regulation 5 of the Income Tax (Approved International Agreements)

¹ Ordres en Conseil Vol. XXV, p. 124; section 75CC was inserted by the Income Tax (Approved International Agreements) (Implementation) (Guernsey) Ordinance, 2013 and section 203A was inserted by the Income Tax (Guernsey) (Amendment) Law, 2005 (No. XVII of 2005).

(Implementation) (United Kingdom and United States of America) Regulations, 2014²
substitute the following regulation –

“Civil penalties for contraventions of Agreements.

5. Section 193 of the Law ("penalties in respect of returns not relating to income") applies in respect of these regulations and the Agreements as if -

- (a) references in subsections (1) and (2) of that section to a return other than a return of income included references to a return or other document or information required to be provided by or under -
 - (i) these regulations, or
 - (ii) the Agreements as they have effect by virtue of these regulations,
- (b) references in subsection (1) of that section to the time prescribed included references to the time prescribed by or under -
 - (i) these regulations, or
 - (ii) the Agreements as they have effect by virtue of these regulations,
- (c) in subsection (1) after the words “and he shall in addition be liable to a further penalty not exceeding £50 for every day after the date of the imposition of the original penalty during which

² G.S.I. 2014 No. 55; amended by 2015 No. 24.

the failure continues" there were inserted the words –

"and, where the failure continues for more than 30 days immediately after the date of the imposition of the original penalty, to a further penalty not exceeding £1,000 (in substitution for the daily penalty of £50 mentioned above) for every day after that period of 30 days during which the failure continues:",

(d) for subsection (2)(i) and (ii) there were substituted –

(i) "if that person acted negligently, a sum equal to –

(A) 0.5% of the balance or value of each of the financial accounts in respect of which the default occurred, or

(B) in the case of any financial accounts –

- that were closed in the reportable period in respect of which the default occurred, or
- the balance or value of which was not reported in accordance with the provisions of these regulations, or the Agreements as they have effect by virtue of these regulations, during that period,

£1,000 in respect of each of those accounts:

Provided that if at any time before the Director institutes enquiries as a result of which it is discovered that an incorrect or incomplete return or other document or information has been delivered the person delivers a correct and complete return, document or information (as the case may be), that person shall not be liable to any penalty,

- (ii) if that person acted fraudulently, a sum equal to –
 - (A) 1% of the balance or value of each of the financial accounts in respect of which the default occurred, or
 - (B) in the case of any financial accounts -
 - that were closed in the reportable period in respect of which the default occurred, or
 - the balance or value of which was not reported in accordance with the provisions of these regulations, or the Agreements as they have effect by virtue of these regulations, during that period,

£5,000 in respect of each of those accounts.”,

(e) subsection (3) of that section were omitted.”.

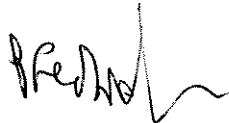
Citation.

2. These Regulations may be cited as the Income Tax (Approved International Agreements) (Implementation) (United Kingdom and United States of America) (Amendment) Regulations, 2021.

Commencement.

3. These Regulations shall come into force on the 29th April, 2021.

Dated this 29th April, 2021

A handwritten signature in black ink, appearing to read 'P. T. R. Ferbrache', with a stylized flourish at the end.

DEPUTY P. T. R. Ferbrache

President of the Policy and Resources Committee

For and on behalf of the Committee

EXPLANATORY NOTE

(This note is not part of the regulations)

These Regulations amend the Income Tax (Approved International Agreements) (Implementation) (United Kingdom and United States of America) Regulations, 2014, which implemented and enabled the administration and enforcement in domestic law of the approved international agreements providing for the obtaining, furnishing and exchanging of information in relation to tax made between the States of Guernsey and the Governments of the United Kingdom and the United States of America, by modifying the civil penalties regime applicable to the reporting requirements established by the 2014 Regulations.