

**IN THE STATES OF THE ISLAND OF GUERNSEY
ON THE 11TH DAY OF DECEMBER, 2013**

**The States resolved as follows concerning Billet d'État No XXIV
dated 1st November 2013**

THE LIMITED LIABILITY PARTNERSHIPS (GUERNSEY) LAW, 2013

- I.- To approve the draft Projet de Loi entitled “The Limited Liability Partnerships (Guernsey) Law, 2013”, and to authorise the Bailiff to present a most humble petition to Her Majesty in Council praying for Her Royal Sanction thereto.

THE LOI RELATIVE AUX DOUITS (AMENDMENT) LAW, 2013

- II.- To approve the draft Projet de Loi entitled “The Loi relative aux Douits (Amendment) Law, 2013”, and to authorise the Bailiff to present a most humble petition to Her Majesty in Council praying for Her Royal Sanction thereto.

THE PAROCHIAL ADMINISTRATION ORDINANCE, 2013

- III.- To approve the draft Ordinance entitled “The Parochial Administration Ordinance, 2013”, and to direct that the same shall have effect as an Ordinance of the States.

**THE MEDICINES (HUMAN AND VETERINARY) (BAILIWICK OF
GUERNSEY) LAW, 2008 (COMMENCEMENT AND AMENDMENT)
ORDINANCE, 2013**

- IV.- To approve the draft Ordinance entitled “The Medicines (Human and Veterinary) (Bailiwick of Guernsey) Law, 2008 (Commencement and Amendment) Ordinance, 2013”, and to direct that the same shall have effect as an Ordinance of the States.

**THE HEALTH SERVICE (SPECIALIST MEDICAL BENEFIT)
(AMENDMENT) ORDINANCE, 2013**

- V.- To approve the draft Ordinance entitled “The Health Service (Specialist Medical Benefit) (Amendment) Ordinance, 2013”, and to direct that the same shall have effect as an Ordinance of the States.

**THE CHIEF ACCOUNTANT (TRANSFER OF FUNCTIONS) (GUERNSEY)
ORDINANCE, 2013**

- VI.- To approve the draft Ordinance entitled “The Chief Accountant (Transfer of Functions) (Guernsey) (Ordinance, 2013”, and to direct that the same shall have effect as an Ordinance of the States.

ELIZABETH COLLEGE BOARD OF DIRECTORS

NEW MEMBER

- VII.- To elect Miss Anne-Marie Collivet as a member of the Elizabeth College Board of Directors to fill the vacancy which will arise on 6th January, 2014 by reason of the expiration of the term of office of Ms Merise Wheatley, who is not eligible for re-election.

POLICY COUNCIL

SUCCESSION TO THE CROWN BILL

- VIII.- After consideration of the Report dated 14th October, 2013, of the Policy Council, to direct the preparation of legislation expressly providing for the rules governing succession to the Crown in respect of Guernsey to be determined in accordance with the law of the United Kingdom relating to succession to the Crown.

TREASURY AND RESOURCES DEPARTMENT

MISCELLANEOUS AMENDMENTS TO THE INCOME TAX LAW

- IX.- After consideration of the Report dated 23rd September, 2013, of the Treasury and Resources Department:-
1. To agree to the revision of the Income Tax (Guernsey) Law, 1975, to provide a process whereby, with the concurrence of at least one Member of the Guernsey Tax Tribunal, the Director may be authorised to issue a Notice requiring production of information under section 75B of the Income Tax (Guernsey) Law, 1975, which does not name the taxpayer concerned in cases where it appears to the Director and the single Member that it is unnecessary for the purposes of the performance of the Director’s functions, whether in respect of an approved Tax Information Exchange Agreement or otherwise, to name the taxpayer or it is necessary or desirable to omit the name to avoid a potential breach of confidentiality.

2. That Sections 153(3) and (4) of the Income Tax (Guernsey) Law, 1975, be amended to ensure the taxation of pension benefits, irrespective of where the services in respect of which those benefits were paid was performed, as set out at paragraph 2.2.1 of that Report.
3. That Section 71 of the Income Tax (Guernsey) Law, 1975, be amended so that a return as to lodgers is required where an individual has been accommodated for a period or periods amounting to 91 days or more.
4. That Section 199 of the Income Tax (Guernsey) Law, 1975, be amended to ensure that late payment surcharges may be imposed when a return is submitted late, following the giving of notice to file a return rather than requiring the issue of the return itself.
5. That the Income Tax (Guernsey) Law, 1975, be amended to enable the Director to impose surcharges from the original due date in circumstances where the Director considers a suspension request was excessive and was (for example) not made in good faith, made negligently, or made without proper regard to the amount likely to be payable, even if the return was not submitted late.
6. That Section 201 of the Income Tax (Guernsey) Law, 1975, be amended to enable the prosecution of a person who fails to submit a tax return, notwithstanding that penalty proceedings have been taken under section 190 or section 200 in relation to that contravention.
7. That the Sixth Schedule to the Income Tax (Guernsey) Law, 1975, be amended so that income derived by an individual from an exempt body, in respect of offices or employments held or exercised in Guernsey, is treated as “non qualifying income”.
8. That the reference to categories A, B and C be removed from the Sixth Schedule to the Income Tax (Guernsey) Law, 1975, to reflect the removal of these categories when the Income Tax (Exempt Bodies) (Guernsey) Ordinance, 1989, was revised in May 2012.
9. That the Income Tax (Guernsey) Law, 1975 be amended to implement the Department’s proposals in relation to the tax cap as set out in section 2.7 of that Report, namely that:
 - income derived from Guernsey land and property be excluded from the tax cap;
 - the tax credit available to tax capped individuals on a distribution from a company subject to tax at the company intermediate or higher rate be restricted and be not repayable;

- following the repeal of the deemed distribution provisions, the anti avoidance provisions that prevent the “roll up” of profits in a company in order to take advantage of the tax cap be extended to all sources of income with retrospect to the date of the Minister’s Statement on 24 September 2013.
10. To agree that legislation be drafted to implement the Department’s proposals in relation to reporting of domestic interest as set out in section 2.8 of that Report, namely that:
- financial institutions carrying on banking business (as defined in the Fourth Schedule of the Income Tax (Guernsey) Law, 1975) may be required to provide to the Director information regarding interest paid to Guernsey residents in respect of bank and savings accounts and interest received from Guernsey residents in respect of mortgage accounts on an annual basis;
 - from a date specified by the legislation, and where the Director requires, it becomes mandatory for individuals to provide financial institutions with their TIN (“Tax Information Number”) for all new accounts set up and mandatory for financial institutions to communicate the TIN to the Director when reporting information regarding interest paid and interest received;
 - the Director shall be empowered to require taxpayers and financial institutions to comply with the above duties in cases of default;
 - the Director may disclose a person’s TIN to their financial institution to facilitate the reporting and processing of this information.
11. That the Income Tax (Tax Relief on Interest Payments) (Guernsey) Ordinance, 2007, be amended to clarify that a deduction in respect of the amount of interest paid in respect of money borrowed shall only be allowed where the lender is either an individual resident in Guernsey or a company subject to tax in respect of income from banking business.
12. To rescind Item 1, resolution 2(i) of Billet VI of 1999.

A J NICOLLE
HER MAJESTY’S DEPUTY GREFFIER

IN THE STATES OF THE ISLAND OF GUERNSEY ON THE 11TH DAY OF DECEMBER, 2013

**The States resolved as follows concerning Billet d'État No XXIV
dated 1st November 2013**

COMMERCE AND EMPLOYMENT DEPARTMENT

STRATEGIC DEVELOPMENT FUND – NEW MARKET DEVELOPMENT

- X.- After consideration of the Report dated 17th September, 2013, of the Commerce and Employment Department, that transfers from the Strategic Development Fund to the revenue budget of the Commerce and Employment Department totalling up to £900,000 over the period 2014 to 2016 be made to fund an increased grant to Guernsey Finance to finance the activities detailed in that Report.

HEALTH AND SOCIAL SERVICES DEPARTMENT

CHILDREN AND YOUNG PEOPLE'S PLAN 2014 - 2016

- XI.- After consideration of the Report dated 23rd September, 2013, of the Health and Social Services Department:-
1. To agree to the extension of “The Children and Young People’s Plan 2011 to 2013” by up to 3 years.
 2. To request the Health and Social Services Department:
 - a) In the development and implementation of the extended Children and Young People’s Plan, as described in paragraphs 12 to 15 of that Report, to investigate whether the children of Guernsey and Alderney could benefit from the adoption of elements of the UK Department for Communities and Local Government programme under the policy entitled “Helping troubled families turn their lives around”; in particular from initiatives such as targeting, early intervention, sharing of data, and dedicated officers taking responsibility for particular families;
 - b) to take forward any such initiatives which the Department feels, following such investigation, would benefit those children;
 - c) when submitting a new Children and Young People’s Plan to the States, as envisaged in paragraph 10 of that Report, to include therein, or report together therewith as appropriate, details of any such initiatives which the Department has implemented or piloted, or proposes to implement or pilot.

COMMERCE AND EMPLOYMENT DEPARTMENT

GUERNSEY FINANCIAL SERVICES COMMISSION – COMPULSORY ELECTRONIC TRANSACTIONS

- XII.- After consideration of the Report dated 17th September, 2013, of the Commerce and Employment Department:-
1. To approve the proposals outlined in that Report.
 2. To direct the preparation of such legislation as may be necessary to give effect to the above decision.

HEALTH AND SOCIAL SERVICES DEPARTMENT

EARLY YEARS SERVICE - ORDINANCE FOR REGISTRATION OF CHILDMINDERS AND DAY CARE PROVIDERS UNDER THE CHILDREN (GUERNSEY AND ALDERNEY) LAW, 2008

- XIII.- After consideration of the Report dated 23rd September, 2013, of the Health and Social Services Department:-
1. That child minders, nurseries, pre-schools and crèches which are currently regulated under the Child Protection (Guernsey) Law, 1972 be regulated by and under an Ordinance made under the Children (Guernsey and Alderney) Law, 2008.
 2. That child minders and day care providers providing care for children at any time from birth up to the age of 8 years (instead of the current upper limit of 5 years) be required to be registered by the Department in respect of each premises used for such purposes, if they cross the threshold for registration.
 3. That the threshold for registration be caring for children of the relevant age for 2 hours or longer each day, on six or more days in any 12-month period.
 4. That all premises, child minders and day care providers that cross the threshold (including the States of Guernsey) be registered, unless expressly exempted by Ordinance or by Regulations made by the Department. Examples of exemptions include parents, guardians or relatives, foster carers authorised by the Department, and premises used for outings or visits supervised by a registered child-minder or day care provider.
 5. That registration be subject to applicants, premises and personnel being fit and meeting standards published by the Department; persons who are disqualified on certain grounds would need the Departments' specific consent and in any event registration would be subject to conditions specified by the Department in particular cases.

6. That re-registration be required every 2 years to ensure that applicants, premises and personnel remain fit AND continue to meet the Department's standards; childminders and day care providers would be required to effect registration and reregistration and to pay the fees prescribed by regulations.
7. That the Health and Social Services Department be empowered to vary conditions of a registration or revoke a registration on specified grounds, subject to appropriate notice; and that the Department's officers be given adequate powers of entry and inspection, to enforce the new childcare regulation regime.
8. That, on application by the Health and Social Services Department, the Royal Court Ordinary Division would be able to order a variation or revocation by the Department to take immediate effect, if children are suffering or are at risk of suffering significant harm.
9. That provision be made for the emergency protection of children by empowering the Health and Social Services Department to suspend a registration or vary conditions of a registration with immediate effect, if the Department believes this is necessary to avoid significant harm to children; such power to be subject to safeguards such as a 72 hour time-limit, and the consent of a Law Officer.
10. That provision be made for internal review by the Health and Social Services Department of its registration, variation, suspension, and revocation decisions, together with provision for appeals to the Royal Court Ordinary Division.
11. That appropriate offences and penalties be prescribed to enforce the new childcare regulation regime.
12. That Part III of the Child Protection (Guernsey) Law, 1972 be repealed, subject to appropriate transitional and savings provisions for premises and child minders registered under that Law.
13. To direct the preparation of such legislation as may be necessary to give to give effect to the above decisions.

J TORODE
HER MAJESTY'S GREFFIER