

High value residency and business re-location to Jersey



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Introduction

Jersey in the Channel Islands, is situated between England and France. It is the largest of the Channel Islands (measuring 45 square miles) and offers an enviable work/life balance, whilst also remaining one of the world's major international finance centres. Jersey is a Crown dependency, which means that whilst it is under the sovereignty of the British Crown, it does not actually form part of the United Kingdom so it has its own legal system, entirely separate to the United Kingdom and Europe.

An increasing number of businesses and individuals are relocating to Jersey because it has a business-friendly environment, with an excellent quality of life. It is also a safe and stable environment to raise children, with good schools and those who like to enjoy a great outdoor, healthy lifestyle.

Advantages for your business

Jersey is a pro-business island and encourages and supports propositions from high-value, low resource businesses looking to move offshore. Here are some of the key advantages of operating your business from the Island:

- It is a jurisdiction recognised by the International Monetary Fund (IMF) and Organisation for Economic Co-operation and Development (OECD), so has a highly regarded and well-regulated business infrastructure;
- Major financial centres are only a short flight away, with regular and easy transport connections to London and all key European cities;

- Zero-rated corporate tax for businesses (other than financial service business, which is low-rated at 10%);
- Political and economic stability;
- Strong legal system;
- An international centre of excellence for professional services, with a broad base of skilled professional service providers;
- A skilled local workforce;
- Already outside of the European Union, so not directly affected by BREXIT; and
- A world-class data and telecommunications centre, with the 4th highest rate of fibre optic connections in the world.

Personal advantages for individuals

Lifestyle

It may only measure 45 square miles but the Island offers the best of rural and coastal living and has plenty to offer to individuals, especially those who like to enjoy an outdoor, healthy lifestyle. Island life is generally more relaxed and there is a greater emphasis on work/life balance. There are plenty of things to see and do; the Island offers a plethora of sports, such as rugby, football, sailing, surfing, scuba diving, horse riding to name but a few – and there are lots of excellent beach bars, restaurants and cafés too!

Your commute to work is shorter than most, with many people opting to walk, jog or cycle to work – all with the added advantage of beautiful coastal views to enjoy along the way.

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Jersey has a top class education system. There are excellent public and private schools for your children (its private schools can cost as little as a third of those in the UK) and the Island provides a safe and secure environment for them to grow up in, with very low unemployment and crime rates. Jersey also has a comprehensive health service, that offers excellent facilities and high standards of care.

Taxation

Individual income tax rates are among the lowest in Europe, with a maximum personal tax rate of 20%. There is no capital gains or inheritance tax. Stamp duty in Jersey is significantly lower than the UK on high value homes.

High Value Residency relocation is encouraged by the States of Jersey. Those with: (i) personal wealth of over £10 million; and (ii) an annual worldwide income over £725,000 qualify for relocation with full local residency rights and pay income tax on personal worldwide income at the following rates:

- 20% on the first £725,000 of income;
- 1% on all income over £725,000;
- 20% on income generated from Jersey property.

Setting up a business

Every new business setting up in Jersey needs a business licence from the Population Office under the Control of Housing and Work (Jersey) Law 2012 before it can start to operate, regardless of whether it is operated from your home or other premises. In brief, the process for submitting a business licence application involves the following: (1) completing the formal business licence application form; (2) preparation of a detailed business plan; and (3) a residential licence application for anyone intending to move over with the business, to enable them to buy a property or rent accommodation in Jersey.

If you wish to bring employees to the Island, you will need permission to do so. In addition to being granted permission to move to Jersey as a High Value Resident, an individual may be permitted to move to the Island if they are essential to the business. If successful, they will be granted "Licensed" housing status which gives them the right to buy or rent property in the Island without the usual restrictions that apply to non-qualified residents, as well as not needing to meet a minimum local income tax contribution.

If you can offer employment to other local residents, your application for a business licence will be actively encouraged.

Inward investment is encouraged by the Jersey Government and if a High Value Residency application is approved, approval for a business licence will usually follow.

Other licences and approvals may be required depending upon the nature of the business.

Locate Jersey

Locate Jersey is a States of Jersey department which supports inward investment into the Island. They can assist with the application process and other non-legal aspects of re-locating and setting up a business in the Island. More information can be found on their website: www.locatejersey.com

What we can help you with

BCR Law can help you with the following aspects of re-locating to Jersey:

- Advice on business set-up, including all regulatory applications;
- Jersey employment law advice;
- Applications for individual employees needing to re-locate;
- Support in any High Value Residency application;
- Legal advice on the purchase of any residence or office premises in the Island; and
- Planning advice for any proposed works to your new home or business premises.

Why not pop in to our offices or phone us for a chat if you have any questions that have not been addressed above?

If you require any further information or assistance, please do not hesitate to contact us using the contact details below:

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