

# STATES OF JERSEY



Jersey

## **DRAFT CHARITIES (TRANSITIONAL PROVISIONS) (AMENDMENT) (JERSEY) REGULATIONS 201-**

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**Lodged au Greffe on 14th August 2019  
by the Minister for External Relations**

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**STATES GREFFE**



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## REPORT

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The Charities (Jersey) Law 2014 (Appointed Day) Act 2018 was made by the States on 6th March 2018 (see [R&O.17/2018](#)) and set 1st May 2018 as the date on which certain provisions of the [Charities \(Jersey\) Law 2014](#) (“the 2014 Law”) would come into force, so that entities could apply to register as charities from this date.

In pursuance of Article 40 of the 2014 Law, the [Charities \(Transitional Provisions\) \(Jersey\) Regulations 2018](#) were also made by the States on 6th March 2018, and brought into force the provisions on the use of the expression “charity” on 1st January 2019, and changes to taxation on 31st December 2019. This enabled entities who, immediately before the commencement of these Regulations, were entitled to exemption from income tax under Article 115(a) of the [Income Tax \(Jersey\) Law 1961](#), to continue to preserve their tax-exempt status during 2019 if they applied for registration in 2018 and had not yet had their application determined by the Charity Commissioner.

As at 31st July 2019, of the 457 applications submitted to the Charity Commissioner, 174 were registered on the [public register](#), with a further 9 approved and in process to be uploaded to the register. A further 174 were in process, whereby a preliminary review with the Commissioner had taken place, and the application required further engagement with the applicant or third parties before a decision could be taken. Seventy-four applications were waiting to be processed, 33 of which were applications made in 2019. Six applications had been “withdrawn”.

Despite increases in temporary resources for the Charity Commissioner for the last 4 months of the year in order to expedite the remaining applications, it is anticipated that a number of applications made in 2018 will not have been determined by 31st December 2019, as they require significant amendment by the applicant or third parties to enable determination. The Draft Charities (Transitional Provisions) (Amendment) (Jersey) Regulations 201-, if adopted by the States, will amend the Charities (Transitional Provisions) (Jersey) Regulations 2018 to extend, for another year (2020), the tax exemptions available in 2019, for such entities which applied for registration as a charity before the end of 2018, if the entity had not had that application finally determined before the end of 2019.

### **Financial and manpower implications**

There are no financial or manpower implications for the States arising from the adoption of these draft Regulations.



## **EXPLANATORY NOTE**

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The Draft Charities (Transitional Provisions) (Amendment) (Jersey) Regulations 201-, if passed, will amend the Charities (Transitional Provisions) (Jersey) Regulations 2018. The amendment extends for another year (2020) the preserved tax exemptions enjoyed in 2019 by any entity which applied for registration as a charity before the end of 2018, if the entity had not had that application finally determined before the end of 2019.





Jersey

## **DRAFT CHARITIES (TRANSITIONAL PROVISIONS) (AMENDMENT) (JERSEY) REGULATIONS 201-**

*Made* [date to be inserted]  
*Coming into force* [date to be inserted]

**THE STATES** make these Regulations under Article 40 of the Charities (Jersey) Law 2014<sup>1</sup> –

### **1 Amendment of Regulation 1 (transitional provision as to income tax, stamp duty, land transaction tax and goods and services tax in 2019)**

- (1) In the heading of Regulation 1 of the Charities (Transitional Provisions) (Jersey) Regulations 2018<sup>2</sup>, for “2019” there is substituted “2019 and 2020”.
- (2) After paragraph (2) of that Regulation there is inserted –
  - “(2A) Article 115(a) of the Income Tax (Jersey) Law 1961<sup>3</sup>, as in force immediately before the commencement of these Regulations, continues, for the year of assessment 2020, to apply in respect of an entity for the purposes of the enactments mentioned in paragraph (1)(a) to (e), if –
    - (a) that Article applied to the entity under paragraph (1); and
    - (b) at the end of the year of assessment 2019, the entity’s application, described in paragraph (2)(b) –
      - (i) has not yet been determined by the Commissioner or withdrawn, or
      - (ii) has already been refused by the Commissioner, but is still the subject of an appeal which has not yet been determined by the tribunal or withdrawn.”.

### **2 Citation and commencement**

These Regulations may be cited as the Charities (Transitional Provisions) (Amendment) (Jersey) Regulations 201- and come into force 7 days after they are made.

## ENDNOTES

### Table of Endnote References

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<i>1</i>	<i>chapter 15.070</i>
<i>2</i>	<i>chapter 15.070.70</i>
<i>3</i>	<i>chapter 24.750</i>