



| States Assembly

States Greffe

Deputy Elaine Millar & Deputy Ian Gorst
Minister for Treasury and Resources & Minister for External Relations
19-21 Broad Street
St Helier
Jersey
JE2 3RR

BY E-MAIL

8th August 2024

Dear Ministers,

Corporate Services Scrutiny Sub – Panel - OECD Pillar 2 Implementation

Lodging and Debate Timeline & Consultation Stakeholders

Thank you for your letter dated 7th August 2024 regarding the introduction of the OECD Pillar 2 legislation. We appreciate your commitment to working constructively with our Sub-Panel on these important issues.

However, we would like to reiterate our concerns regarding the extremely tight timeline for lodging and debating the relevant Proposition – particularly given the continuing delay in lodging. With the current anticipated schedule, we find a debate by 1st October does not allow sufficient time to perform thorough scrutiny of the proposals. The Sub-Panel believes that to complete a sufficient examination, more time is essential.

Given the significance of this tax reform and the necessity to ensure its alignment with evolving international tax standards while maintaining a competitive business environment, we propose that the earliest feasible date for debating this Proposition in the States Assembly be moved to 22nd October 2024. We note that the Sub-Panel was anticipating the Proposition to be lodged by July 2024, which would have allowed Scrutiny more time to consider the proposals before 1st October.

An extension to at least 22nd October would allow us to fulfil our scrutiny role more effectively. Although it is not our intention to have the legislation referred to Scrutiny under Standing Order 72, should any concerns arise, we also reserve this right, while guaranteeing closure before the States' debate of the Proposed Budget 2025-28 on 26th November 2024.

Additionally, we seek clarification on what form the Proposition will take and whether the proposals will be lodged via one or two Propositions, considering the proposals are underpinned by two separate pieces of draft legislation. Understanding this is crucial for our planning and review process.

To expedite our review, we also request whether it would be possible to receive the following information:

- A list of any steering groups and industry-led groups that the Government has engaged during the consultation process.

- Copies of consultation and/or stakeholder responses and feedback submitted to the Government in respect of the proposal and/or draft Legislation.

This information will be invaluable in ensuring that we have a comprehensive understanding of the stakeholder perspectives and the potential impacts of the proposed legislation in a timely fashion.

Please also note that our Officers will be liaising with your Officers to schedule a review hearing to facilitate the review process.

We wish to reiterate that it is our intention to reach a workable position for both Scrutiny and Government on this matter. We look forward to your prompt response by no later than close of play on **Thursday 15th August 2024**. Please be aware that it is the Panel's intention to publish the response it receives on the States Assembly Website.

Yours sincerely,

A handwritten signature in black ink that reads "Jonathan Renouf". The signature is written in a cursive style and is positioned above a solid horizontal line.

Deputy Jonathan Renouf
Chair
OECD Pillar 2 Implementation Sub-Panel