

STATES OF JERSEY



DRAFT CHARITIES (JERSEY) LAW 2014 (APPOINTED DAY) ACT 201-

Lodged au Greffe on 23rd January 2018
by the Chief Minister

STATES GREFFE



Jersey

DRAFT CHARITIES (JERSEY) LAW 2014 (APPOINTED DAY) ACT 201-

REPORT

The purpose of this Act is to bring into force all of the remaining provisions of the [Charities \(Jersey\) Law 2014](#) (the “2014 Law”).

The 2014 Law was registered in the Royal Court on 14th November 2014, with a number of paving provisions coming into force on the 21st November 2014. These provisions set out the relevant definitions and tests for the purpose of the 2014 Law and provided for the appointment of the Jersey Charity Commissioner and the Charity Tribunal.

Until Part 4 of the 2014 Law is brought into force, however, no charity can be registered under the 2014 Law and an unregistered entity may still be referred to as a “charity” until Part 6 is brought into force. The taxation of charities is not altered until Article 41 is brought into force.

This Act brings into force all of the remaining provisions of the 2014 Law on 2 separate dates.

Article 1 sets 1st May 2018 as the day on which entities can apply to register as charities. Their tax status and their use of relevant expressions (i.e. Jersey Charity) remains unchanged for the rest of 2018 regardless of any registration or refusal of application to register in that year.

The 2014 Law does not require any entity to register, although it must register if it wants to continue to call itself a “charity” and receive full charitable tax reliefs. An entity can legitimately choose not to register if it considers that the benefits gained by registration are not sufficient to warrant registration.

Article 2 sets 1st January 2019 as the day on which the remaining provision of the 2014 Law come into force, namely Part 6 and Article 41. Article 41 amends taxation legislation in relation to charities. The broad effect is that an entity must be registered as a charity to obtain the relevant exemptions from taxation. In addition, Article 41 of the 2014 Law includes provision that effectively preserves some entitlements under the existing taxation legislation indefinitely in certain cases.

Part 6 restricts the use of the expressions “charity” and “Jersey charity”. The broad effect is that only registered charities (and certain overseas charities) may refer to themselves as a “charity” from the end of 2018.

The establishment of the register plays an important role in maintaining public trust and confidence in charities, holding them to account for how they spend their money, and placing relevant information about registered charities in the public domain. This

modern legal framework will support Jersey charities to flourish, in order that they are better placed to deliver their own aims and objectives and meet community need.

Collective responsibility under Standing Order 21(3A)

The Council of Ministers has a single policy position on this proposition, and as such, all Ministers, and the Assistant Chief Ministers, are bound by the principle of collective responsibility to support the proposition, as outlined in the Code of Conduct and Practice for Ministers and Assistant Ministers ([R.11/2015](#) refers).

Financial and manpower implications

There are no financial or manpower implications for the States arising from the adoption of this Act.

Explanatory Note

The Charities (Jersey) Law 2014 (the “Law”) was registered by the Royal Court on 14th November 2014. Accordingly on 21st November 2014, Parts 1 to 3, Articles 32, 38, 39, 40, 42, 43 and 44 of, and the Schedules to the Law, came into force, by virtue of Article 44(2) of the Law. Those are essentially paving provisions, setting out the relevant definitions and tests for the purpose of the Law, and providing for appointment of the Jersey Charity Commissioner and the Charity Tribunal. However, no charity can be registered under the Law until Part 4 of the Law is brought into force; an unregistered entity may still be referred to as a “charity” until Part 6 is brought into force; and the taxation of charities is not altered until Article 41 is brought into force.

This Act brings into force all of the remaining provisions of the Law on 2 dates.

Article 1 sets 1st May 2018 as the day on which all the remaining provisions of the Law come into force, except Part 6 (on the use of the expression “charity” or “charitable” and related expressions) and Article 41 (on taxation). The provisions brought into force are Part 4, on the register of charities; Part 5, on governors of registered charities; Part 7, on information and enforcement; Part 8, on appeals to the Charity Tribunal (Article 32 and Schedule 2 are already in force, for establishing the Charity Tribunal); and Article 37, on offences by corporate and other bodies. The effect is that entities can apply to register as charities from 1st May 2018 (and relevant provisions, particularly in Articles 13 to 20, 26 and 27, will apply to them from the date they are registered), but their tax status and their use of relevant expressions remains unchanged for the rest of 2018 regardless of any registration or refusal in that year.

Article 2 sets 1st January 2019 as the day on which the final remaining provision of the Law come into force, namely Part 6 and Article 41.

- (a) Article 41 amends taxation legislation in relation to charities (the rest of Part 9 is already in force). The broad effect is that an entity must be registered as a charity to obtain the relevant exemptions from taxation. However, separate Regulations can be made under Article 40 of the Law, to make transitional provision (such as temporarily preserving current tax status for entities that apply to register before that date). In addition Article 41 of the Law itself includes provision that effectively preserves some entitlements under the existing taxation legislation indefinitely in certain cases.
- (b) Part 6 restricts the use of the expressions “charity” and “Jersey charity”. The broad effect is that only registered charities (and certain overseas charities) may refer to themselves as a “charity”. Part 6 also enables the Assembly to make Regulations to restrict the use of “charitable” and related terms, and enables the Minister to make an Order to require registered charities to identify themselves as such.



Jersey

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

THE STATES, in pursuance of Article 44 of the Charities (Jersey) Law 2014¹, have made the following Act –

1 Commencement of provisions relating to registration, governors of charities, taxation and related matters

The following provisions of the Charities (Jersey) Law 2014² come into force on 1st May 2018 –

- (a) Part 4;
- (b) Part 5;
- (c) Part 7;
- (d) Part 8 (other than Article 32);
- (e) Article 37.

2 Commencement of remaining provisions, relating to taxation and to use of expressions “charity” and “charitable” and related expressions

The remaining provisions of the Charities (Jersey) Law 2014³, not brought into force by Article 44(2) of that Law or Article 1 of this Act, come into force on 1st January 2019.

3 Citation

This Act may be cited as the Charities (Jersey) Law 2014 (Appointed Day) Act 201-.

¹ *chapter 15.070*
² *chapter 15.070*
³ *chapter 15.070*