

Offshore relocations

Moving to the Channel Islands



Ogier

The Channel Islands are a beautiful and secure location offering an ideal base for all.

## Moving to the Channel Islands

The traditional arguments made for relocating to the Channel Islands used to revolve around unspoiled beaches, sunshine, great restaurants, golf courses and low tax rates.

Today, those arguments still hold true – but more and more the things that are swaying people towards Jersey and Guernsey are about the high quality of lifestyle, healthcare and education, strong and reliable travel links, a thriving entrepreneurial culture and the availability of quality property.

The process of moving offshore needs specialist advice, which is why our relocation teams are called in to assist on the residency process, wealth structuring and buying property – as well as being able to guide clients to trusted contacts in the property, tax and banking fields for expert bespoke advice.

In recent years, the islands have reformed tax arrangements for high net worth individuals to be even more attractive to wealthy newcomers.

Our specialist relocation teams have seen an increase in enquiries – both from businesses and families – partly driven by the establishment of government agencies in both Jersey and Guernsey to market the islands as a relocation destination – who are looking for a base to operate from, or a new home. While the favourable tax rates are a factor, the deciding reasons more often relate to island life, and everything it has to offer.

As well as the traditional market of retirees, the Channel Islands are drawing more and more entrepreneurs and people with young families, lured by a combination of the lifestyle and sports on offer, as well as the friendly and secure environment, and the infrastructure in terms of travel, health and education services.

Navigating through the process of moving offshore requires expertise in the residency process itself, the process of finding and buying (and often extending or adapting) a property, and in terms of wealth structuring advice. Ogier's specialist relocation teams offer a discreet, knowledgeable and proactive service to navigate through the unfamiliar process and deliver the bespoke outcome that fulfils and surpasses client's expectations.



Government relocation agency Locate Jersey saw 155 enquiries about high value residency relocations in 2017, and had 31 new inward investment businesses approved. Official figures



From 2016 to 2018, relocation agency Locate Guernsey dealt with 385 enquiries, with 24 total relocations in 2018 alone. Official figures

## About the Channel Islands ...

Jersey and Guernsey sit outside of the UK and the EU and are just a few miles from the French coast. The islands are the sunniest part of the British Isles.



The Channel Islands were the sunniest place in 2018 across the British Isles. We record sunshine here in Jersey officially and in Guernsey there's an official site. And comparing the islands with all the data from across the sites in the British Isles we have recorded almost 2,000 hours of sunshine across the Channel Islands last year and that is higher than any of the other sites.  
Official figures

The fact that you can be at home or on the beach within minutes of leaving work, the absence of capital gains or inheritance taxes, and an enviable work-life balance are still key drivers both for inward investment and decisions by high net worth individuals, but today, the reasons that the relocation shortlist is so often whittled down to the Channel Islands go much further than tax and lifestyle.

Jersey and Guernsey's travel and transport links enable residents to get to some parts of the UK quicker than they could from London, some of the highest fibre-optic broadband connection rates on the planet underpin an emerging digital sector, and top-class education and health services and very low crime rates make the islands an attractive community environment.

In addition to that comes the exceptionally high quality of professional services, including some of the world's leading banks, financial institutions and law firms, offering the same quality of advice and professionalism that you would expect from the top London institutions.

A huge and often decisive factor in decisions by high net worth individuals in particular is finding the perfect home. The local legal sector have long-established connections with professionals in the islands' property sector, and provide a range of services to both domestic and international clients relating to the purchase and ownership of Jersey and Guernsey property assets, guiding them through every step of the process.

Many clients also spend substantial sums on developing and renovating Jersey and Guernsey properties, and legal teams assist and advise on the negotiation and appointment of designers, architects and other professionals – not to mention offering guidance through a planning system that can be particularly complex where older properties are concerned.



Our services to relocating families, individuals and firms goes beyond basic conveyancing - we advise on finding a property, and work with clients to introduce them to our trusted networks of local suppliers and professionals.



## Life in Jersey and Guernsey ...

Michelin-starred restaurants, a range of golf courses, world-championship surfing spots and miles of coastline to explore give the islands a unique work/life balance.



Fragments of France which fell into the sea and were gathered up by England.

Victor Hugo on the Channel Islands



Visits to Locate Jersey's website in 2017 came from 172 countries. Official figures

Jersey boasts three Michelin-starred restaurants, a cultural calendar that includes the Battle of Flowers carnival, a film festival and a literature festival.

There is also a thriving local sports scene: the Jersey Reds play in the Greene King IPA Championship, the second tier of English rugby, Team Jets compete in English netball's Premier League Two and the island regularly hosts international cricket matches.

But whether it's sailing, surfing, kayaking, fishing or paddle-boarding, a huge part of the island's sporting life takes place on (or in) the water.

Across the water, Guernsey's football team – Guernsey FC – ply their trade in the Ryman Isthmian League Division South.

There's also the other islands that make up the Bailiwick of Guernsey – Alderney, Sark, Herm and Lihou, all of which are a short hop away on a boat.

For a small island, Guernsey has a rich cultural heritage – Victor Hugo lived in the island for more than 30 years, and you can visit the largely preserved house where he wrote part of *Les Misérables*.

Today, the island is better known as the setting for the 2008 novel "The Guernsey Literary and Potato Peel Society" which has sold 7.5 million copies in 37 territories and which was made into a film in 2018.

## Property law advice

Ogier's Jersey property practice is in a league of its own, having retained its first place among Jersey law firms in the Chambers UK league table.

Our team deals with property, planning and construction matters from the residential and commercial sectors, and have experience on projects worth millions of pounds.

Our highly-rated Guernsey service is led by one of the island's most experienced and best-connected property lawyers.

Our services to relocating families, individuals and firms goes beyond basic conveyancing – we advise on finding a property, and work with clients to introduce them to our trusted networks of local suppliers and professionals.

We also have a leading planning and construction team who can help to navigate through the sometimes complex regulations relating to restoring or renovating old properties.

We also handle a wide range of local residential transactions, from the purchase and sale of the most valuable and prestigious properties in the islands to flats and starter homes. Our residential property team is highly recommended by local agents, banks and the people we have helped to buy, sell and finance their property.

Our team have specialist expertise in:

- residential sales and purchases, particularly high-value residential conveyancing
- the planning process for renovations, extensions or new developments
- development, sales and lettings of large scale commercial and residential projects
- construction, environmental and health and safety law issues



They are the best on the island.  
Chambers UK, Jersey, Property, 2022



They are very proactive, the response time is impressive and the team have a can-do attitude no matter how busy they are.  
Chambers UK, Guernsey, Property, 2022



A world-class commercial environment in a relaxed, safe, holiday location – what more could you ask for?





## Relocating your business

More and more, the people relocating to the Channel Islands are bringing not just their families but their businesses too.



We advised on the Waitrose acquisition of the Checkers supermarket business in Jersey and Guernsey.



We advised Brevan Howard, one of the largest hedge fund managers in the world with approximately US\$40 billion under management, on the relocation of its head office to Jersey.



We advised Ocean Rig, a deep water drilling operation currently in the Falklands and Brazil, on relocating its administration and contracts business to the Channel Islands.

Jersey and Guernsey have all the infrastructure and expertise most businesses require with new office space under construction to add to that already available. Back office functions, IT, banking, compliance and accounting functions are all readily available. Local professional advisers operate in a manner that would be familiar to anyone working in London and work to high standards of client delivery.

Various organisations and authorities continue to scrutinise international finance centres and there are an increasing number of challenges being made by governments and revenue authorities to the integrity of structures. Therefore, it is becoming increasingly important for businesses to demonstrate proper substance in the jurisdiction not just with management and control but also with office space and employees. This is often not possible in other jurisdictions but is very easy to achieve in the Channel Islands.

If you need to bring over certain key essential staff with your business then the islands' governments can grant licenses to recruit staff who are not resident in Jersey or Guernsey. In granting these licenses, they will always have regard to whether the skills you need are already available in the island.

There are different types of employment-related licenses under the Guernsey regime:

- short term – these are granted for periods of up to nine months or up to a maximum of three years
- essential – these are issued for up to 15 years but the vast majority are granted for five years

Foreign companies can conduct business in Guernsey and there is no requirement that a business be owned by a Guernsey company. However, many businesses do incorporate a new Guernsey company to hold or operate the business. Alternatively, it is often possible to migrate a foreign company to Guernsey via a de-registration and re-registration process.

As well as a business having to obtain consent for relocating employees to reside in Jersey, the business will also have to obtain approval to set up operations and will be granted a business license to operate, occupy office space and is required to employ up to a specific number of non locally qualified employees. Once the license is granted, the business may employ as many or as few local employees as it wishes.

Other licenses may also be required if your business is conducting any regulated activity, such as investment management or insurance business, and Ogier can advise on all aspects of these licenses.

Jersey has modern laws relating to registered rights such as patents and trademarks. A recent new law has updated older copyright and unregistered intellectual property rights such as database, publication and design rights.

Relocating businesses will also need to take advice on the islands' competition legislation, as well as employment law advice on the contracts of employees.

**The key factors making Jersey and Guernsey so attractive include:**

- zero rate of corporate tax for foreign-owned businesses and low rates of personal taxation
- no capital gains or inheritance tax and no stamp duty other than on local real estate transactions
- ability to centralise management and control in one place
- ability to demonstrate real substance in the jurisdiction
- modern and flexible legislation
- good supply infrastructure
- resources including office space and support services
- a broad base of professional service providers with high levels of expertise
- a skilled local work force
- a government which is willing and keen to encourage inward investment and business relocation
- proximity to London and ability to deal with New York and Hong Kong in same business day
- economic and political stability
- strong transport links to London and other European centres



We advised Heritage Oil plc, a FTSE 100 oil company, which has its main office in Jersey, where its chief executive also lives.



We helped a top 20 hedge fund manager, Altis Partners, on relocating all its principals and operations to the Channel Islands.



We advised renewable energy solutions firm Kesell Ltd, who are based in the South West, on their move to Guernsey.

## Local taxes

The legislatures in Jersey and Guernsey have reformed their tax regimes for high net worth individuals to make the islands even more attractive as a relocation option.



Neither Jersey nor Guernsey have any capital gains or inheritance taxes.



Jersey has a sales tax rate set at 5% although medical supplies, medicine, childcare and school fees are zero-rated.



Income from land and buildings in both islands is taxed at 20%.

While the general headline rate of Jersey income tax is 20%, banded headline rates apply for high net worth individuals under the present high value residency rules, as follows:

- minimum tax payable for all new residents is £250,000 per year
- the first £1,250,000 is taxed at 20% on worldwide income and 1% on anything over that amount
- income from land and buildings in Jersey is taxed at 20%

For high net worth individuals who are principals of a business, approval for residency can be granted based on the following:

- likely contribution to Jersey tax revenues (in the region of £250,000 pa although the Population Office is also willing to take account of related employment creation opportunities)
- the number of dependants and the extent to which these people may in time acquire local housing qualifications
- any other non-economic benefits for Jersey
- the associated establishment of a business in Jersey generating economic benefits while not adversely impacting on local resources

Guernsey law sets an upper limit of £320,000 to the amount of income tax to be paid annually, not including income from land or property in Guernsey, or income derived from Guernsey pensions/annuity schemes.

From 1 January 2018, a new resident to Guernsey may claim a tax cap of £60,000 for the year they arrive in Guernsey, and the following three years. The cap can be claimed if the individual has paid more than £50,000 in document duty on the purchase of a property, that is on Part A of the Open Market Register, and that property is purchased within 12 months they take up permanent residence in Guernsey.

For tax purposes, an individual will be "resident", "solely resident" and/or "principally resident" in Guernsey – those definitions relate chiefly to the number of days spent in Guernsey during a tax year of charge and, in many cases, during a number of preceding years.

Ogier's team of relocation specialists can introduce you to our trusted network of experienced tax advisers who can help you with your specific requirements.

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## Contact us



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Jonathan is Ogier's Global Senior Service Line Head as well as Head of Ogier's Local Legal Services. As Global Senior Service Line Head he works closely with Ogier's Executive Board in the formulation and implementation of strategy across Ogier's global legal services. As Head of Local Legal Services Jonathan has responsibility for the provision of legal services within Ogier's home jurisdictions.



### **Martyn Baudains**

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Martyn advises on all aspects of residential and commercial property including conveyancing, property finance, developments and landlord and tenant. Having been involved in Guernsey property since being called to the Guernsey Bar in 2000 Martyn has significant experience in all aspects of land law.

His clients include landlords and tenants of commercial and residential property, including advising on leases for large office blocks, hotels, warehouses, and retail premises.

Martyn also acts for private individuals purchasing residential property and over the years has acted for literally thousands of purchasers, including some of the largest local and open market properties in the Island. He has advised a number of high net worth individuals who have relocated to Guernsey, on occasion co-ordinating with tax advisers, architects, builders and private banks to provide a seamless service between the professionals.

Martyn was called the Bar of England and Wales (The Honourable Society of Gray's Inn) in 1998, and qualified as Guernsey Advocate in 2000.

He is a Notary Public.

A large crowd of people is sitting on the grass, looking towards a sunset. The scene is framed by the dark silhouettes of trees in the foreground. The sun is low on the horizon, creating a warm, golden glow over the entire scene. The people are mostly seen from behind, and their forms are silhouetted against the bright light. A bicycle is visible on the right side of the crowd.

 Jersey and Guernsey have a vibrant cultural calendar.

**Legal  
Corporate and Fiduciary  
Consulting**

Beijing  
British Virgin Islands  
Cayman Islands  
Dubai  
Hong Kong  
Guernsey  
Ireland  
Jersey  
London  
Luxembourg  
Shanghai  
Singapore  
Tokyo

Ogier provides practical advice on BVI, Cayman Islands, Guernsey, Jersey and Luxembourg law through our global network of offices across the Asian, Caribbean and European timezones. With a growing team of more than 750 people around the world, we regularly win awards for innovation, client service and quality. Regulatory information can be found at [ogier.com](http://ogier.com)