New Charity law for Jersey

It is anticipated that the next phase of the Charities (Jersey) Law 2014 (the “Law”) will be enacted on 1 May 2018, allowing entities to finally register as charities under the Law.

Whilst registration will be voluntary it will be necessary to ensure entitlement to certain Jersey tax reliefs and to the use of the word “charity”.

It is further anticipated that from 1 January 2019 the remaining provisions of the Law will come into force which amends Jersey taxation legislation in relation to charities.

This is an exciting opportunity for Jersey to reinforce and develop its status as a centre of excellence for philanthropy both in private wealth management and impact investing.

The Law will:

- Introduce a register of recognised charities with general, restricted and historic sections which provide distinct levels of public access to data on the register.
- Create the office of the Commissioner who will oversee all charities and ensure enforcement of the Law.
- Provide a framework by which charities in Jersey will be regulated.

5 Things you need to know...

- Individuals or corporate bodies who administer and run charities will be known as Governors and will have a new statutory duty under the Law in addition to any existing duties as trustee of a trust or council members of a foundation.
- The Law restricts the use of the expressions “charity” and “Jersey charity” so that broadly only registered charities (and certain overseas charities) may refer to themselves as “charities” from 2019.
- From 2019 entities must be registered as a charity under the Law to obtain the relevant charitable exemptions from Jersey taxation albeit subject to limited exceptions.
- The general (public) section of the register is likely to be for entities wishing to register as a charity, to raise funds from the public, to have full access to Jersey tax reliefs and to use the term “charity”.
- The restricted section is likely to be for those not wishing to raise funds from the public but still wanting Jersey tax reliefs and the right to use the term “charity” and also looking to preserve client confidentiality.

5 Things you need to do...

- Review the charitable entities you administer and consider whether to register, and if the decision is made to register, whether the registration application should be made under the general or restricted sections.
- Check the names of the companies, trusts and foundations you administer to ascertain if they have the word “charity” in the title and consider, specifically for those entities who will not be registering, whether the entity name needs amending.
- If registering you will need to draft registered charitable purposes and a registered public benefit statement for each entity and collate the documents required for registration.
- Target opportunities where trust company clients may be interested in having a registered philanthropic structure in Jersey - a major, politically-stable financial centre, with strong professional services and legal foundations.
- Attend the Ogier Trust Advisory Group breakfast seminar in April to learn more about the opportunities created by the Law and the next steps.

James Campbell
Partner, Private Client & Trusts
james.campbell@ogier.com

Katherine Neal
Counsel, Private Client & Trusts
katherine.neal@ogier.com

Steve Meiklejohn
Partner, Private Client & Trusts
steve.meiklejohn@ogier.com