

Guidance Note

Short-term business visitors

As at 4 April 2024

This guidance considers the tax implications of the new short-term business visitor exemption. Businesses should always consider any business licencing and other requirements associated with bringing people to work in Jersey ([Business advice hub](#)).

1 Background

Finance (2024 Budget) (Jersey) Law 202- clarifies that anyone working in Jersey will be subject to Jersey income tax in respect of income they earn whilst working here, regardless of their employer's residence status.

Despite this change, a new income tax exemption has been introduced that applies to short-term business visitors to Jersey. There are also simplified tax rules for employers of short-term business visitors.

This Guidance Note explains the exemption and its practical application.

2 Short-term business visitors

2.1 Types of income covered by the short-term business visitor exemption

2.1.1 The short-term business visitor exemption covers the following types of income (together known as qualifying emoluments):

- Salary and bonuses.
- Perquisites and benefits in kind.
- Fees from an office (including director's fees).

2.1.2 The exemption does not apply to:

- Employment-related pension income.
- Self-employment income.
- A share of partnership profits.
- Any other Jersey source income not described at 2.1.1.

2.2 The income tax exemption

The short-term business visitor exemption is set out in revised Article 118B(f) of the [Income Tax \(Jersey\) Law 1961](#) ("the Law") and applies as follows:

For the year of assessment 2024 and future years, provided an individual:

- Is not resident in Jersey for income tax purposes¹; and
- Spends 60 days or less in Jersey in that year of assessment,

that individual will be exempt from Jersey income tax in respect of qualifying emoluments described at 2.1.1 to the extent it is attributable to work undertaken in Jersey during that 60-day period.

The exemption applies to employees, directors and officers (collectively referred to as ‘employees’ for the remainder of this guidance).

2.3 The 60-day test

The 60-day test is designed to be a simple, bright-line test.

For the purposes of this test:

- Any day spent in Jersey should be counted, whether it is a whole day or part of a day. It is not a ‘midnight’ test.
- The day-count does not relate only to work-days. Every day someone is present in Jersey should be included in the 60-day total. This includes travel days to/from the Island, weekends between working weeks and/or holidays on the Island etc.
- The 60-day test is cumulative. This means workers can come and go throughout the year, as long as they do not spend more than 60 days in Jersey in any year.

2.4 If the employer expects an employee to be present in Jersey for 60 days or less in a year

Revenue Jersey acknowledges an employer will not necessarily have visibility over the number of days an employee spends in Jersey for non-business reasons (e.g. holiday) and therefore whether an employee has actually exceeded the 60-day presence limit. Revenue Jersey will therefore take a pragmatic approach to compliance with this paragraph. However, if it is clear that the employer should have known that an employee will be present in Jersey for more than 60 days e.g. because the employer meets travel costs to and from the Island, or accommodation costs, penalties for non-compliance with employer tax reporting and collection rules can be levied.

If an employer expects an employee to be present in Jersey for 60 days or less *and* that employee is not expected to become resident in Jersey for tax purposes then, unless Jersey social security contributions are payable (see Section 4 below):

- The employer does not need to register with Revenue Jersey as an employer unless the employer has other employees working in Jersey who are not expected to benefit from the short-term business visitor exemption.
- The employee does not need to register with Revenue Jersey.

In these circumstances, salary/ bonus/ fees attributable to work carried out in Jersey can be paid to the employee free of Jersey income tax under the Income Tax Instalment System (“ITIS”), long-term care contributions and/or social security contributions.

¹ See guidance on Jersey’s residence rules at [Residency for Jersey income tax \(gov.je\)](https://gov.je/Residency-for-Jersey-income-tax)

2.5 If the employer expects an employee to be present in Jersey for more than 60 days a year

An employer should apply ITIS, long-term care contributions and social security (as appropriate) to the emoluments of an employee from the day they expect an employee to be present in Jersey for more than 60 days.

This will generally be either:

- The first day the employee comes to Jersey if the employer has always had an expectation that employee will be present in Jersey for more than 60 days; or
- The day circumstances change (the individual's or the business's) such that the employer develops an expectation that the employee will exceed the 60-day threshold.

Where an employer expects an employee will be present in Jersey for more than 60 days in a tax year:

- If not already registered as an employer with Revenue Jersey, the employer should complete the form [Registering as an employer](#). The employer should also consider whether a business licence is required ([Start up a business: step by step guide](#)).
- The employee should be told to register for tax with Revenue Jersey by completing the [Personal Tax Enquiry Form](#) (and ticking "Change of circumstances" then "Registering for tax or returning to Jersey").

More information on Jersey's tax obligations for employers can be found at [Employers' tax information](#).

The employer and employee should consider what (ITIS) tax rate is appropriate given their circumstances – see [Calculating and updating your tax rate \(ITIS\)](#).

2.6 If the employee spends 60 days or less in Jersey despite the expectation of the employer that they would exceed this

If it transpires that the employee spends 60 days or less in Jersey in a tax year, and they are not resident in Jersey for tax purposes, the employee will be eligible to claim the short-term business visitor exemption in respect of emoluments they earn in relation to Jersey work.

To reclaim any tax (ITIS) deducted at source by the employer, the employee should prepare documentation to support their status change and contact Revenue Jersey through either the [personal tax enquiry form](#), by calling +44 (0) 1534 440300, visiting the Taxes Enquiry Desk at Customer and Local Services at Philip Le Feuvre House, or sending a letter to:

PO Box 56

Philip Le Feuvre House

La Motte Street

St Helier

JE4 8PE

Except in very exceptional circumstances (the most likely being the death of the employee), Revenue Jersey will not consider short-term business visitor exemption claims part way through a tax year.

This is because the employee could conceivably return to Jersey for business and/or personal reasons later in the same year, exceeding the 60-day limit in the process.

If there are exceptional circumstances, a [Personal Tax Enquiry form](#) should be completed so Revenue Jersey can consider the matter further. (If the exceptional circumstance is the death of a short-term business visitor, complete the “Other enquiry” box, not “Notification of death”, so further details can be provided in the ‘white box’.

2.7 If an employee exceeds the 60-day threshold in exceptional circumstances

There might be exceptional circumstances outside the control of the individual that result in them inadvertently spending more than 60 days on the Island. Examples of exceptional personal circumstances might include:

Illness:

- An individual is taken ill just before their planned departure from Jersey (with proof of planned departure such as booked flight ticket) which requires them to spend a period of time at the hospital.
- A doctor advises the individual not to travel for a period of time that goes beyond their planned departure date.

Travel disruption:

- Adverse weather conditions prevent flights or ferries from leaving the Island.

The individual will need to provide evidence that they had booked to leave the Island before the expiry of the 60-day period and that they left Jersey at the earliest opportunity after flights or ferries resumed services to an (air)port in their home jurisdiction.

Revenue Jersey will consider claims for breaches of the 60-day threshold involving **exceptional personal circumstances only**.

If an individual works in Jersey at any point after exceeding the 60-day period due to exceptional personal circumstances, Revenue Jersey will not apply this paragraph to that individual.

If an individual wants to claim the 60-day period has been exceeded due to exceptional personal circumstances, they should send full details to JerseyTaxRulings@gov.je who will provide a ruling on the matter.

2.8 Double tax agreements

Even if an employee exceeds or is expected to exceed the 60-day work limit in a tax year, they may be exempted from Jersey income tax under a double tax agreement (“DTA”) between Jersey and their home territory. The provisions of DTAs vary from territory to territory so advice should be sought if an employee might be eligible to make a DTA claim.

3 Employers of short-term business visitors

Businesses that only employ individuals who fall within the definition of short-term business visitors in Article 118B(f) are not required to register² with Revenue Jersey as employers.

Employers that have a mixture of Jersey employees and short-term business visitors are not required to file monthly returns³ or make income tax deductions⁴ in respect of their short-term business visitors.

Section 2.5 above explains when employers should start applying Jersey ITIS to an employee's emoluments (depending on the circumstances of the individual).

4 Jersey social security and long-term care contributions

4.1 Jersey social security

Employees and employers are liable to pay Jersey social security contributions if the employee is an 'insured person' as defined by Article 3 of Social Security (Jersey) Law 1974. This is any individual who has reached Jersey's school leaving age and is 'resident' in Jersey.

Article 2 of Social Security (Residence and Persons Abroad) (Jersey) Order 1974 defines residence for social security purposes. In the context of short-term business visitors to Jersey this largely turns on whether the employer is a 'Jersey employer' or 'non-Jersey employer' and whether social security contributions (or the local equivalent) remain payable in the home territory of the employee.

4.1.1 Jersey employer

A Jersey employer is an employer:

- who is ordinarily resident in Jersey; or
- whose principal place of business is in Jersey.

For Jersey employers, Jersey social security contributions apply to the Jersey emoluments of all employees unless a reciprocal agreement (see section 4.3 below) overrides this general position.

However, notwithstanding this general position, as an administrative easement, where:

- an employee is expected to be eligible to claim income tax exemption as a short-term business visitor; and
- the Jersey employer can demonstrate, if requested to by Revenue Jersey, that the employee continues to be subject to the social security regime (or the local equivalent) of the employee's home jurisdiction for the duration of their stay in Jersey,

there will be no obligation on the employee or employer to account for Jersey social security contributions.

² under Article 19A(1) of the Law

³ Under Article 20 of the Law

⁴ Under Article 41B of the Law

4.1.2 Non-Jersey employer

A non-Jersey employer is an employer:

- who is not ordinarily resident in Jersey; or
- whose principal place of business is not in Jersey.

If an employee is expected to be eligible to claim income tax exemption as a short-term business visitor and the employee or employer continues to pay social security (or its equivalent) in the employee's home territory whilst working in Jersey, no Jersey social security is payable by the employee or employer.

If the employee or employer is not required to continue paying social security in the employee's home territory, Jersey social security is payable on earnings arising whilst working in Jersey unless a reciprocal agreement (see 4.3 below) determines otherwise.

4.1.3 Potential limited health benefits in Jersey

[Health and Community Services - Residents and Non-Residents Charging Policy](#) explains what health-related charges might apply to a business visitor to Jersey.

Unless health benefits are covered by a reciprocal agreement, the employee should be made aware that their entitlement to health and other benefits in Jersey will be restricted as a result of them not paying social security contributions.

4.2 Long-term care contributions

If an employee is not liable to pay social security contributions as described in sections 4.1.1 or 4.1.2 above, or by virtue of a Reciprocal agreement (see section 4.3 below)⁵, no long-term care contributions will be payable.

Otherwise, long-term care contributions will be based on the Jersey taxable income of the employee – see [How long-term care is funded](#).

4.3 Reciprocal agreements

The general provisions set out in section 4.1 above may be modified if Jersey has entered into a reciprocal social security and/or health agreement with the employee's home country or territory. These agreements usually include provisions that determine where social security contributions or contributory benefits are payable, and on what terms health care is provided, based on the circumstances of the individual concerned.

If the provisions of any such agreement do not apply, the employee and employer must apply Jersey social security to emoluments arising from their Jersey work as set out at 4.1.1 and 4.1.2.

A list of territories Jersey has a reciprocal health agreement with can be found at [Health agreements between Jersey and other countries](#).

⁵ See Article 3 of [Social Security \(Long-Term Care Contributions\) \(Jersey\) Order 2014](#)