

27 July 2009

Tax Agreement with New Zealand

Jersey's Chief Minister has today signed a Tax Information Exchange Agreement with New Zealand, as part of the Island's ongoing commitment that began with Jersey's first TIEA signed with the USA in 2002.

Senator Terry Le Sueur signed the agreement with the New Zealand High Commissioner to the United Kingdom, Mr Derek Leask, at the New Zealand High Commission in London. Senator Le Sueur said: "New Zealand has joined other jurisdictions in welcoming Jersey as a member of the community of nations committed to international cooperation and information exchange on tax matters and has affirmed that Jersey will be treated accordingly by the New Zealand authorities. This agreement is further evidence of our willingness to support the G20 and other international initiatives. This includes our willing compliance with international standards of financial regulation, anti-money laundering and combating the financing of terrorism.

"In a letter to the British Prime Minister, after the G20 Summit in April, I stated that Jersey intended to reinforce its position on the OECD "white list" of countries that have substantially implemented the internationally agreed tax standard by the signing of more TIEAs. Today's agreement signed with New Zealand is an important contribution to this ongoing process."

With the agreement with New Zealand, Jersey will have signed 15 TIEAs, 13 of which are with OECD Member States. Jersey is close to signing a TIEA with Italy and is working to complete the negotiations with Canada and Spain. Jersey has also extended an invitation to enter into TIEA negotiations to the G20 countries that are not OECD members and to the remaining OECD member countries.

Note to Editors:

For more information please contact Colin Powell, Adviser – International Affairs on 44(0)1534 440414 or 07797 750734; or Senator Terry Le Sueur on 44(0)1534 440401 or 07797 718798.

The TIEA with New Zealand will come into force when both parties have completed their domestic procedures.

In addition to the TIEA, New Zealand and Jersey have signed an agreement for the allocation of taxing rights with respect to certain income of individuals and to establish a mutual agreement procedure in respect of transfer pricing adjustments whereby New Zealand and Jersey have agreed to introduce measures that will encourage the free movement of individuals and trade between the two countries.

Following the entry into force of the agreements, New Zealand and Jersey will continue to examine what measures could be adopted to further enhance their political and economic relationship, including the further examination of other undesired tax barriers.

Jersey has already signed tax information exchange agreements with the USA (2002), the Netherlands (2007), the seven Nordic countries (Denmark, The Faroes, Finland, Greenland, Iceland, Norway and Sweden (2008), Germany (2008), Ireland (2009), France (2009), the United Kingdom (2009) and Australia (2009).