

**AGREEMENT  
BETWEEN  
THE GOVERNMENT OF JERSEY  
AND  
THE GOVERNMENT OF THE REPUBLIC OF KOREA  
ON THE EXCHANGE OF INFORMATION  
RELATING TO TAX MATTERS**

Whereas the Government of Jersey and the Government of the Republic of Korea (the "Contracting Parties") wish to enhance and facilitate the exchange of information relating to all tax matters;

Whereas it is acknowledged that the Government of Jersey has the right under the terms of its Entrustment from the United Kingdom to negotiate, conclude, perform and, subject to the provisions of this Agreement, terminate a tax information exchange agreement with the Government of the Republic of Korea;

Now, therefore, the Government of Jersey and the Government of the Republic of Korea, desiring to facilitate the exchange of information with respect to taxes, have agreed as follows:

## **Article 1**

### **Object and Scope of the Agreement**

The competent authorities of the Contracting Parties shall provide assistance through the exchange of information that is foreseeably relevant to the administration and enforcement of the domestic laws of the Contracting Parties concerning taxes covered by this Agreement. Such information shall include information that is foreseeably relevant to the determination, assessment, and collection of such taxes, the recovery and enforcement of tax claims, or the investigation or prosecution of tax matters. Information shall be exchanged in accordance with the provisions of this Agreement and shall be treated as confidential in the manner provided in Article 8. The rights and safeguards secured to persons by the laws or administrative practice of the requested Party remain applicable to the extent that they do not unduly prevent or delay the effective exchange of information.

**Article 2**  
**Jurisdiction**

A requested Party is not obligated to provide information which is neither held by its authorities nor in the possession or control of persons who are within its territorial jurisdiction.

**Article 3**  
**Taxes Covered**

1. The taxes which are the subject of this Agreement are taxes of every kind and description imposed by the laws of the Contracting Parties at the date of signature of the Agreement.
2. This Agreement shall also apply to any identical taxes imposed after the date of signature of the Agreement in addition to or in place of the existing taxes. This Agreement shall also apply to any substantially similar taxes imposed after the date of signature of the Agreement in addition to or in place of the existing taxes if the competent authorities of the Contracting Parties so agree. The competent authorities of the Contracting Party shall notify each other in writing of any substantial changes to the taxation and related information gathering measures covered by the Agreement.

**Article 4**  
**Definitions**

1. For the purposes of this Agreement unless otherwise defined:
  - a) the term "Korea" means the Republic of Korea, and, when used in a geographical sense, it means the territory of the Republic of Korea including any area adjacent to

the territorial sea of the Republic of Korea which, in accordance with international law, has been or may hereafter be designated under the laws of the Republic of Korea as an area within which the sovereign rights or jurisdiction of the Republic of Korea with respect to the sea-bed and sub-soil and their natural resources may be exercised;

- b) the term "Jersey" means the Bailiwick of Jersey, including the territorial sea;
- c) the term "competent authority" means:
  - i) in the case of the Republic of Korea, the Minister of Strategy and Finance or his/her authorized representative;
  - ii) in the case of Jersey, the Treasury and Resources Minister or his/her authorized representative;
- d) the term "person" includes an individual, a company and any other body of persons;
- e) the term "company" means any body corporate or any entity that is treated as a body corporate for tax purposes;
- f) the term "publicly traded company" means any company whose principal class of shares is listed on a recognised stock exchange, provided its listed shares can be readily purchased or sold by the public. Shares can be purchased or sold "by the public" if the purchase or sale of shares is not implicitly or explicitly restricted to a limited group of investors;
- g) the term "principal class of shares" means the class or classes of shares representing a majority of the voting power and value of the company;
- h) the term "recognised stock exchange" means any stock exchange agreed upon by the competent authorities of the Contracting Parties;
- i) the term "collective investment fund or scheme" means any pooled investment vehicle, irrespective of legal form. The term "public collective investment fund or scheme" means any collective investment fund or scheme, provided the units, shares or other interests in the fund or scheme can be readily purchased, sold or redeemed by the public. Units, shares or other interests in the fund or scheme can

- be readily purchased, sold or redeemed "by the public" if the purchase, sale or redemption is not implicitly or explicitly restricted to a limited group of investors;
- j) the term "tax" means any tax to which this Agreement applies;
- k) the term "requesting Party" means the Contracting Party requesting information;
- l) the term "requested Party" means the Contracting Party requested to provide information;
- m) the term "information gathering measures" means laws and administrative or judicial procedures that enable a Contracting Party to obtain and provide the requested information;
- n) the term "information" means any fact, statement, document or record in any form whatever;
- o) the term "criminal tax matters" means tax matters involving intentional conduct whether before or after the entry into force of this Agreement which is liable to prosecution under the criminal laws of the requesting Party;
- p) the term "criminal laws" means all criminal laws designated as such under domestic law irrespective of whether contained in the tax laws, the criminal code or other statutes.

2. As regards the application of this Agreement at any time by a Contracting Party, any term not defined therein shall, unless the context otherwise requires, have the meaning that it has at that time under the law of that Party, any meaning under the applicable tax laws of that Party prevailing over a meaning given to the term under other laws of that Party.

## **Article 5**

### **Exchange of Information upon Request**

1. The competent authority of the requested Party shall provide, upon request, information for the purposes referred to in Article 1. Such information shall be exchanged without regard to whether the requested Party needs such information for its own tax purposes or the conduct

being investigated would constitute a crime under the laws of the requested Party if such conduct occurred in the territory of the requested Party. The competent authority of the requesting Party shall only make a request for information pursuant to this Article when it is unable to obtain the requested information by other means, except where recourse to such means would give rise to disproportionate difficulty.

2. If the information in the possession of the competent authority of the requested Party is not sufficient to enable it to comply with the request for information, the requested Party shall use all relevant information gathering measures to provide the requesting Party with the information requested, notwithstanding that the requested Party may not need such information for its own tax purposes.

3. If specifically requested by the competent authority of the requesting Party, the competent authority of the requested Party shall provide information under this Article, to the extent allowable under its domestic laws, in the form of depositions of witnesses and authenticated copies of original records.

4. Each Contracting Party shall ensure that its competent authorities, for the purposes specified in Article 1 and in accordance with Article 2 of this Agreement, have the authority to obtain and provide upon request:

a) information held by banks, other financial institutions, and any person acting in an agency or fiduciary capacity including nominees and trustees;

b) information regarding the legal and beneficial ownership of companies, partnerships, and other persons, including ownership information on all such persons in an ownership chain; in the case of trusts, information on settlors, trustees, protectors and beneficiaries; in the case of foundations, information on founders, members of the foundation council and beneficiaries; and in the case of collective investment schemes, information on shares, units and other interests.

Further, this Agreement does not create an obligation on either Contracting Party to obtain or provide ownership information with respect to publicly traded

companies or public collective investment funds or schemes unless such information can be obtained without giving rise to disproportionate difficulties.

5. Any request for information shall be formulated with as much detail as possible and shall specify in writing:

- a) the identity of the person under examination or investigation;
- b) the period for which the information is requested;
- c) the nature of the information requested and the form in which the requesting Party would prefer to receive it;
- d) the tax purpose for which the information is sought;
- e) the reasons for believing that the information requested is foreseeably relevant to tax administration and enforcement of the requesting Party, with respect to the person identified in subparagraph (a) of this paragraph;
- f) the grounds for believing that the information requested is held by the requested Party or is in the possession of or in the control of or obtainable by a person within the territorial jurisdiction of the requested Party;
- g) to the extent known, the name and address of any person believed to be in the possession of or in the control of or able to obtain the requested information;
- h) a statement that the request is in conformity with the laws and administrative practice of the requesting Party, that if the requested information was within the jurisdiction of the requesting Party, then the competent authority of the requesting Party would be able to obtain the information under the laws of the requesting Party or in the normal course of administrative practice, and that it is in conformity with this Agreement;
- i) a statement that the requesting Party has pursued all means available in its own territory to obtain the information, except those that would give rise to disproportionate difficulties.

6. The competent authority of the requested Party shall acknowledge receipt of the request to the competent authority of the requesting Party and shall use its best endeavours to forward the requested information to the requesting Party with the least reasonable delay.

## **Article 6**

### **Tax Examinations Abroad**

1. By reasonable notice given in advance, a Contracting Party may request that the other Contracting Party allow representatives of the competent authority of the first-mentioned Party to enter the territory of the second-mentioned Party, to the extent permitted under its laws, to interview individuals and examine records with the prior written consent of the individuals or other persons concerned. The competent authority of the first-mentioned Party shall notify the competent authority of the second-mentioned Party of the time and place of the intended meeting with the individuals concerned.
2. At the request of the competent authority of one Contracting Party, the competent authority of the other Contracting Party may allow representatives of the competent authority of the first-mentioned Party to be present at the appropriate part of a tax examination in the second-mentioned Party.
3. If the request referred to in paragraph 2 is acceded to, the competent authority of the Contracting Party conducting the examination shall, as soon as possible, notify the competent authority of the other Contracting Party about the time and place of the examination, the authority or official designated to carry out the examination and the procedures and conditions required by the first-mentioned Party for the conduct of the examination. All decisions with respect to the conduct of the tax examination shall be made by the Party conducting the examination.

## **Article 7**

### **Possibility of Declining a Request**

1. The competent authority of the requested Party may decline to assist:



- a) where the request is not made in conformity with this Agreement;
- b) where the requesting Party has not pursued all means available in its own territory to obtain the information, except where recourse to such means would give rise to disproportionate difficulty; or
- c) where the disclosure of the information requested would be contrary to the public policy of the requested Party.

2. The provisions of this Agreement shall not impose on a Contracting Party any obligation to provide information subject to legal privilege as provided for under the domestic laws of the relevant Party, or any trade, business, industrial, commercial or professional secret or trade process, provided that information described in Article 5, paragraph 4 shall not be treated as such a secret or trade process merely because it meets the criteria in that paragraph.

3. A request for information shall not be refused on the ground that the tax claim giving rise to the request is disputed.

4. The requested Party shall not be required to obtain and provide information which the requesting Party would be unable to obtain under its own laws for the purpose of the administration or enforcement of its own tax laws or in response to a valid request made in similar circumstances from the requested Party under this Agreement.

5. The requested Party may decline a request for information if the information is requested by the requesting Party to administer or enforce a provision of the tax law of the requesting Party, or any requirement connected therewith, which discriminates against a national of the requested Party as compared with a national of the requesting Party in the same circumstances.

**Article 8**  
**Confidentiality**

1. Unless otherwise required by the domestic laws of a Contracting Party, all information provided and received by the competent authorities of the Contracting Parties shall be kept confidential.
2. Information provided to the competent authority of the requesting Party may not be used for any purpose other than the purposes stated in Article 1 without the prior express written consent of the requested Party.
3. Information provided shall be disclosed only to persons or authorities (including judicial and administrative authorities) concerned with the purposes specified in Article 1 and used by such persons or authorities only for such purposes including the determination of any appeal. For these purposes, information may be disclosed in public court proceedings or in judicial decisions.
4. The information provided to the requesting Party under this Agreement may not be disclosed to any other jurisdiction.

**Article 9**  
**Costs**

Unless the competent authorities of the Contracting Parties otherwise agree, ordinary costs incurred in providing assistance shall be borne by the requested Party, and extraordinary costs in providing assistance (including reasonable costs of engaging external advisers in connection with litigation or otherwise) shall be borne by the requesting Party. The respective competent authorities shall consult as necessary with regard to this Article, and in particular

the competent authority of the requested Party shall consult with the competent authority of the requesting Party in advance if the costs of providing information with respect to a specific request are expected to be significant.

## **Article 10**

### **Mutual Agreement Procedure**

1. Where difficulties or doubts arise between the Contracting Parties regarding the implementation or interpretation of this Agreement, the respective competent authorities shall endeavour to resolve the matter by mutual agreement.
2. In addition to the agreements referred to in paragraph 1, the competent authorities of the Contracting Parties may mutually agree on the procedures to be used under Articles 5, 6 and 9.
3. The competent authorities of the Contracting Parties may communicate with each other directly for the purposes of reaching agreement under this Article.
4. The Contracting Parties may also agree on other forms of dispute resolution.

## **Article 11**

### **Implementation**

The Contracting Parties shall take all necessary steps to give effect to the provisions of this Agreement.

**Article 12**  
**Entry into Force**

1. The Government of the Contracting Parties shall notify each other in writing of the completion of the procedures required by their respective laws for the entry into force of this Agreement.
2. This Agreement shall enter into force on the date of the later of the notifications referred to in paragraph 1 of this Article and shall thereupon have effect:
  - a) for criminal tax matters on that date; and
  - b) for all other matters covered in Article 1 on that date, but only in respect of taxable periods beginning on or after that date or, where there is no taxable period, all charges to tax arising on or after that date.

**Article 13**  
**Termination**

1. The Government of either Contracting Party may terminate the Agreement by serving a written notice of termination either through diplomatic channels or by letter to the Government of the other Contracting Party.
2. Such termination shall become effective on the first day of the month following the expiration of a period of six months after the date of receipt of the notice of termination by the other Contracting Party.
3. If this Agreement is terminated for any reason, the Contracting Parties shall remain bound by the provisions of Article 8 with respect to any information obtained under this Agreement.

IN WITNESS WHEREOF, the undersigned, being duly authorised thereto by their respective Governments, have signed this Agreement.

DONE in duplicate at SAINT HELIER, on this 21st day of JULY, 20 15, in the Korean and English languages, both texts being equally authentic.



For the Government of Jersey



For the Government of  
the Republic of Korea