

Changes between Version 1 and Version 2 of the Tax Office's Guidance Notes on the Distribution Rules

In no particular order:

1. Number of minor typos and corrections.
2. In Example 5.13 (previously Example 3.14), correction of the date from which the company draws up its accounts from 1 February 2019 to 1 February 2020 in the narrative.
3. Insertion of the "Glossary".
4. Complete update of Example 5.7 (previously Example 3.8) – original version was incorrect.
5. Insertion of a new Section on share transfers between connected persons.
6. Insertion of a new Section on multi-tiered structures.
7. Insertion of diagrams and examples into Section 5.6.3 (previously Section 3.8.3) which highlights how "Q" is calculated in the "P-Q formula" required under Arts 81U, 81V and 81W.
8. Insertion of an additional Stage into the calculation structure under Arts 81U, 81V and 81W (Section 5.6.3 (previously Section 3.8.3)) to give additional clarity.
9. Complete update, with examples, of the section relating to the ordering of distributions (Section 8.5 (previously Section 7.5)).
10. Clarification that the Comptroller will only be required to give advice on scenarios or circumstances that are not covered in these Guidance Notes where the approach to the Comptroller is made on a "named basis" (i.e. the Jersey resident individual(s) and all related entities can be identified) and all relevant facts are fully disclosed.
11. Reordering of the Guidance Notes such that the Section on the simplified basis of taxation (Section 4) now comes before the Section on the detailed calculations (Section 5), with corresponding re-ordering and updated cross-references.
12. Insertion of a new Section (Section 10.7) on the application of the Distribution Rules to the administrator/executor of an estate.