



# EU "BLACKLIST": GUERNSEY INCLUDED BY ERROR

JUNE 2015

On Wednesday 17th June, the European Union published a blacklist of international tax havens which are considered to be "non-cooperative". Thirty jurisdictions have been blacklisted, but Guernsey, one of the thirty, has been blacklisted in error. The States of Guernsey, Guernsey's legislative body, is currently in communication with the EU to remove Guernsey from the blacklist as quickly as possible.

The European Commissioner for Tax, Pierre Moscovici, has described the blacklist as an attempt to "push non-cooperative non-EU jurisdictions to be more cooperative and adopt international standards". Guernsey, though, is already a jurisdiction which rigorously upholds the tax-transparency standards requested by the EU itself. It is, after all, due to Guernsey's transparency and cooperation that the Prime Minister, David Cameron, has eschewed referring to Guernsey as a 'tax haven' since 2013.

To qualify for this blacklist, a jurisdiction must be blacklisted by a certain number of the EU's member states. However, the EU has incorrectly claimed that Poland has blacklisted Guernsey, when in fact Poland has only blacklisted Sark. For this reason, Guernsey has not been blacklisted by the required number of member states and so should not feature on the EU blacklist.

The Chief Executive Officer of the States of Guernsey, Paul Whitfield, has expressed his surprise that Guernsey has been included on the blacklist and has explained that the error is most likely due to "a lack of understanding about Guernsey's constitution".

Chief Minister Jonathan Le Tocq has stated that it is his priority to remove Guernsey from this blacklist as soon as possible.

"This is an unfortunate circumstance but we are confident that the swift response by government will return matters to business as usual shortly," said Paul Wilkes, Group Partner at Collas Crill. "Guernsey's commitment to international standards is clear and the jurisdiction remains a competitive and highly regarded place for your clients to prosper."

WE ARE OFFSHORE LAW

BVI | Cayman | Guernsey | Jersey | London





FOR MORE INFORMATION PLEASE CONTACT:



PAUL WILKES

Consultant\* // Guernsey

t: +44 (0) 1481 734268 // e: paul.wilkes@collascrill.com

WE ARE OFFSHORE LAW

BVI | Cayman | Guernsey | Jersey | London

