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STATUTORY INSTRUMENTS

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**2005 No. 1262**

**INCOME TAX**

The Tax Information Exchange Agreement  
(Taxes on Income) (Guernsey) Order 2005

Made - - - - 7th May 2005

THE TAX INFORMATION EXCHANGE AGREEMENT  
(TAXES ON INCOME) (GUERNSEY) ORDER 2005

1. Citation
2. Declaration about exchange of information  
Signature

SCHEDULE —

PART I — AGREEMENT ON THE TAXATION OF SAVINGS INCOME  
BETWEEN GUERNSEY AND THE UNITED KINGDOM OF  
GREAT BRITAIN AND NORTHERN IRELAND

WHEREAS:

1. Article 17 of Directive 2003/48/EEC (“the Directive”) of the Council...
2. The relationship of Guernsey with the EU is determined by...
3. Guernsey notes that, while it is the ultimate aim of...
4. The “withholding tax” referred to in the Directive will be...
5. Guernsey has agreed to apply a retention tax with effect...
6. Guernsey has agreed to apply automatic exchange of information in...
7. Guernsey has legislation relating to undertakings for collective investment that...

Article 1

***Retention of Tax by Paying Agents***

Interest payments as defined in Article 8 of this Agreement...

**Status:** This is the original version (as it was originally made). This item of legislation is currently only available in its original format.

Article 2

***Reporting of Information by Paying Agents***

(1) Where interest payments, as defined in Article 8 of...

Article 3

***Exceptions to the Retention Tax Procedure***

(1) Guernsey when levying a retention tax in accordance with...

Article 4

***Basis of assessment for retention tax***

(1) A paying agent established in Guernsey shall levy retention...

Article 5

***Definition of beneficial owner***

(1) For the purposes of this Agreement, “beneficial owner” shall...

Article 6

***Identity and residence of beneficial owners***

(1) Each Party shall, within its territory, adopt and ensure...

Article 7

***Definition of paying agent***

(1) For the purposes of this Agreement, “paying agent” means...

Article 8

***Definition of interest payment***

(1) For the purposes of this Agreement “interest payment” shall...

Article 9

***Retention Tax Revenue sharing***

(1) Guernsey shall retain 25% of the retention tax deducted...

Article 10

***Elimination of double taxation***

(1) A contracting party in which the beneficial owner is...

Article 11

***Transitional provisions for negotiable debt securities***

(1) During the transitional period referred to in Article 14...

Article 12

***Mutual agreement procedure***

Where difficulties or doubts arise between the parties regarding the...

Article 13

***Confidentiality***

(1) All information provided and received by the competent authority...

Article 14

***Transitional Period***

At the end of the transitional period as defined in...

Article 15

***Entry into force***

Subject to the provisions of Article 17 of this Agreement,...

Article 16

***Termination***

(1) This Agreement shall remain in force until terminated by...

Article 17

***Application and suspension of application***

(1) The application of this Agreement shall be conditional on...

Annex:

*List of related entities referred to in Article 11*

For the purposes of Article 11 of this Agreement, the...

ENTITIES WITHIN THE EUROPEAN UNION:

INTERNATIONAL ENTITIES:

ENTITIES IN THIRD COUNTRIES:

CONDITIONS FOR AMENDING THE PRESENT ANNEX:

PART II — Exchange of Notes

*Note from Her Majesty's Government*

Dear Deputy Morgan,

I have the honour to refer to the texts of...

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In view of the above mentioned agreed texts, and respecting...  
I have the honour to propose that, if the above...  
Please accept, Sir, the assurance of our highest consideration,

*Note from the States of Guernsey*

Dear Lord Falconer,  
I have the honour to acknowledge receipt of your letter...  
I am able to confirm that Guernsey has agreed to...  
Please accept, Sir, the assurance of my highest consideration,

Explanatory Note