



Jersey investment funds update - March 2021

Service area / [Investment Funds](#)

Legal jurisdictions / [Jersey](#)

Date / [March 2021](#)

Jersey's new register of beneficial owners and significant persons

The Financial Services (Disclosure and Provision of Information)(Jersey) Law 2021 came into force on 6 January. See our [October 2020 update](#) and our [briefing note](#) for a summary of the new provisions. Key dates to note:

- Entities will need to appoint a "nominated person" to act as the liaison with the registry by no later than 6 April 2021.
- The JFSC has extended the period for submitting the first annual confirmation statement (which will replace the annual return) to 30 June 2021.
- Subsequent filings will need to be made annually by the last day of February each year.
- Details of "significant persons" (including directors and company secretaries) will not be made public before 1 October 2021.

Further consultation on investment business regime

The JFSC has [published feedback](#) on the responses to its consultation paper published in December 2019 regarding certain proposed changes to the investment business regime. The proposal to extend the scope of the 'advising' class to include advising on the merits of 'holding' investments has been dropped, but the JFSC has confirmed its intention to include the activity of 'arranging' as a new class of investment business. It has acknowledged that further guidance as to the scope of the proposed regulated activity will be required in advance of bringing the change into force, although it has helpfully confirmed that 'arranging' is not intended to capture the activity of 'introducing'.

Economic substance developments in Jersey

On Wednesday 10 February, the Jersey States Assembly passed a law to include self-managed funds within the scope of economic substance rules in terms of their fund management activities for accounting periods that commence on or after 1 January 2021. Revenue Jersey has published guidance on the application of the economic substance test to 'self-managed funds'.

Revenue Jersey has launched a consultation on the extension of economic substance to partnerships. The [initial consultation](#) on the potential impact of this extension closes on 1 March 2021. The EU Code of Conduct Group has confirmed that it considers partnerships are included within the scope of the original political commitment that Jersey gave in 2018 to introduce economic substance legislation and that it expects such extension of economic substance to partnerships to take effect from 1 July 2021.

The Comptroller of Revenue in Jersey has released further clarification on the concession to economic substance as a result of Covid-19, making it clear that flexibility for certain employees with exceptional circumstances is reasonable, but they would not expect all, or even most, employees to fall within this exceptional category. The clarification also makes clear that a company seeking to rely on the concession should ensure that it is keeping sufficient records to evidence the use of the concession as these records will be required by Revenue Jersey when making any assessment.

OFFSHORE LAW SPECIALISTS

BERMUDA BRITISH VIRGIN ISLANDS CAYMAN ISLANDS GUERNSEY JERSEY
CAPE TOWN HONG KONG LONDON SINGAPORE

Revenue Jersey have announced that the process by which a company can request in advance that the Comptroller confirms they have no outstanding tax issues, also covers economic substance. The aim of this electronic process is to give certainty on economic substance issues when a company wishes to migrate, or is being wound up.

Key contacts

For further information or professional advice please contact our lawyers below:



Chris Griffin

Partner

D +44 (0)1534 822256
E christopher.griffin@careyolsen.com



Robert Milner

Partner

D +44 (0)1534 822336
E robert.milner@careyolsen.com



James Mulholland

Partner

D +44 (0)1534 822369
E james.mulholland@careyolsen.com



Daniel O'Connor

Partner

D +44 (0)1534 822249
E daniel.oconnor@careyolsen.com



FIND US

Carey Olsen Jersey LLP
47 Esplanade
St Helier
Jersey JE1 0BD
Channel Islands

T +44 (0)1534 888900
E jerseyco@careyolsen.com



FOLLOW US

Visit our investment funds team at careyolsen.com



PLEASE NOTE

Carey Olsen Jersey LLP is registered as a limited liability partnership in Jersey with registered number 80.

This briefing is only intended to provide a very general overview of the matters to which it relates. It is not intended as legal advice and should not be relied on as such. © Carey Olsen Jersey LLP 2021.