

The Winds of Change



In 2004 I drafted a newsletter article, which I entitled "Times They Are A Changin' " (I am not a big Bob Dylan fan, but the title of his famous work seemed apt!). That article never saw the light of day, but it has at least served as inspiration for my thoughts here.

If, by some miracle of teleportation (or perhaps by simply reading a "back issue" of a Swoffers brochure), you were able to place yourself back in 2004, the picture that you would be presented with might hint at the direction the Island was heading in...but in truth, would go no way towards preparing you for where we find ourselves today.

It was in the earlier part of the decade that the winds of change began shaping the landscape within which Guernsey operates today. The Island's tax regime and, indeed, many other aspects of its legal framework and regulatory environment, which had generally evolved relatively sedately until then, were set to see considerable transformation.

In terms of tax legislation, the intervening period has seen changes to the Island's residence rules, implementation of the European Savings Tax Directive, an entirely new (zero rate) corporate tax regime, the introduction of tax capping for high earners and the emergence of tax information exchange agreements. On a wider front, we have had modernised Company and Trust laws, refinements to the regulation of financial services (maintaining and improving upon the Island's already high standards), innovation in financial products and service offerings, the introduction of a depositor compensation scheme...the list could go on.

The catalyst for much of this transformation has been the changing international environment - the drive towards greater transparency and elimination of so-called "harmful tax practices". But to suggest that external influences are the sole reason would be to detract from the Island's own initiative and desire to be proactive and innovative.

It is easy to be distracted by the myriad of new laws, products and reporting requirements. Throughout change, some things remain constant and it is the ability to focus upon the fundamental issues which ensures continuing

strength and success. For all its enforced fiscal and legislative revolution, Guernsey has stayed focussed on its core strengths and values...that it should be an attractive place to live and work and to do business with and through. What this period of change demonstrates is that Guernsey has a willingness to move with the times, to adapt, evolve and to remain in the top tier of international finance centres.

For Intertrust Reads Private Clients Limited, the same can be said. Whilst our own organisation has undergone recent metamorphosis, the people and the ethos of professionalism and quality endures.

For those not familiar with who we are, Intertrust Reads Private Clients Limited is a firm of tax specialist professionals, registered with the Chartered Institute of Taxation as Chartered Tax Advisers. We have many years experience in dealing with tax compliance and planning at a local and international level. With 20 directors and staff we have been a constant feature in Guernsey's finance community for many years (indeed, our six directors can show close on 100 years of combined service with the group!).

This longevity and the culture of community and teamwork that it engenders are a key feature of our company. Similarly important is the standing that we have within the local financial arena. For example, through our representation on the taxation sub-committee of the Guernsey Society of Chartered and Certified Accountants, and our direct dialogue with the Island's authorities, we have been closely involved in helping to shape Guernsey's extensive tax changes. Experience and knowledge of this nature is invaluable and reflects itself in the practical advice and bespoke solutions that we can deliver to our clients.

The winds of change have been blowing hard in recent years, but Guernsey is demonstrating that it is sufficiently strong, adaptable and imaginative to weather the storm. At Intertrust Reads, we continue with similar ambition.

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