P.2026/49 Amdt 22

THE STATES OF DELIBERATION
of the
ISLAND OF GUERNSEY

15th July 2026

Proposition No.

Policy & Resources Committee

Tax Reform 2026

MOTION UNDER ARTICLE 7(1) OF THE REFORM (GUERNSEY) LAW, 1948

Proposed by: T Bury
Seconded by: J Ozanne OBE

To suspend Rule 24(2) of the Rules of Procedure of the States of Deliberation and their Committees to the extent necessary to permit the amendment below to be debated.

AMENDMENT

Proposed by: Deputy T Bury
Seconded by: Deputy J Ozanne

To insert an additional proposition as follows:

> "To direct the inclusion within the scope of longer-term work envisaged in Appendix 3 of the Tax Review Sub-Committee's report, an examination of wealth and asset-based taxation measures as potential revenue-raising tools, including consideration of their potential contribution to fiscal sustainability, tax equity and the broadening of the Bailiwick's tax base, and the extent to which such measures could be implemented without materially undermining the competitiveness of Guernsey's economy, including its financial services sector, or its ability to attract investment and economically active residents, and such work shall include the commissioning of independent analysis to understand and quantify the net economic and fiscal contribution made by High-Net-Worth residents and associated relocation programmes.".

Rule 4(1) Information

a. The proposition contributes to the States' objectives and policy plans by contributing to the 'Island Resilience' area of focus within the States' Government Work Plan (Billet d'Etat II of 2026.)

b. The amendment has been sharedwith the Policy & Resources Committee

c. The proposition has been submitted to His Majesty's Procureur for advice on any legal or constitutional implications.

d. It is envisaged that if approved the proposal would be carried into effect by existing internal resources as part of the work already envisaged as following the policy letter, using supplementary external subject matter expertise for the analysis of the contribution of HNW.

e. Drafting advice has been sought from the States Greffier

Explanatory note

This amendment does not seek to introduce additional taxes as part of the current tax reform package. Rather, it seeks only to ensure that such measures are properly examined as part of the longer-term work already envisaged in Appendix 3 of the Tax Review Sub-Committee's report.

While the Policy Letter states that capital taxes are out of scope because they may be incompatible with Guernsey's core economic sectors, particularly financial services, the policy letter does not examine the idea of wealth and asset based taxes that exist internationally and their possible application in the Bailiwick.

The amendment would enable evidence-based consideration of whether any such measures could contribute to the Island's long-term fiscal sustainability without adversely affecting its competitiveness, financial services industry or attractiveness to high-net-worth individuals. Importantly, the amendment also calls for independent analysis of the economic contribution made by high-net-worth residents, ensuring that future policy decisions are grounded in a robust understanding of both the benefits generated by the current model and the potential costs and benefits of alternative approaches.

The review would not prejudge any outcome but would allow the States to make future decisions on the basis of objective evidence rather than assumption.