

THE STATES OF DELIBERATION
of the
ISLAND OF GUERNSEY

25th February, 2026

Proposition No. P. 2026/7

Policy & Resources Committee

Tax Reform: Workstream 1

AMENDMENT

Proposed by: Deputy H Camp
Seconded by: Deputy M Helyar

To insert an additional proposition as follows:

- “5. To direct the Policy & Resources Committee to cease immediately all work on the introduction of any form of territorial corporation tax, including as part of the options being examined within the fundamental restructuring of Guernsey’s corporate tax regime, and to direct the Policy & Resources Committee to amend the Terms of Reference for the Tax Review Sub Committee by amending the first bullet-point under the heading “In scope” to read:

“The taxation of company profits (specifically excluding a system of territorial corporate tax) having due regard to the need to maintain a tax system which is competitive, internationally acceptable and maintains tax neutrality;”.

Rule 4(1) Information

- a) The proposition supports the States’ objectives and policy plans by removing from consideration, a potential measure that could reasonably harm Guernsey’s competitiveness, tax position and undermine future tax revenue.
- b) In preparing this proposition no consultation has taken place with any specific committee on the basis that this is a matter of business for the States of Deliberation as a whole.

- c) The proposition has been submitted to His Majesty's Procureur for advice on any legal or constitutional implications.
- d) There are no financial implications from carrying out this amendment.
- e) Drafting advice has been sought from the States Greffier.

Explanatory Note

As part of the Policy & Resources Committee's (P&R) tax workstream, a Tax Review Subcommittee was established. In the course of its work, the Subcommittee has considered the possible introduction of a territorial tax regime in Guernsey, an optionality contained in its public consultation document. This has continued despite significant and sustained feedback from the business community and other key stakeholders about the harmful long-term impact that ongoing uncertainty may have on Guernsey's ability both to retain existing business and to attract new business. Most notably, territorial tax remains referenced in the Subcommittee's consultation document dated 23 January 2026.

This is despite Treasury estimates indicating that any likely net benefit to Guernsey would be largely immaterial, while the potential risk of business loss, whether through relocation or reduced inward investment, could be meaningful.

The business community is also concerned about the wider effects of prolonged uncertainty around Guernsey's tax regime, given that stability has long been a hallmark of the island's attractiveness as a place to do business.

This amendment therefore seeks to remove this uncertainty by definitively ruling out territorial corporate tax as an option within Guernsey's ongoing corporate tax review.

Importantly, this does not prevent other forms of corporate tax reform from being explored, including levies and the extension of existing corporate tax measures.