

Jersey: A Clear Solution for Fund Managers



Relocating to Jersey: Where Forward-Thinking Minds Meet

Jersey's concentration of fund expertise, structuring capability and robust but flexible regulation is attracting fund managers who are relocating all or part of their business to the Island.

From start-ups to well-established firms, a variety of managers, particularly Hedge Fund and Private Equity Fund managers, are currently based in Jersey.

Many large players have relocated here, recognising the benefits of a pro-business environment where fund managers are supported by a deep pool of specialist service providers and an accommodative fiscal regime.

International governance requirements make Jersey a clear choice as a centre of substance to meet the requirements of the Organisation for Economic Co-operation and Development's (OECD's) Base Erosion and Profit Shifting (BEPS) project.

Why Jersey

- In 2024 Jersey was assessed by MoneyVal, reaching a level of assessment which is among the highest in those jurisdictions assessed
- Jersey offers a range of options for fund managers to meet Jersey's economic substance requirements
- Fund managers benefit from regulation appropriate to the risk of the structure and type of investor
- One of the world's fastest broadband speeds
- Unrivalled quality of life with stunning coast and countryside
- Easy commute to work and schools
- Vital links to more than 20 mainland UK airports

Where bright minds see brighter prospects

Flexible investment structures. World-class expertise. The ease of doing business. It's clear why Jersey is a first-choice jurisdiction for fund managers. Another certain advantage is the Island's skilled workforce of more than 14,000 finance professionals with 7,500 employees in trust and company administration, fund management and legal services.

Bringing certainty to tax

The island offers 0% corporate tax for fund managers, as well as low personal income tax rates and no capital or inheritance taxes.

Jersey offers tax neutrality to funds – so all types of investment fund established on the Island can benefit from the absence of Jersey income tax on non-Jersey source investment income and profits. Funds established as companies will pay no Jersey income tax and there's no requirement to withhold tax on interest or dividends payable by corporate funds. Because limited partnerships are tax transparent vehicles, they're not subject to income tax in their own name.



When speed and ease are vital

With a sliding scale of regulation and cost, our flexible funds regime caters to all investor requirements. The Jersey Private Fund allows funds with up to 50 investors to take advantage of a fast-track authorisation process and lighter ongoing regulatory requirements. Set-up can take as little as 48 hours, making this a very popular option for funds.

A positive approach to marketing

Jersey offers easy and cost-effective marketing into the EU through National Private Placement Regimes (NPPRs), providing fund managers with an attractive alternative to the Alternative Investment Fund Managers Directive (AIFMD) passport.

The AIFMD passport allows EU investment funds to be distributed across the EU. However, the EU investment fund market is still predominantly a national market. In fact, only 3% of EU alternative investment funds (AIFs) are registered for sale in more than three Member States.

NPPRs clearly work for fund managers thanks to bilateral agreements between Jersey's financial regulator and those in each EU Member State and Brexit has not affected them.

Crucially, marketing through NPPRs has a lighter regulatory burden, often resulting in a lower cost to managers than the AIFMD passport.

How NPPRs support fund managers

- simplified regulatory obligations
- flexibility
- a tried and tested regime
- a cost-effective platform

The perfect place to work together

Jersey is in a central time zone that reaches the US, Europe and Asia across the same business day. Being outside the EU makes it an ideal location for consolidating EU and non-EU funds in one jurisdiction.

Focussed on transparency and combatting financial crime

Jersey is proud of its commitment to the highest standards of financial regulation, which has been acknowledged by the OECD, the International Monetary Fund (IMF) and the Council of Europe's Evaluation of Anti-Money Laundering Measures and the Financing of Terrorism (MONEYVAL). With a respected and approachable financial regulator, the Island has been a 'first wave' signatory to all key information exchange programmes, including the Foreign Account Tax Compliance Act (FATCA), the Common Reporting Standard (CRS) and BEPS. It's also unique in long maintaining a central register of company beneficial ownership to help share information with tax authorities globally.

Supportive structures

As a forward-thinking jurisdiction, Jersey offers a wide range of vehicles, fund types and options to managers. All regulation of funds in Jersey is appropriate to the risk of the structure and the type of investor.

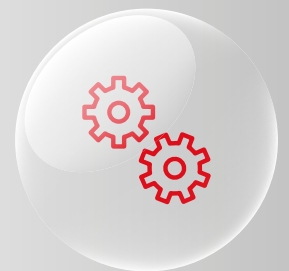
Some fund managers set up a full presence manager and others partner with a regulated manager to act as a 'manager of a managed entity'. The drivers depend on the promoter's strategy and support is available to tailor the manager solution to the promoter's individual circumstances.

US\$578.7 bn
Net asset
value
 of regulated
 funds under
 administration



Jersey Financial Services Commission, as at 30 June 2024

700
Jersey
Private
Funds
 formed since their
 launch in 2017



Jersey Financial Service Commission, as at 30 June 2024



An IFC with global appeal

Overall, it's Jersey's forward-thinking approach, robust regulatory framework, and political and economic stability that makes us one of the world's leading international finance centres (IFCs). We're in the same time zone as London and less than an hour's flight away. Our data centres are world-class, while our high-speed and high-bandwidth communication links allow us to operate and integrate internationally. For anyone looking to relocate to the Island, an outstanding coastal environment and quality of life are undoubtedly the icing on the cake.

Jersey Finance: helping to shape our industry's future

Funded by members of the local finance industry and the Government of Jersey, we have a global presence with offices in Jersey, we have a global presence with offices in Jersey, Dubai, Hong Kong and New York; representation in London, Johannesburg, Singapore and Shanghai. We're proud to work with key partners to represent and promote Jersey as the clear leader in international finance. We champion the competitive position of Jersey's finance industry, both locally and internationally, supporting the highest regulatory standards with the most attractive products and services to suit the needs of global investors. Jersey Finance delivers an extensive overseas programme of visits and events in key target markets including the UK, Europe, Africa, Greater China, India, North America, Switzerland and the Gulf region. Through this structured activity, we're able to build strategic and meaningful relationships with investors' needs in mind.

Ready for relocation success

Our Head of Funds, Elliot Refson, is focussed on helping fund managers based in the UK, US, Switzerland and Europe relocate to Jersey. With an extensive career in funds, Elliot is well placed to provide the best advice and support, working with key partners such as Locate Jersey, the government body that helps businesses relocate to the Island and the Jersey Financial Services Commission (JFSC), the Island's regulator, to ensure moving to the Island is a positive experience.

Jersey Finance can also help fund managers with their applications to become high value residents in Jersey. Relocating as a high value resident is an option for individuals whose annual worldwide income comfortably and sustainably exceeds £1,250,000.

Take advantage of our support

Becoming a Member of Jersey Finance gives you exclusive access to events, information, news and support, enabling your organisation to grow and develop alongside global industry leaders. Forward-thinking and proactive, we work closely with the Government of Jersey and the JFSC, to ensure that the best interests of the industry are represented, in terms of legislation, regulation and other key areas of innovation.

For more information please contact:



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Elliot's role is to help define Jersey's product offering for funds as well as to oversee the strategy and execution of marketing Jersey as both a domicile and destination for Alternative Investment Managers and their funds.

Elliot moved to Jersey in 2006 to establish a Macro strategy Hedge Fund under the Ermitage umbrella for whom he also seeded other Macro / CTA strategy Hedge Funds.

Elliot founded the Jersey Hedge Fund Managers Group and the Digital Asset Managers Group aimed at linking the growing community of local Managers and is a committee member of the Jersey Funds Association, the BVCA Channel Islands working group and the islands Funds' Innovation Committee.

Disclaimer: This factsheet is only intended to provide a general overview of the subject matter. It does not constitute, and should not be treated as, legal advice.

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