

Time for KPMG to smell the coffee

Published: January 15, 2026, 7:17 pm

The Jersey Evening Post (whose web site is so bad I won't link to it) has published a story today in which it reports that:

John Riva, head of tax at KPMG Channel Islands, says plans to amend the controlled foreign companies rules in the next Finance bill, prompted by the Cadbury Schweppes case and outlined in Chancellor Gordon Brown's pre-Budget report last week, would enable UK companies to apply to the taxman to disregard profits arising from business establishments in other European Union countries or the European Economic Area.

He's right about that. But he added:

As the Channel Islands are in neither category this could put CI companies owned by UK organisations at a competitive disadvantage.

So he apparently said:

'We should be negotiating with the UK trying to get all companies and individual residents in Jersey treated the same as in other EU countries. We operate within the EU code of conduct on business taxation by virtue of our association with the UK. Because of that we have proposed radical changes to our fiscal regime so it seems inappropriate to discriminate against us now.'

John clearly still has a lot to learn about the interpretation of tax law. He should in particular be aware that some of that law is specifically targeted at people the UK Treasury don't like. It's meant to create an unlevel playing field.

The UK Treasury does not like tax havens. They do not like Jersey. They do not want UK companies to hide their profits in Jersey, as has been their habit, no doubt ably assisted by KPMG who have made it their business to abuse tax systems in this way.

The discrimination is absolutely intentional John. I suggest you take it personally. Everything Jersey is doing is designed to undermine the UK's tax take. What do you expect the UK to do? Give you a blank cheque, or fight back?

It's about time the Jersey deception services industry and KPMG woke up and realised just what the world thinks of them.