

Who is paying for Jersey to be a tax haven?

Published: January 14, 2026, 10:35 am

The reason why places like Jersey became tax havens was to raise tax revenue from third parties. The tax revenues raised were, in effect, export earnings that kept their economies afloat.

Deputy Geoff Southern in Jersey has tabled an amendment to the current Jersey budget that shatters the myth that this is still the case. As [his amendment says](#):

Unbalanced taxes

There can be no doubt that there has been a major transfer of the burden of taxation away from businesses and on to employees since the arrival of the “zero/ten” tax policy and the competitive “race to the bottom” on company tax with the Isle of Man and Guernsey. This transfer is illustrated by figures I produced last year shown here.

Company Tax versus Personal Tax 2000 – 2011

Year	Total general revenue income £m*	Company Tax £m	%	Personal tax (IT + impots + GST)	%
2000	398	208	52	166	42
2001	415	227	55	181	44
2002	436	215	49	198	45
2003	444	216	49	218	49
2004	445	212	48	212	48
2005	467	202	43	242	52
2006	524	217	41	257	49
2007	559	238	42	290	52
2008	660	233	35	352	53
2009	674	214	32	391	58
2010	496 (E)	79(E)	15	362 (E)	73
2011	521 (E)	65 (E)	12	436 (E)	84

* 2000-2006 Treasurer's Report p.xi. Financial Report and Accounts, 2006
2007-2008 Treasurer's Report Table 2, p.7. Financial Report and Accounts, 2008
2009 Treasurer's Report Table 4, p.8. Financial Report and Accounts, 2009
(E) Estimates Draft Budget Statement 2011 Summary Table B p.74

Geoff is right to acknowledge there is a race to the bottom in Jersey, Guernsey and the Isle of Man. Promoted by the pinstripe infrastructure of lawyers, accountants and bankers through such coordinating bodies as the Society for Trust and Estate Practitioners (who have their single biggest branch in Jersey but who are active in all three locations) the pernicious influence of these groups has driven these three jurisdictions on a destructive path towards shattering their tax base by eliminating corporate taxes for their clients.

The result is all too apparent. The tax burden has shifted dramatically from businesses using Jersey as a tax haven to the local population who are now paying for

the privilege of hosting the tax abuse industry whilst at the same time their economy is facing ruin as local politicians realise they have no idea how to plug the continuing deficits they face and are now suggesting plundering the rainy day fund - a sure sign they are on the slippery slope to running out of money, as I have long predicted.

Geoff Southern has in this case study provided the evidence of what I and the Tax Justice Network have long argued - that the 'race to the bottom' in corporate taxes is simply an excuse to shift the tax burden from those able to pay tax (let's call them the 1%) on to those less able or unable to afford them (again, for simplicity, let's call them the 99%).

This is happening everywhere but Jersey's clearly leading the way.

This is what the Tax Justice Network is about.

This is what #occupy is about.

Beating this pernicious process is what re-engagement in democracy should be about for many who feel disenchanted by it.

And this is what beating the exploitative activities of the City of London - the most undemocratic local authority in the UK - has to be about.