

Jersey is acting with blind faith and misplaced hope wh...

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A report in the Jersey Evening Post today reveals that Jersey ministers have no idea as to whether their proposed law on economic substance will meet the EU's requirements, or not. There are no links I can find online as yet so scans will have to do:

The report adds (after some intervening text):

In other words, they have no clue.

And I continue to suggest that I am right to suggest that Ecofin will not agree. After all, why should they when the proposal fails to meet the [EU's requirements](#)?

We have been through this before, with the EU Code of Conduct on Business Taxation requirements [where I correctly predicted that the EU requirements were not being met](#), and Jersey had to revise all its draft laws to meet the criteria that I had successfully identified in advance.

I am not being arrogant, or even presumptive, in saying that Jersey should heed my advice this time. The simple fact is that Jersey seems to have an extraordinary ability to kid itself as to the true meaning of EU requirements, and it is doing it again. But this time the risk of sanctions is much higher, and the timescale for getting things right is much shorter. I am genuinely acting with Jersey's best interests at heart when saying that they have got their proposals wrong by suggesting they only need apply to Jersey resident companies, when I am absolutely certain that no reasonable interpretation of the EU's expectation can mean that.

They know my number.

As do Guernsey and the Isle of Man come to that.