

Jersey, Guernsey, British Virgin Islands and Cayman Islands trusts: a jurisdictional comparison

Our briefing on [“21st century trusts: why offshore, and on whose shores?”](#) discusses the benefits of setting up an offshore trust and highlights key differences between the Jersey, Guernsey, British Virgin Islands and Cayman Islands trust frameworks. This table provides a more detailed comparison of the trust framework in each jurisdiction, highlighting both common and differing features.

NO.	TITLE	JERSEY	GUERNSEY	BRITISH VIRGIN ISLANDS	CAYMAN ISLANDS
(1)	Relationship to UK, constitution and court system	<p>UK Crown Dependency. Self-governing. Part of the Commonwealth. HM the Queen of England head of state.</p> <p>Crown is responsible for the appointment of Lieutenant Governor and the senior members of the judiciary such as the Bailiff and Deputy Bailiff.</p> <p>Own independent court system.</p> <p>Judicial Committee of the UK Privy Council the final court of appeal.</p>	<p>UK Crown Dependency. Self-governing. Part of the Commonwealth. HM the Queen of England head of state.</p> <p>Crown is responsible for the appointment of Lieutenant Governor and the senior members of the judiciary such as the Bailiff and Deputy Bailiff.</p> <p>Own independent court system.</p> <p>Judicial Committee of the UK Privy Council the final court of appeal.</p>	<p>British Overseas Territory. Self-governing. Part of the Commonwealth. HM the Queen of England head of state.</p> <p>UK is responsible for the appointment of the Governor, external affairs, internal security and the administration of the courts.</p> <p>Part of the Eastern Caribbean Court system.</p> <p>Judicial Committee of the UK Privy Council the final court of appeal.</p>	<p>British Overseas Territory. Self-governing. Part of the Commonwealth. HM the Queen of England head of state.</p> <p>UK is responsible for the appointment of the Governor, national security and the administration of the courts.</p> <p>Own independent court system.</p> <p>Judicial Committee of the UK Privy Council the final court of appeal.</p>
(2)	Primary trusts legislation	Trusts (Jersey) Law 1984 (as amended) (the “Trusts (Jersey) Law”)	<p>The Trusts (Guernsey) Law, 2007 (as amended) (the “Trusts (Guernsey) Law”)</p> <p>The Public Trustee (Bailiwick of Guernsey) Law, 2002</p>	<p>Trustee Act 1961 (as amended)</p> <p>Virgin Islands Special Trusts Act, 2003 (as amended in 2013) (“VISTA”)</p>	Trusts Act (2021 Revision)

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				Recognition of Trusts Act (Overseas Territories) Order, 1987	
				Trustees' Relief Act 1877	
(3)	Applicability of principles of English common law and equity	Indirectly through the principles being reflected by statute and customary law and where the statutory provisions are silent or the issue is absent in customary law the courts regard English and other Commonwealth judicial precedent as guidance.	Indirectly through the principles being reflected by statute and Guernsey customary law and where the statutory provisions are silent or the issue is absent in customary law the courts regard English and other Commonwealth judicial precedent as guidance.	Yes, although as altered by statute.	Yes, although as altered by statute.
(4)	Applicability of the Hague Convention on the Law Applicable to Trusts and on their Recognition	The Convention provisions have been extended to Jersey and many of these are reflected in the Trusts (Jersey) Law.	The Convention provisions have been extended to Guernsey and many of these are reflected in the Trusts (Guernsey) Law.	The majority of the Convention provisions have been extended to the BVI by statutory instrument and many of these are reflected in the statutory provisions dealing with conflict of laws.	The Convention has not been extended to the Cayman Islands but some of its provisions are reflected in the Trusts Act (2021 Revision).
(5)	Types of express (written) trusts	<ul style="list-style-type: none"> – Discretionary – Life interest – Charitable purpose – Non-charitable purpose (see below) – Bare – Unit – Pension – Employee benefit <p>Settlor-reserved power (see below) and asset protection (see below) provisions can be included in most of these.</p>	<ul style="list-style-type: none"> – Discretionary – Life interest – Charitable purpose – Non-charitable purpose (see below) – Bare – Unit – Pension – Employee benefit <p>Settlor-reserved power (see below) and asset protection trust (see below) provisions can be included in most of these.</p>	<ul style="list-style-type: none"> – Discretionary trust – Life interest trust – Charitable purpose trust – Non-charitable purpose (see below) – Bare – Unit – Pension – Employee benefit trust <p>VISTA trust (see below) and settlor-reserved power (see below) provisions can be included in most of these.</p>	<ul style="list-style-type: none"> – Discretionary – Life interest – Charitable purpose – Non-charitable purpose – Bare – Unit – Pension – Employee benefit – STAR (see below) – Exempted (see below) <p>Settlor reserved power trust (see below) or an asset protection trust (see below).</p>

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(6)	Non charitable purpose trusts	Specific provisions under the Trusts (Jersey) Law, subject to the requirements for an enforcer to enforce the purposes. The purposes may be of any number or kind as long as they are lawful, not contrary to public policy or so uncertain as to render performance impossible.	Specific provisions under the Trusts (Guernsey) Law, subject to the requirements for an enforcer to enforce the purposes. The purposes may be of any number or kind as long as they are lawful, not contrary to public policy or so uncertain as to render performance impossible.	Specific provisions under the Trustee Act, subject to the requirements that the purpose is specific, reasonable and possible, at least one trustee is a 'designated trustee' (such as a BVI licensed trustee or registered private trust company), and an enforcer is appointed.	Specific provisions under the Special Trust Alternative Regime, commonly referred to as the STAR Law, as consolidated into the Trusts Act (2021 Revision). The objects of a STAR trust or power may be persons or purposes or both. The persons or purposes may be of any number or kind as long as they are lawful and not contrary to public policy. A STAR trust must have at least one trustee that is a trust company licensed, or a private trust company licensed, or a private trust company registered, in the Cayman Islands.
(7)	Reserved power provisions	Specific provisions under the Trusts (Jersey) Law such that a wide range of powers can be reserved by the settlor or granted to others.	Specific provisions under the Trusts (Guernsey) Law such that a wide range of powers can be reserved by the settlor or granted to others without invalidating the trust.	Yes. Section 86 of the Trustee Act permits powers to be reserved by the settlor and VISTA trusts are also frequently set up to reserve managerial/administrative/ investment powers to the settlor as director of an underlying company.	Yes. The Trusts Act (2021 Revision) specifically provides that a wide range of powers can be reserved by the settlor of a trust or granted to others without invalidating the trust.
(8)	Trustees	Minimum of one trustee (corporate or individual). Subject to special requirements for certain types of unit trusts which are regulated by the Control of Borrowing (Jersey) Law 1947	Minimum of two unless: – one was originally appointed; – a corporate trustee is appointed to act; or – the trust instrument permits just one.	Minimum of one trustee (corporate or individual). Subject to special requirements for vista and non-charitable purpose trusts, trustees can be licensed BVI professional	Minimum of one trustee (corporate or individual). Subject to special requirements for STAR trusts and certain types of unit trusts which are licensed mutual funds, trustees can be licensed

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		or the Collective Investment Funds (Jersey) Law 1998 (as amended), trustees can be licensed Jersey professional trustees, Jersey private trust companies or foundations, foreign corporate trustees or individuals (wherever resident).	Subject to special requirements for certain types of unit trusts which are regulated under the POI Law, trustees can be licensed Guernsey professional trustees, Guernsey private trust companies or foundations, foreign corporate trustees or individuals (wherever resident).	trustees, BVI exempt private trust companies, foreign corporate trustees or individuals (wherever resident).	Cayman Islands professional trustees, Cayman Islands private trust companies, foreign corporate trustees or individuals (wherever resident).
(9)	Private trust companies legislation and regulations	Financial Services (Trust Company Business (Exemptions) (Jersey) Order 2000.	A PTC which derives any income, fee, emolument or other consideration in money or money's worth for acting as trustee must either apply for a discretionary exemption from licensing (see below) or a full fiduciary licence under the Regulation of Fiduciaries, Administration Businesses and Company directors, etc. (Bailiwick of Guernsey) Law, 2000 (the " Fiduciaries Law "). Discretionary exemptions from licensing are available subject to the discretion of the Guernsey Financial Services Commission (the " GFSC ") provided that certain criteria are met.	Financial Services (Exemptions) Regulations 2007 (as amended in 2013).	Banks and Trust Companies Act (2021 Revision) and the Private Trust Companies Regulations (2020 Revision).
(10)	Regulation of professional trust Companies	By the Jersey Financial Services Commission.	By the Guernsey Financial Services Commission.	By the BVI's Financial Services Commission.	By the Cayman Islands Monetary Authority.

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(11)	Protectors permitted	Yes	Yes	By statute	Yes
(12)	Requirements for trust to hold local assets or to have local trust administration	None (except in the case of certain unit trusts).	None (except in the case of certain unit trusts).	None	None (except in the case of certain unit trusts).
(13)	Perpetuity period for beneficiary trusts	No, so Jersey trusts may exist in perpetuity.	No, so Guernsey trusts may exist in perpetuity.	360 years, plus a 'wait and see' rule whereby a disposition or power will only fail when it actually takes effect outside the perpetuity period. However, a non-charitable purpose trust may exist in perpetuity.	150 years, plus a 'wait and see' rule whereby a disposition or power will only fail when it actually takes effect outside the perpetuity period. However, STAR trusts (including those for persons as beneficiaries) may exist in perpetuity.
(14)	"Firewall" legislation on governing law and anti-forced heirship and non-recognition of foreign judgments	Such provisions protecting Jersey law trusts and their trustees from foreign law and judgments are specifically included in the Trusts (Jersey) Law.	Such provisions protecting Guernsey law trusts and their trustees from foreign law and judgments are specifically included in the Trusts (Guernsey) Law.	Such provisions protecting BVI law trusts and their trustees from foreign law and judgments are specifically included in the Trustee Act.	Such provisions protecting Cayman Islands law trusts and their trustees from foreign law and judgments are specifically included in the Trusts Act (2021 Revision).
(15)	Legislative provisions protecting transfers into trust from creditors' claims	No, although to succeed in a claim (brought by way of a Pauline action), the creditor must be able to evidence set criteria, including that the transfer of assets was made with an intention to defraud the creditor and that he suffered actual prejudice as a result.	No, although to succeed in a claim (brought by way of a Pauline action), the creditor must be able to evidence set criteria, including that the transfer of assets was made with an intention to defraud the creditor and that he suffered actual prejudice as a result.	No, such claims would likely be subject to the English Statute of Elizabeth.	Yes. Under the Fraudulent Dispositions Law (1996 Revision) a disposition made at an undervalue (such as a disposition to trustees) is only subject to the claims of a creditor if the creditor can show an intent willfully to defraud and then only for up to six years from the date of transfer.

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(16)	Legislative provisions protecting third parties such as lenders who deal with trustees and limiting recourse to the trust fund	Yes under the Trusts (Jersey) Law and provided that persons paying or lending money to trustees need not consider the propriety of the transaction or the application of the money.	Yes under the Trusts (Guernsey) Law provided that a trustee will incur personal liability if it fails to disclose to a third party (with whom it is transacting) that the trustee is acting in such a capacity and the third party is otherwise unaware of the fact. Otherwise the lender has recourse to the trust fund only by way of subrogation to the trustee's right of indemnity.	Yes under the Trustee Act although some of these only apply if the trust instrument so specifies.	Yes but only requiring trustees to inform third parties that they are dealing as trustees.
(17)	Legislative provisions aimed at trustees holding controlling shareholdings in companies	No, so Jersey trusts commonly include an 'anti-Bartlett' provision and purpose trusts can be established with a purpose specifically to hold the shares of a controlled company with no obligation on the part of the trustees to intervene in its management.	No, so Guernsey trusts commonly include an 'anti-Bartlett' provision and purpose trusts can be established with a purpose specifically to hold the shares of a controlled company with no obligation on the part of the trustees to intervene in its management.	Yes, VISTA is an alternative trust regime whereby controlled companies can be managed by their directors free from trustee intervention and the trustee will be exonerated from liability for the consequences of not intervening in management decisions.	No, so Cayman Islands trusts commonly include an 'anti-Bartlett' provision and STAR trusts can be established with a purpose specifically to hold the shares of a controlled company with no obligation on the part of the trustees to intervene in its management.
(18)	Other relevant or jurisdiction specific legislative provisions	<p>Specific provisions as to when the courts have jurisdiction over trusts and the powers of the court to intervene.</p> <p>Provisions extending the circumstances in which the court may vary trusts on behalf of minor, unborn or unascertained beneficiaries.</p> <p>Provisions enabling the court to provide directions to a</p>	<p>Specific provisions as to when the courts have jurisdiction over trusts and the powers of the court to intervene.</p> <p>Provisions extending the circumstances in which the court may vary trusts on behalf of minor, unborn or unascertained beneficiaries.</p> <p>Provisions enabling the court to provide directions to a</p>	<p>Specific provisions as to when the courts have jurisdiction over trusts.</p> <p>Provisions relating to the construction of express powers to vary trusts.</p> <p>Provisions extending the circumstances in which the court may vary trusts on behalf of minor, unborn or unascertained beneficiaries</p>	<p>Specific provisions as to when the courts have jurisdiction over trusts and the powers of the court to intervene.</p> <p>Provisions extending the circumstances in which the court may vary trusts on behalf of minor, unborn or unascertained beneficiaries.</p> <p>Provisions enabling the court to provide directions to a</p>

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		trustee as to how a trustee should act in the affairs of a trust.	trustee as to how a trustee should act in the affairs of a trust.	and provisions enabling trust instruments to appoint persons to approve such variations.	trustee as to how a trustee should act in the affairs of a trust.
		<i>Cy-près</i> type provisions enabling the courts to make declarations in respect of both charitable and non-charitable purpose trusts where the purpose can no longer effectively be given effect to.	<i>Cy-près</i> type provisions enabling the courts to make declarations in respect of both charitable and non-charitable purpose trusts where the purpose can no longer effectively be given effect to.	<i>Cy-près</i> type provisions enabling the courts to make declarations in respect of both charitable and non-charitable purpose trusts where the purpose can no longer effectively be given effect to.	<i>Cy-près</i> type provisions enabling the courts to make declarations in respect of STAR trusts where the purpose can no longer effectively be given effect to.
		Provisions relating to the standard of trustees' duties.	Provisions relating to the standard of trustees' duties.	Provisions relating to 'illusory appointments'.	Provisions providing for trusts to be registered as exempted trusts and for trust documents to be lodged with the Registrar of Trusts.
		Provisions relation to the delegation of the trustees' duties to managers and other professional advisers.	Provisions relation to the delegation of trustees' duties to managers and other professional advisers.	Provisions enabling managing trustees to be appointed.	Specific provisions permitting a court to set aside flawed exercises of fiduciary powers (commonly referred to as 'statutory Hastings Bass rules').
		Specific provisions enabling a trustee to contract with itself in respect of different trusts.	The office of the Guernsey Public Trustee who has powers under the Public Trustee (Bailiwick of Guernsey) Law, 2002 to act as trustee of a Guernsey law governed trust in certain circumstances.	Specific provisions permitting a court to set aside flawed exercises of fiduciary powers (commonly referred to as 'statutory Hastings Bass rules').	
		Specific provisions permitting a court to set aside flawed exercises of fiduciary powers (commonly referred to as 'statutory Hastings Bass rules').			
(19)	Requirement for governmental regulatory approvals for establishing trusts	None other than for certain unit trusts.	None other than for certain unit trusts.	None other than for certain unit trusts.	None other than for certain unit trusts.
(20)	Governmental fees for establishing trusts	None	None	None	None other than CI\$500.00 per annum if voluntarily registered as an exempted trust.

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(21)	Governmental duty	None	None	US\$200.00 trust duty applicable to settlements and declarations of trust by affixing revenue stamps to the document which must be cancelled by an 'authorised person' (which includes the settlor, a trustee or a BVI lawyer). However, this does not require the lodging of the document with any governmental body. Bare trusts and Charitable trusts are exempt.	CI\$40.00 (approximately US\$49.00) applicable to settlements and declarations of trust. However, this does not require the lodging of the document with any governmental authorities.
(22)	Timing for establishing a trust	A straightforward discretionary trust can be established within a few days, although subject to the AML requirements being met.	A straightforward discretionary trust can be established within a few days, although subject to the AML requirements being met.	A straightforward discretionary trust can be established within a few days, although subject to the AML requirements being met.	A straightforward discretionary trust can be established within a few days, although subject to the AML requirements being met.
(23)	Filing requirements and confidentiality	Other than for certain unit trusts which are regulated by the Control of Borrowing (Jersey) Law 1947 or the Collective Investment Funds (Jersey) Law 1988 (as amended) and thus need to be registered in accordance with the requirements of those laws, there are no public filing requirements for trusts and trust instruments are confidential documents. An exempt private trust company (see below) must be administered by a person	Other than for certain unit trusts which are regulated as collective investment schemes by the GFSC under the Protection of Investors (Bailiwick of Guernsey) Law, 1987 (as amended) (the " POI Law ") and thus need to be authorised by or registered with the GFSC in accordance with that law, there are no public filing requirements for trusts and trust instruments are confidential documents. Unless it obtains a discretionary exemption	Other than for certain unit trusts which are 'public funds' and thus need to be registered in accordance with the requirements of the Mutual Funds Act 1996 (as amended), there are no public filing requirements for trusts and trust instruments are confidential documents. The registered agent of a company which is an exempt private trust company (see below) must retain copies of the trust instrument and other essential records at	Other than for certain unit trusts which are regulated mutual funds under the Mutual Funds Act (2021 Revision) or the Private Funds Act (2021 Revision) and in the case of exempted trusts (in respect of which documents lodged are not available for public inspection), there are no public filing requirements for trusts and trust instruments are confidential documents. The Confidential Information Disclosure Act, 2016 (the " CIDA ") makes it a breach

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		<p>who is licensed to carry out trust company business under the Financial Services (Jersey) Law 1998 (as amended) but there is no requirement for the regulatory authorities to be provided with the trust instrument or other essential records of the trust or for these documents to be filed publicly.</p>	<p>from the GFSC, a private trust company which is acting by way of business must be licensed to act as a trustee under the Fiduciaries Law. An exempt private trust company must be administered by a company licensed under the Fiduciaries Law which must retain certain information about the private trust company's ownership and control structure and about its activities.</p> <p>There is no requirement in either case for the GFSC to be provided with the trust instrument or other essential records of the trust or that these documents are filed publicly.</p>	<p>their offices in the BVI. There is no requirement for the regulatory authorities to be provided with these or for them to be filed publicly.</p>	<p>of the duty of confidence to disclose confidential information otherwise than in prescribed circumstances set out in section 3(1) of the CIDA, such as under certain Cayman Islands laws and as required by a Cayman Islands court, among other limited circumstances. "Confidential Information" is defined broadly and includes information, arising in or brought into the Cayman Islands concerning any property of a principal, to whom the duty of confidence is owed by the recipient of the information. A "principal" is defined as a person to whom a duty of confidence is owed. Section 3(2) of the CIDA further provides that a person who discloses confidential information on wrongdoing, or in relation to a serious threat to the life, health, safety of a person or in relation to a serious threat to the environment, will have a defence to an action for breach of the duty of confidence as long as that person acted in good faith and in the reasonable belief that the information was substantially true and</p>

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					disclosed evidence of wrongdoing, of a serious threat to the life, health, safety of a person or of a serious threat to the environment.
(24)	Any applicable taxes	<p>No capital gains or inheritance taxes. Resident and ordinarily resident persons are subject to income tax.</p> <p>If the settlor and beneficiaries are all non-Jersey resident, full exemption from Jersey taxation is given to foreign income and Jersey bank interest, by concession.</p>	<p>No capital gains or inheritance taxes. Resident and ordinarily resident persons are subject to income tax.</p> <p>If the settlor and beneficiaries are all non-Guernsey resident, full exemption from Guernsey taxation is given to foreign income and Guernsey bank interest, by concession.</p>	<p>No capital gains or inheritance taxes. Income tax is zero rated.</p> <p>Other exemptions from taxation are also provided for under the Trustee Act.</p>	<p>No capital gains, inheritance, or income taxes.</p> <p>Additionally, if a trust is registered as an exempted trust, the trustee may apply for an undertaking from the Financial Secretary of the Cayman Islands that the trust will be exempt from any subsequently introduced tax for up to 50 years.</p>

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