

# Philanthropy in Jersey



“Jersey is an ideal jurisdiction in which to establish philanthropic structures”

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Philanthropy is a topic of increasing importance for those who, having achieved success in business, are keen to use their skills and resources to embark on giving initiatives, to make a real difference to something that matters greatly to them.

Jersey is an ideal jurisdiction in which to establish philanthropic structures: it offers stability (politically, economically and geographically), a robust regulatory regime, a well-respected judicial system, a depth and breadth of experience amongst its professional advisers, and a body of legislation that places strong emphasis on the importance of flexibility, allowing for the creation of structures designed to meet an individual client's requirements.

The two principal structures used in Jersey for philanthropy are the trust and the foundation. Both can be used to pursue particular initiatives which, although benevolent or altruistic, may not be strictly charitable.

The Trusts (Jersey) Law 1984 allows for the creation of charitable trusts and, for causes which fall outside the definition of "charity" (such as projects for humanitarian, ecological or research purposes), also provides for the establishment of non-charitable purpose trusts. Both forms of trust can be established for an unlimited period. As there is no registration of trusts in Jersey, the existence of a trust for philanthropic purposes is not a matter of public record: this can be important for those wishing to maintain a low profile.

Foundations have become an attractive alternative to trusts for those interested in philanthropy. The Foundations (Jersey) Law 2009 is very flexible and allows for the creation of a foundation for purposes – known as objects – which are charitable, non-charitable, or both charitable and non-charitable.

A foundation can be established for an unlimited period and is an incorporated body, brought into being following the completion of a registration process. For those wishing to maintain an open profile, the fact that a foundation's existence is a matter of public record can often be important.

The constitutional documents of a foundation are its charter and regulations. A foundation is incorporated on the instruction of the founder, with a council to administer its assets and carry out its objects and a guardian who has an enforcement role. One of the council members must be a "qualified person" with the appropriate regulatory licence pursuant to the Financial Services (Jersey) Law 1998: this member is known as the qualified member. For those wishing to have an ongoing involvement with their chosen project, the Foundations Law allows a founder to be the guardian and/or a council member.

With an established record for creating charitable and non-charitable purpose trusts, and significant numbers of foundations already incorporated to promote a broad range of giving initiatives, it is clear that Jersey has a valuable role to play in the field of philanthropy. ■

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