

**MEMORANDUM OF UNDERSTANDING  
BETWEEN  
THE COMPETENT AUTHORITIES  
OF  
THE GOVERNMENT OF THE PEOPLE’S REPUBLIC OF CHINA  
AND  
THE GOVERNMENT OF JERSEY  
CONCERNING  
THE INTERPRETATION OR APPLICATION  
OF  
THE AGREEMENT BETWEEN THE GOVERNMENT OF THE PEOPLE’S  
REPUBLIC OF CHINA AND THE GOVERNMENT OF JERSEY FOR THE  
EXCHANGE OF INFORMATION RELATING TO TAXES**

The State Administration of Taxation of the People’s Republic of China and the Treasury and Resources Minister of Jersey (hereinafter referred to as “the competent authorities”), desiring to facilitate proper application of the Agreement between the Government of the People’s Republic of China and the Government of Jersey for the Exchange of Information Relating to Taxes (hereinafter referred to as “the Agreement”), have reached the following understandings:

1. With respect to paragraph 8 of Article 5 (*Exchange of Information Upon Request*) of the Agreement, it is understood that the competent authority of the requested Party shall forward the requested information as promptly as possible to the requesting Party. To ensure a prompt response, the competent authority of the requested Party shall:
  - (a) confirm receipt of a request in writing to the competent authority of the requesting Party and shall notify the competent authority of the requesting Party of deficiencies in the request, if any, within 60 days of receipt of the request.
  - (b) if the competent authority of the requested Party has been unable to obtain and provide the information within 90 days of receipt of the request, including if it encounters obstacles in furnishing the information or it refuses to furnish the information, it shall immediately inform the requesting Party, explaining the reason for its inability, the nature of the obstacles or the reasons for its refusal.
  
2. With respect to Article 10 (Costs) it is understood that:
  - (a) The term “extraordinary costs” includes, but is not limited to:
    - (i) reasonable costs of reproducing and transporting documents or records to the competent authority of the requesting Party;
    - (ii) reasonable fees charged by a financial institution or other third party record keeper for copying records and research related to a specific request for information;
    - (iii) reasonable costs for stenographic reports and interviews, depositions or testimony;
    - (iv) reasonable fees and expenses, determined in accordance with amounts allowed under applicable law, of a person who voluntarily appears in

- China or in Jersey for an interview, deposition or testimony relating to a particular information request;
- (v) reasonable legal fees for non-government counsel appointed or retained, with the approval of the competent authority of the requesting Party, for litigation in the courts of the requested Party related to a specific request for information;
- (b) The term “ordinary costs” includes, but is not limited to, ordinary administrative, postal and overhead expenses incurred by the requested Party in reviewing and responding to information requests submitted by the requesting Party.
  - (c) If the extraordinary costs pertaining to a specific request are expected to exceed £500 (five hundred sterling pounds), the competent authority of the requested Party will contact the competent authority of the requesting Party to determine whether the requesting Party wants to continue to pursue the request.
  - (d) The competent authorities will consult not later than 12 months after the date the Agreement enters into force, and upon request of either competent authority thereafter, with respect to costs incurred or potentially to be incurred under the Agreement and with a view to minimizing such costs.

3. Formal communications, including requests for information, made in connection with or pursuant to the provisions of the Agreement entered into will be in writing directly to the competent authority of the other party at the addresses given below, or such other address as may be notified by one party to the other from time to time. Any subsequent communications regarding requests for information will be either in writing or verbally, whichever is most practical, between the earlier mentioned competent authorities or their authorized representatives.

In the case of the People’s Republic of China, the address is No. 5, Yangfangdian West Road, Haidian District, Beijing, 10038, the People’s Republic of China

In the case of Jersey, the address is PO Box 56, Cyril Le Marquand House, The Parade, St Helier, Jersey JE4 8PF

4. This Memorandum of Understanding will come into effect on the entry into force of the Agreement.

5. The competent authorities may jointly decide, in writing, to amend this Memorandum of Understanding at any time. Amendments to this Memorandum of Understanding will come into effect on the date of the final letter confirming the amendment.

6. This Memorandum of Understanding will remain in effect until terminated at any time in writing, by either competent authority.

**DONE** at St Helier in duplicate this 29<sup>th</sup> day of October 2010, in the Chinese and English languages, both texts being equally authentic.

**FOR THE STATE ADMINISTRATION  
OF TAXATION OF THE PEOPLE'S  
REPUBLIC OF CHINA**

XIAO Jie

**FOR THE TREASURY AND  
RESOURCES MINISTER OF  
JERSEY**

Terry Le Sueur