

STATES OF JERSEY



DRAFT FINANCE (2025 BUDGET) (JERSEY) LAW 202- (P.72/2024) – CHILDREN’S RIGHTS IMPACT ASSESSMENT

**Presented to the States on 14th October 2024
by the Minister for Treasury and Resources**

STATES GREFFE

CHILDREN'S RIGHTS IMPACT ASSESSMENT (CRIA)

PART 1: SCREENING

Name and title of Duty Bearer:	Minister for Treasury & Resources
Type of Duty Bearer: (Minister, Elected Member or States Assembly Body)	Minister
Assessment completed by (if not completed by duty bearer):	Revenue Jersey
Date:	11/10/2024

1) Name and brief description of the proposed decision

The subject of your CRIA may be a proposed law, policy or proposition and in accordance with the Law is referred to in this template as the '**decision**'

- What is the problem or issue the decision is trying to address?
- Do children experience this problem differently from adults?

The draft Finance (2025 Budget) (Jersey) Law 202- enacts the tax measures in the proposed Budget 2025-2028.

In summary those measures are:

- Setting the standard rate of income tax for year of assessment 2025
- Increasing the personal tax thresholds and allowances
- Increasing excise duties
- Introducing group relief for property transactions within same corporate structure
- Expanding the current small distillers' relief to capture more producers
- Editorial updates and tax technical amendments

None of these measures have any direct impact on children. The measures that may have a small indirect impact are outlined below.

Excise duty on tobacco

The Children (Convention Rights) (Jersey) Law 2022 (CCR) defines a child as an individual who has not yet reached the age of 18. It is illegal to sell tobacco products to anyone below the age of 18. Therefore, there should be no impact on children from the increases to tobacco duties.

However, it is acknowledged that a small number of under 18s are likely to purchase and/or consume tobacco products.

Excise duty on cigarettes and rolling tobacco is increased by 8.6% (5.p.p. above forecast RPI) in the effort to reduce the uptake of smoking, particularly among children and young people, for whom it is acknowledged that the price point is a significant factor in driving consumption. The increase will add £0.83 to a standard packet of cigarettes and £3.32 to a 30g tobacco pouch in an effort to continue to place downward pressure on young people taking up smoking.

Personal tax thresholds and allowances

The 3.6% increase to the personal tax thresholds and allowances will increase the amount of money in people's pockets by reducing their tax liabilities (all else being equal). If the measures are adopted, single taxpayers will see a reduction in their tax liability of £182, while married couples and civil partnerships will see a reduction of £299 annually.

Additionally, Ministers are proposing to increase child allowance, reducing a taxpayer's tax liability by £39 per child per year. Those eligible for the Additional Personal Allowance, namely non-married parents and those with an incapacitated legal partner, will see a further reduction of £52 per year. Finally, the increases to the maximum available childcare tax relief caps will provide further support up to a maximum of £65 for each school aged child, and £182 for pre-school age children every year.

The increase in disposable household income as a result of these changes may have a small, indirect impact on children.

2) Which groups of children and young people are likely to be affected?
 Groups of children could include early years, primary or secondary education; young adults; children with additional learning needs; disabled children; children living in poverty; children from particular ethnic backgrounds; migrants; refugees; care experienced children and LGBTQ+ children

The increases to tax allowance will affect an estimated 90% of personal taxpayers. Invariably, this will include taxpayers with children who may indirectly benefit from an increase in household income as a result of these proposals.

There will also be an impact on children and young people purchasing or consuming tobacco.

3) What is the likely impact of the proposed decision on children and on their rights?

- Identify any potential positive OR negative impacts and include indirect impacts on children and their rights as described in the UNCRC
- Will different groups of children be affected differently by this decision?

There are no direct impacts on children's rights.

The increase in disposable household income as result of the increase to personal tax allowances may have an indirect, positive impact on the right to an adequate standard of living, as set out in Article 27 of the United Nations Convention on the Rights of the Child.

Additionally, the increases to tobacco duties promote the right to the best standard of health under Article 24 of the UNCRC.

Any impact on these rights will be minimal and indirect.

4) Is a full Children's Rights Impact Assessment required?
 If you have identified impacts on children and their rights, a full CRIA should be completed. If no impacts are identified then a Full CRIA is not required, but please explain your rationale and how you reached this conclusion

A full impact assessment is not required. While this proposition is exempt from the requirement to complete a CRIA in accordance with paragraph (g) of Schedule 2 of the CCR, completion of the preliminary assessment evidences the Minister's compliance with the duty to have due regard of children's rights when formulating policy.

There are no direct impacts on children's rights as a result of this policy. There may be a small indirect impact on children as a result of increased household disposable income. There may also be an impact on children purchasing alcohol or tobacco products. However, neither of these changes will have a notable impact any rights set out in the UNCRC.