

**WRITTEN QUESTION TO THE MINISTER FOR TREASURY AND RESOURCES
BY DEPUTY S.G. LUCE OF GROUVILLE AND ST. MARTIN
QUESTION SUBMITTED ON MONDAY 20th MARCH 2023
ANSWER TO BE TABLED ON MONDAY 27th MARCH 2023**

Question

“Will the Minister advise the Assembly –

- (a) how many people in Jersey who are over the age of 16 are eligible to work;
- (b) how many of those eligible to work do so on a full-time basis;
- (c) how many such people work on a part-time basis;
- (d) of those individuals who work how many pay income tax;
- (e) of those individuals who pay income tax what percentage work within the finance industry; and
- (f) what the income tax take is from employees in the finance industry as a percentage of total tax take from all those who pay income tax?”

Answer

- (a) For the purposes of this WQ, ‘eligible to work’ has been defined as an adult, between 16-64, who is not unable to work due to sickness or disability. The 2021 Census shows 66,030 individuals who are eligible to work. Census Day in 2021 was 21 March. All data provided relates to the position as that point in time.
- (b) The 2021 Census showed 41,330 individuals were working full time for an employer. A further 6,430 individuals were self-employed; it is not known whether these individuals were working full-time or part-time.
- (c) The 2021 Census showed 7,150 individuals were working part-time for an employer.
- (d) In December 2022 there were approximately 46,000 individuals who had amounts deducted from their employment income through ITIS. (This may be expected to fluctuate throughout the year due to seasonal employment and ITIS effective rates being adjusted.) Not all working individuals will pay income tax through ITIS.
- (e) Approximately 20% of the individuals who had tax deducted through ITIS in December 2022 work within the finance industry.
- (f) Based on the full year 2022, employees in the finance industry account for approximately 27% of the deductions made through ITIS.

Notes

1. In order to respond to parts d and e the ITIS returns from employers were analysed for December 2022, with the full 12 months of ITIS returns being used for part f
2. The ITIS returns are received monthly from employers detailing the number of employees, the gross pay and the amount of tax deducted from the employee based on their Tax Effective rate.
3. December 2022 was selected being the most recent complete information available.

4. The count of employees is a count of individuals employed by businesses therefore where an individual works in more than one industry (Standard Industry Classification SIC) (full or part time), they may be counted more than once.
5. Deductions made through ITIS include amounts for income tax, LTC contributions and may include payments to cover previous years of assessment debt, or provide overpayments.
6. This only considers employees of employers who have a SIC code for 'Financial and Insurance Activities'. This will not include some entities in allied categories such as the legal profession, etc.
7. Whilst it would be possible to look at the tax paid by the individuals in the finance industry (based on ITIS employer SIC code) from their personal tax return, it becomes complicated for married couples, as the tax payable is derived from the total income of the couple. For example, where you have a married couple one of whom works in the finance industry and the other in the civil service , their total tax payable is based on both of their incomes. Until independent taxation is introduced, it is not possible to separate individual tax liabilities for married couples.
8. The SIC codes are based on the SIC code selected by the employer in their last tax return or, where this is not available, the information held in the static data.
9. Due to the responses for this question being drawn from different datasets, it may be expected that the responses to parts a to c will not completely align to those for parts d to f.