

**WRITTEN QUESTION TO THE MINISTER FOR TREASURY AND RESOURCES
BY DEPUTY K.M. WILSON OF ST. CLEMENT
QUESTION SUBMITTED ON MONDAY 17th JUNE 2024
ANSWER TO BE TABLED ON MONDAY 24th JUNE 2024**

Question

“Will the Minister advise whether she is aware of any actual or potential inequalities arising from current tax policy, and if any such inequalities have been identified, which group of taxpayers are considered most at risk, and what steps her department are considering, if any, to reduce this inequality?”

Answer

Tax policy is developed in accordance with a set of tax policy principles that have been agreed by the States Assembly.

As stated in the principles themselves, no individual tax measure will meet all these principles. Overall, however, the Island’s tax regime should represent a sustainable balance of them.

Fairness and equality can have different meanings to different people. In the personal tax system, it can relate to equality based on age, sex, sexual orientation or marital status – dealing with some historic equality issues across these areas has been the impetus behind the major reform package to introduce independent taxation.

If the Deputy is aware of or has a concern that there is a particular actual or potential inequality across the combined package of Jersey’s taxes, I would be happy to receive details of the issue and the basis for the concern.

Fair and sustainable

1. Taxation must be necessary, justifiable and sustainable
2. Taxes should be low, broad, simple and fair
3. Everyone should make an appropriate contribution to the cost of providing services, while those on the lowest incomes should be protected

Support broader Government Policy

4. Taxes must be internationally competitive
5. Taxation should support economic, environmental, and social policy

Efficient and effective

6. Taxes should be easy to implement, administer and comply with, at a reasonable cost
7. No individual tax measure will meet all these principles. But overall, the Island’s tax regime should represent a sustainable balance of them