

**WRITTEN QUESTION TO THE MINISTER FOR TREASURY AND RESOURCES
BY DEPUTY C.S. ALVES OF ST. HELIER
ANSWER TO BE TABLED ON TUESDAY 2nd JULY 2019**

Question

Will the Minister state –

- (a) when the review of the Income Tax system started;
- (b) how much public involvement there has been in this review;
- (c) how much has been spent to date on the different elements of the review; and
- (d) when the review will finish and the Minister will feed back the findings of the review to the Assembly?

Answer

- (a) The review of the personal tax system commenced in 2016. The first phase reported in March 2017 (R.30/2017): this provided information about changes in the numbers and types of personal income-taxpayers since 2007; and also provided a report from external economists (Oxera) describing the impact on seven Jersey household types of the main changes in tax and contributions over the period 2006 to 2015. This was intended to provide a platform of common and shared understanding of our personal tax system to assist States members in evaluating the outcome of the second stage of the review.
- (b) The second phase of the review commenced in 2017 and this has looked at the options for modernising the personal-tax system. Public involvement in the review has included a survey using social media (a “chatbot”) which received over 1,200 responses; 10 focus groups of islanders run over the period February to June 2018; and an island-wide survey launched in January 2019 and completed in March which elicited over 2,700 responses.
- (c) The main cost of the review has been the costs of one senior policy officer. We estimate that paybill cost at around £84,000. The costs of running the public engagement exercises described above were in the region of £63,000.
- (d) The Minister will announce her recommendations for modernising the personal-tax system later in the year, alongside the Government Plan. Subject to the Assembly’s support for her recommendations, legislation will be lodged in 2020 with a view to the new system being in play for the 2021 year of assessment.