

**WRITTEN QUESTION TO THE MINISTER FOR TREASURY AND RESOURCES
BY DEPUTY M. TADIER OF ST. BRELADE
ANSWER TO BE TABLED ON TUESDAY 24TH MAY 2016**

Question

What investigation, if any, has taken place into the feasibility of introducing a tax, other than existing rates, on (i) second homes and (ii) empty properties?

What considerations would need to be taken into account in respect of companies that own multiple residential properties in the Island, were such a tax to be introduced?

Answer

No investigation has taken place into the feasibility of introducing an additional and further tax on second homes and/or empty properties. Rental income arising is already subject to income tax.

As no significant consideration has been given to the introduction of an additional tax on second homes and/or empty properties, it is impractical to set out now the range of issues which might need to be taken into account if such a tax were to be considered. It is the Tax Policy Unit's practice to identify and engage potential stakeholders as early as possible in the policy-development process to scope the range of considerations that policymakers and Ministers might need to take into account.

As the Deputy highlights in his question, second homes and empty properties are currently subject to Parish and Island-wide rates in accordance with the Rates (Jersey) Law 2005. The Rates Law does not include any specific rules that address second homes and/or empty properties (i.e. such properties are subject to the standard rates rules).

The Deputy should also be aware that investigating ways to make more empty properties available to the market is a specific objective identified in the housing strategy (see: <http://www.gov.je/Government/Pages/StatesReports.aspx?ReportID=1975>) and it is understood that relevant work on this objective will commence in 2017.