

**WRITTEN QUESTION TO THE MINISTER FOR SOCIAL SECURITY
BY DEPUTY T.A. COLES OF ST. HELIER SOUTH
QUESTION SUBMITTED ON MONDAY 9th SEPTEMBER 2024
ANSWER TO BE TABLED ON MONDAY 16th SEPTEMBER 2024**

Question

“Will the Minister provide an estimate for the amount of revenue that would be raised in Social Security and Long-Term Care contributions through an increase in the Upper Earnings Limit, broken down into increments of increases of £100,000 up to an income of £1,000,000; and will she further provide the same estimate for revenue that would be raised by removing each Upper Earnings Limit?”

Answer

The following data outlines the amount of revenue that would be raised in Social Security and Long-Term Care contributions through an increase in the Upper Earnings Limit (UEL), broken down into 20% incremental increases, as well as the estimate for revenue that would be raised by removing the Upper Earnings Limit. Estimates are based on the 2022 tax year. More time would be required to undertake the analysis requested, in terms of the amount of revenue that would be raised through an increase in the Upper Earnings Limit broken down into increments of increases of £100,000.

2022	UEL £	Social Security Contributions	Long-Term Care Contributions
2022 UEL	260,688	Increased revenue in £'m	Increased revenue in £'m
20% increase in UEL	312,826	0.9	0.7
40% increase in UEL	364,963	1.6	1.3
60% increase in UEL	417,101	2.1	1.8
80% increase in UEL	469,238	2.6	2.2
100% increase in UEL	521,376	3.0	2.6
No UEL	Removed	9.2	8.2

Value of increased revenue in £'m rounded to nearest £0.1m.

PLEASE NOTE:

- This table includes High Value Residents who may be subject to separate tax arrangements
- No assumptions have been made for possible behavioural change

- Change calculated based on annual income. Monthly income fluctuations may result in differences to additional amounts raised
- Uses data and base UEL (£260,688) from Year Of Assessment 2022