

STATES OF JERSEY

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DRAFT RATES (APPORTIONMENT) (JERSEY) REGULATIONS 200-

**Lodged au Greffe on 13th September 2006
by the Comité des Connétables**

STATES GREFFE



Jersey

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REPORT

The rating system provided by the Rates (Jersey) Law 2005 was outlined in P.66/2005 'Machinery of Government: Relationship between the Parishes and the Executive' and provides that all ratepayers pay the parochial rate agreed by a Parish Assembly to cover the parochial expenses (but excluding any cost for welfare/residential care). In addition all ratepayers pay the Island-wide rate according to whether the property is assessed as being used for domestic purposes or for non-domestic purposes. The Island-wide rate is paid to the States.

The Island-wide domestic and non-domestic rates depend upon –

- (a) The amount to be raised in rates – this is the Annual Island-wide Rates Figure;
- (b) The proportion of the Annual Island-wide Rates Figure to be met from the domestic rate and from the non-domestic rate;
- (c) The number of domestic and non-domestic quarters (this is the rateable value of the land).

The Annual Island-wide Rates Figure (AIRF) for 2007 will be the 2006 Figure increased by the percentage rise in the Jersey Retail Prices Index during the previous 12 months. The AIRF for 2006, calculated in accordance with Article 52 of the Law, was £9,368,416. This was the total of the expenditure in all the parishes, for the financial year ending 30th April 2006, on the relief and maintenance of persons chargeable to a parish who were suffering as a result of hardship, increased by the percentage rise in the Jersey Retail Prices Index during the previous 12 months; and a sum equivalent to 10% of that part of the amount that does not relate to the provision of institutional care.

These Regulations prescribe the proportion of the Annual Island-wide Rates Figure to be met from the domestic rate and from the non-domestic rate from 2007. The proportion has to be prescribed by Regulations in accordance with Article 20 of the Law and it is proposed that it will be the same proportion as was used in 2006 that is to say 55% of the AIRF will be raised from the domestic rate and 45% of the AIRF will be raised from the non-domestic rate. This proportion was agreed by the Connétables having consulted, in accordance with the Law, with the Chief Minister, the Business Consultative Panel and with the public.

The 2006 domestic rate was 0.62 pence per quarter (there were approximately 836 million domestic quarter across the Island) and the non-domestic rate was 1.11 pence per quarter (there were approximately 379 million non-domestic quarters across the Island). The rates for 2007 will depend upon the Retail Price Index increase of the AIRF and the number of domestic and non-domestic quarters in 2007 across the Island. Rateable values are fixed and will only vary if the attributes of the land or property change, but a small increase in the number of quarters may be expected as new buildings are completed and are rated for the first time. As the total quarters will not be known until June 2007 it is impossible to give an indication of the 2007 Island-wide rates at the present time.

The proportion of the AIRF to be met from the domestic rate and from the non-domestic rate may be changed in the future, if circumstances so require, but the Connétables consider that there is great benefit in maintaining the figure from year to year as this will provide ratepayers with a greater degree of certainty about their financial liabilities in the longer term. Accordingly, these Regulations propose the same apportionment from 2007 as was used in 2006.

Explanatory Note

These Regulations state what proportion of the Annual Island-wide Rates Figure shall be met from the domestic rate and what proportion shall be met from the non-domestic rate. The apportionment has effect for the rateable year 2007 and ensuing years.



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Made

[date to be inserted]

Coming into force

[date to be inserted]

THE STATES, in pursuance of Article 20(2) of the Rates (Jersey) Law 2005^[1], have made the following Regulations –

1 Apportionment of Annual Island-wide Rates Figure

- (1) 55% of the Annual Island-wide Rates Figure shall be met from the domestic rate.
- (2) 45% of the Annual Island-wide Rates Figure shall be met from the non-domestic rate.

2 Application, citation and commencement

- (1) These Regulations shall apply for the rateable year 2007 and ensuing years.
- (2) These Regulations may be cited as the Rates (Apportionment) (Jersey) Regulations 200- and shall come into force 7 days after they are made.

