

STATES OF JERSEY



CAPITAL GAINS TAX ON THE SALE OF RESIDENTIAL PROPERTY THAT IS NOT A MAIN RESIDENCE (P.61/2024) – AMENDMENT

**Lodged au Greffe on 23rd September 2024
by Deputy M.B. Andrews of St Helier North
Earliest date for debate: 1st October 2024**

STATES GREFFE

CAPITAL GAINS TAX ON THE SALE OF RESIDENTIAL PROPERTY
THAT IS NOT A MAIN RESIDENCE (P.61/2024)– AMENDMENT

1 PAGE 2, PARAGRAPH (a) –

Substitute the words “received on the” with the words “derived from the disposal or” and substitute the word “purchased” with the word “acquired”.

DEPUTY M.B. ANDREWS OF ST. HELIER NORTH

Note: After this amendment, the proposition would read as follows –

THE STATES are asked to decide whether they are of opinion –

- (a) that, from 1st January 2028, a 20 percent tax should be introduced on any capital gains **derived from the disposal or** sale of residential property **acquired** after that date in Jersey, excluding the sale of a main residence; and
- (b) to request the Minister for Treasury and Resources to bring forward the necessary legislation for approval by the Assembly no later than June 2027.

REPORT

This amendment is intended to clarify the wording of the Proposition – to ensure that it covers the instances in which a property is acquired rather than purchased.

Current owners of second or additional properties will not be subject to a Capital Gains Tax upon the disposal or sale of such properties.

However, a Capital Gains Tax may apply upon the disposal or sale of property that owners acquired after January 2028 that are non-main residencies.

Financial and staffing implications

There will be various staffing requirements –

- the department for Treasury and Resources will need to bring forward the relevant legislation, however, this should be within existing department budget;
- there will be a staffing requirement within the Legislative Drafting Office to draft the required legislation; and
- there will be a staffing requirement to implement the new taxation regime.

There is no data available to provide revenue forecasts.

Children’s Rights Impact Assessment

A Children’s Rights Impact Assessment (CRIA) has been prepared in relation to this proposition and is available to read on the States Assembly website.