

STATES OF JERSEY



DRAFT BUDGET STATEMENT 2013 (P.102/2012): FOURTH AMENDMENT

**Lodged au Greffe on 4th December 2012
by the Minister for Treasury and Resources**

STATES GREFFE

PAGE 2, PARAGRAPH (a) –

After the words “as set out in the Budget Statement” insert the words –

“except that the estimate of income from taxation during 2013 shall be decreased by £561,000 by limiting the proposed increases in fuel duty to 1 pence per litre and increasing the proposed increases on tobacco duty from 10% to 13.2%.”.

MINISTER FOR TREASURY AND RESOURCES

Note: This amendment is being proposed by the Minister for Treasury and Resources less than 14 days before the start of the debate in accordance with the provisions of Standing Order 80A(3) which states –

“(3) Notwithstanding standing order 26, the Minister for Treasury and Resources may propose, without notice, an amendment to a draft budget or taxation draft.”.

Standing Order 80A(4)(b) provides that an amendment of this nature shall be debated “forthwith or at such other time or on such other day as the States decide”.

In accordance with the provisions of Standing Order 80A(4)(b), the Minister will seek the agreement of the States to debate this amendment during the debate on the Draft Budget Statement 2013.

REPORT

The Minister for Treasury and Resources has noted and understands the comments and concerns put forward by Deputy G.C.L. Baudains of St. Clement. As a result, the Minister proposes an amendment to the Draft Budget Statement 2013 which will reduce the increase in fuel duty to 1 pence per litre; this represents an increase of 2.3%.

The financial implications of this amendment are that the increased revenue estimate of £1,435,000 duty on fuel will be reduced to £479,000.

To compensate for the loss in revenue as a result of the fuel duty amendment, the Minister for Treasury and Resources proposes an amendment to the increase in tobacco duty in the Draft Budget Statement 2013. It was proposed to increase tobacco duty by 10%; it is now proposed that tobacco duties should increase by 13.2%. The amendment would increase the duty on a packet of 20 cigarettes by 50p.

The financial implications of this amendment are that the increased revenue estimate of £1,239,000 duty on tobacco will increase to £1,634,000.

The overall effect of these amendments would be a decrease in impôts revenue from £55,574,000 to £55,013,000 and a decrease in Total States Income from £647,044,000 to £646,483,000.