

STATES OF JERSEY



DRAFT FINANCE (2009 BUDGET) (JERSEY) LAW 200

Lodged au Greffe on 21st October 2008
by the Minister for Treasury and Resources

STATES GREFFE



Jersey

DRAFT FINANCE (2009 BUDGET) (JERSEY) LAW 200

European Convention on Human Rights

In accordance with the provisions of Article 16 of the Human Rights (Jersey) Law 2000 the Minister for Treasury and Resources has made the following statement –

In the view of the Minister for Treasury and Resources the provisions of the Draft Finance (2009 Budget) (Jersey) Law 200- are compatible with the Convention Rights.

(Signed) **Senator T.A. Le Sueur**

REPORT

This draft Law gives effect to proposals described in the Draft Budget Statement 2009.

Financial and manpower implications

The financial and manpower implications are clearly identified at Section 9 of the Draft Budget Statement 2009 (P.158/2008).

European Convention on Human Rights

Article 16 of the Human Rights (Jersey) Law 2000 requires the Minister in charge of a Projet de Loi to make a statement about the compatibility of the provisions of the Projet with the Convention rights (as defined by Article 1 of the Law). On 17th October 2008 the Minister for Treasury and Resources made the following statement before Second Reading of this Projet in the States Assembly –

In the view of the Minister for Treasury and Resources the provisions of the Draft Finance (2009 Budget) (Jersey) Law 200- are compatible with the Convention Rights.

Explanatory Note

Article 1 sets the standard rate of income tax for 2009 at 20 pence in the pound. This is subject to any provision of the Income Tax (Jersey) Law 1961 that provides for tax to be charged at a different rate.

Article 2 amends the Stamp Duties and Fees (Jersey) Law 1998 in respect of the special rate of stamp duty available to first-time buyers. The changes are –

- (a) an increase from £300,000 to £400,000 in the maximum value of the property (or of the amount borrowed) for which the special rate is available; and
- (b) the removal of the stamp duty payable by first-time buyers on the first £300,000 of the value of the property (or of the amount borrowed).

Article 3 amends the Customs and Excise (Jersey) Law 1999 so as to increase excise duty payable on spirits, wines, beer, cider and other alcoholic beverages by 5.6% and to increase the excise duty on tobacco by 6%.

Article 4 provides for the citation of the Law and for the amendments made by Articles 2 and 3 to come into force on 1st January 2009.



Jersey

DRAFT FINANCE (2009 BUDGET) (JERSEY) LAW 200

Arrangement

Article

- 1 Standard rate of income tax for 2009
- 2 Stamp Duties and Fees (Jersey) Law 1998 amended
- 3 Customs and Excise (Jersey) Law 1999 amended
- 4 Citation and commencement



Jersey

DRAFT FINANCE (2009 BUDGET) (JERSEY) LAW 200

A LAW to set the standard rate of income tax for 2009, to amend further the Stamp Duties and Fees (Jersey) Law 1998 and to amend further the Customs and Excise (Jersey) Law 1999.

Adopted by the States [date to be inserted]

Sanctioned by Order of Her Majesty in Council [date to be inserted]

Registered by the Royal Court [date to be inserted]

THE STATES, subject to the sanction of Her Most Excellent Majesty in Council, have adopted the following Law –

1 Standard rate of income tax for 2009

There shall be levied and charged in Jersey for the year 2009, in accordance with, and subject to the provisions of, the Income Tax (Jersey) Law 1961^[1], income tax at the standard rate of 20 pence in the pound.

2 Stamp Duties and Fees (Jersey) Law 1998 amended

In Part 1 of the Schedule to the Stamp Duties and Fees (Jersey) Law 1998^[2] –

(a) for item 1(a) there shall be substituted the following paragraph –

“(a)	<p>Where –</p> <p>(i) the borrowing relates to a contract of purchase falling to be charged under item 13(b) or a contract of lease, or transfer of lease, falling to be charged under item 13(m),</p> <p>(ii) the borrowing and the contract relate to the same property,</p> <p>(iii) the acknowledgement and the contract were registered in the Public Registry and passed before the Royal Court on the same day, and</p> <p>(iv) the borrowed amount to be acknowledged does not exceed £400,000,</p>			
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	if that amount –			
	(A) does not exceed £300,000	NIL	<i>Billet</i>	Greffier
	(B) exceeds £300,000 but does not exceed £400,000	NIL in respect of the first £300,000 plus 25p for each £100 or part of £100 in excess thereof, subject to a minimum of £25	<i>Billet</i>	Greffier”;

(b) for item 13(b)(i) to (iv) there shall be substituted the following sub-paragraphs –

“(i) does not exceed £300,000	NIL	Contract	Greffier
(ii) exceeds £300,000 but does not exceed £400,000	NIL in respect of the first £300,000 plus £1 for each £100 or part of £100 in excess thereof	Contract	Greffier”;

(c) for item 13(d) there shall be substituted the following paragraphs –

“(d)	Of creation of <i>rente nouvelle</i> , or of one or more simple <i>conventionnel</i> hypothecs, in association with a contract of purchase falling to be charged under paragraph (b) of this item or in association with a contract of lease, or transfer of lease, falling to be charged under paragraph (m) of this item, where – (i) the contract of creation of the <i>rente nouvelle</i> , hypothec or hypothecs and the contract of purchase, lease or transfer of lease relate to the same property, (ii) both contracts were registered in the Public Registry and passed before the Royal Court on the same day, and (iii) the capital value of the <i>rente nouvelle</i> or the capital sum hypothecated does not exceed £400,000, if that value or sum –			
	(A) does not exceed £300,000	NIL	Contract	Greffier
	(B) exceeds £300,000 but does	NIL in respect	Contract	Greffier

	not exceed £400,000	of the first £300,000 plus 25p for each £100 or part of £100 in excess thereof, subject to a minimum of £25		
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(d1)	Of creation of <i>rente nouvelle</i> , or of one or more simple <i>conventionnel</i> hypothecs, where the borrower produces to the designated officer a letter from the Comptroller of Income Tax confirming that the relevant contracts qualify for exemption from income tax pursuant to Article 115(a), (aa) or (ab) of the Income Tax (Jersey) Law 1961	£50	Contract	Greffier
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(d2)	Of creation of <i>rente nouvelle</i> , or of one or more simple <i>conventionnel</i> hypothecs, in any case to which neither paragraph (d) nor paragraph (d1) of this item applies	50p for each £100 or part of £100 of the capital value of the <i>rente nouvelle</i> or the capital sum hypothecated, subject to a minimum of £10	Contract	Greffier”;
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(d) for item 13(m)(i) to (iv) there shall be substituted the following sub-paragraphs –

“(i) does not exceed £300,000	NIL	Contract	Greffier
(ii) exceeds £300,000 but does not exceed £400,000	NIL in respect of the first £300,000 plus £1 for each £100 or part of £100 in excess thereof	Contract	Greffier”;

3 Customs and Excise (Jersey) Law 1999 amended

In the Customs and Excise (Jersey) Law 1999^[3], in Part 2 of Schedule 1, for paragraphs 1 to 6 there shall be substituted the following paragraphs –

“1 Spirits

There shall be charged –

- (a) on all spirits, produced by a small independent distiller of spirits, which are imported

into or produced or manufactured in Jersey, excise duty at the rate of £11.72 per litre of alcohol; and

- (b) on all other spirits imported into or produced or manufactured in Jersey, excise duty at the rate of £23.43 per litre of alcohol.

2 Wines

There shall be charged, on all wines imported into or produced or manufactured in Jersey, excise duty at the following rates –

<i>Strength of wines</i>	<i>Rate per hectolitre</i>
Wines exceeding 1.2% volume but not exceeding 5.5% volume	£57.06
Wines exceeding 5.5% volume but not exceeding 15% volume	£149.75
Wines exceeding 15% volume but not exceeding 22% volume	£183.51
	<i>Rate per litre of alcohol</i>
Wines exceeding 22% volume	£23.43.

3 Beer

There shall be charged –

- (a) on all beer, produced by a small independent brewer, which is imported into or produced or manufactured in Jersey, excise duty at the rate of –
- (i) £24.74 per hectolitre of beer not exceeding 4.9% volume, and
 - (ii) £37.22 per hectolitre of beer exceeding 4.9% volume; and
- (b) on all other beer imported into or produced or manufactured in Jersey, excise duty at the rate of –
- (i) £49.47 per hectolitre of beer not exceeding 4.9% volume, and
 - (ii) £74.44 per hectolitre of beer exceeding 4.9% volume.

4 Cider

There shall be charged –

- (a) on all cider, produced by a small independent cider-maker, which is imported into or produced or manufactured in Jersey, excise duty at the rate of –
- (i) £23.15 per hectolitre of cider not exceeding 4.9% volume, and
 - (ii) £34.83 per hectolitre of cider exceeding 4.9% volume; and
- (b) on all other cider, imported into or produced or manufactured in Jersey, excise duty at the rate of –
- (i) £46.31 per hectolitre of cider not exceeding 4.9% volume, and
 - (ii) £69.65 per hectolitre of cider exceeding 4.9% volume.

5 Other alcoholic beverages

There shall be charged, on all alcoholic beverages imported into or produced or manufactured in Jersey (other than wines, beer or cider exceeding 1.2% volume but not exceeding 5.5%

volume), excise duty at the rate of £23.43 per litre of alcohol.

6 Tobacco

There shall be charged, on all tobacco imported into or grown, produced or manufactured in Jersey, excise duty at the following rates –

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|---|---------------------------|
| (a) on unprocessed tobacco | £163.74 per kilogramme |
| (b) on cigars | £177.17 per kilogramme |
| (c) on cigarettes | £221.55 per kilogramme |
| (d) on hand-rolling tobacco | £188.31 per kilogramme |
| (e) on other types of processed tobacco not included in sub-paragraphs (b) to (d) | £171.48 per kilogramme.”. |

4 Citation and commencement

- (1) This Law may be cited as the Finance (2009 Budget) (Jersey) Law 200-.
- (2) Articles 2 and 3 shall be deemed to come into force on 1st January 2009.

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- [1] *chapter 24.750*
- [2] *chapter 24.960*
- [3] *chapter 24.660*