

STATES OF JERSEY

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DRAFT FINANCE (JERSEY) LAW 200

**Lodged au Greffe on 1st November 2005
by the Finance and Economics Committee**

STATES GREFFE



Jersey

DRAFT FINANCE (JERSEY) LAW 200

European Convention on Human Rights

The President of the Finance and Economics Committee has made the following statement –

In the view of the Finance and Economics Committee the provisions of the Draft Finance (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 2006 Budget Book.

Details of the financial and manpower implications may also be found in the 2006 Budget Book.

European Convention on Human Rights

Article 16 of the Human Rights (Jersey) Law 2000 will, when brought into force by Act of the States, require the Committee 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). Although the Human Rights (Jersey) Law 2000 is not yet in force, on 20th October 2005 the Finance and Economics Committee made the following statement before Second Reading of this projet in the States Assembly –

In the view of the Finance and Economics Committee the provisions of the Draft Finance (Jersey) Law 200- are compatible with the Convention Rights.

Explanatory Note

Part 1

Article 1 specifies that the standard rate of income tax shall be 20 pence in the pound.

Part 2

Article 2 provides that in Part 2, “principal Law” means the Customs and Excise (Jersey) Law 1999.

Article 3 inserts into the principal Law definitions of “small independent cider-maker” and “small independent distiller of spirits”.

Article 4 sets out the new excise duty rates for spirits, wines, beer, cider and other alcoholic beverages, tobacco and hydrocarbon oil. The rates are lower for “small independent cider-makers” and “small independent distillers of spirits”. The Article also specifies the vehicle registration duty payable, on a sliding scale dependent on engine cylinder capacity, and being a lesser amount for vehicles first registered outside Jersey.

Article 5 specifies that Part 2 of this amending Law shall be deemed to have come into force on 1st January 2006 (even though it will not become Law until after that date).

Part 3

Article 6 provides that in Part 3, references are to Schedule 1 to the Stamp Duties and Fees (Jersey) Law 1998.

Article 7 amends certain of the amounts payable in Schedule 1 for certain claims in the Petty Debts Court.

Article 8 amends provisions relating to the amounts payable in relation to contracts in item 13 of Schedule 1.

The amendment to paragraph (h) of that item in relation to stamp duty payable in relation to a contract of “partage”, means the amount payable is calculable on the total value of the immoveable property of the *estate* to which a contract of “partage” relates, rather than the value of the property to which the *contract* relates.

The amendments to paragraphs (j) and (k) of that item make the amount payable for a transfer from sole ownership into joint ownership, or from joint ownership into sole ownership, determinable by having regard to the “gross value” (rather than the current “net value”) of the transfer.

The amendment to paragraph (l) of that item makes the provision of the item, which apply to leases or sub-leases of premises, apply equally to a licence to occupy premises.

Article 9 adds applications under the Children (Jersey) Law 2002 to the list of documents in relation to which fees may be charged under the principal Law.

Article 10 amends Part 2 of the principal Law so that filing a “Form 16” in relation to a matrimonial cause will also attract a fee, and increases the amount payable for a decree nisi, decree absolute or other Act of Court, memorandum or agreement in relation to matrimonial matters, from £15 to £25.

Article 11 specifies that Part 3 of this amending Law shall be deemed to have come into force on 1st January 2006 (even though it will not become Law until after that date).

Part 4

Article 12 specifies the name by which this Law may be cited.



Jersey

DRAFT FINANCE (JERSEY) LAW 200

Arrangement

Article

PART 1

INCOME TAX

1 Standard rate of income tax for 2006

PART 2

EXCISE DUTY

2 Interpretation of this Part

3 Article 1 of Customs and Excise (Jersey) Law 1999 amended

4 Increase of duty on alcohol, tobacco and hydrocarbon oil, etc.

5 Commencement of Part 2 of this Law

PART 3

STAMP DUTY

6 Interpretation of this Part

7 Item 2 in Part 1 of Stamp Duties and Fees (Jersey) Law 1998 amended

8 Item 13 in Part 1 of Stamp Duties and Fees (Jersey) Law 1998 amended

9 Item 47 added to Part 1 of Stamp Duties and Fees (Jersey) Law 1998

10 Part 2 of Stamp Duties and Fees (Jersey) Law 1998 amended

11 Commencement of Part 3 of this Law

PART 4

CLOSING PROVISION

12 Citation



Jersey

DRAFT FINANCE (JERSEY) LAW 200

A LAW to prescribe the standard rate of income tax for the year 2006; to amend further the Customs and Excise (Jersey) Law 1999 so as to increase duties on alcohol, tobacco, hydrocarbon oil and vehicle registration; to amend further the Stamp Duties and Fees (Jersey) Law 1998 so as to revise some of the provisions in respect of judicial and probate fees and for connected purposes.

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 –

PART 1

INCOME TAX

1 Standard rate of income tax for 2006

There shall be levied and charged in Jersey for the year 2006, in accordance with the Income Tax (Jersey) Law 1961,^[1] income tax at the standard rate of 20 pence in the pound.

PART 2

EXCISE DUTY

2 Interpretation of this Part

In this Part, “principal Law” means the Customs and Excise (Jersey) Law 1999.^[2]

3 Article 1 of Customs and Excise (Jersey) Law 1999 amended

In Article 1(1) of the principal Law there shall be inserted after the definition “small independent brewer” the following definitions –

“ ‘small independent cider-maker’ means a maker of cider who –

- (a) makes no more than 20,000 litres of cider per year;
- (b) is legally and economically independent of any other maker of cider; and

- (c) uses premises physically separate from those of any other maker of cider;
- ‘small independent distiller of spirits’ means a distiller of spirits who –
- (a) distils no more than 2,000 litres of alcohol per year;
 - (b) is legally and economically independent of any other distiller of spirits; and
 - (c) uses premises physically separate from those of any other distiller of spirits;”.

4 Increase of duty on alcohol, tobacco and hydrocarbon oil, etc.

For Part 2 of Schedule 1 to the Customs and Excise (Jersey) Law 1999, there shall be substituted the following Part –

“PART 2

(Article 38)

GOODS CHARGEABLE WITH EXCISE DUTY AND RATES OF DUTY

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 £10.31 per litre of alcohol; and
- (b) on all other spirits imported into or produced or manufactured in Jersey, excise duty at the rate of £20.62 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	£50.19
Wines exceeding 5.5 % volume but not exceeding 15 % volume	£131.75
Wines exceeding 15 % volume but not exceeding 22 % volume	£161.45
	<i>Rate per litre of alcohol</i>
Wines exceeding 22 % volume	£20.62.

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) £35.60 per hectolitre of beer not exceeding 4.9% volume, and
 - (ii) £54.87 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) £40.54 per hectolitre of beer not exceeding 4.9% volume, and
 - (ii) £60.98 per hectolitre of beer exceeding 4.9% volume.

4 Cider

There shall be charged –

- (a) on all cider, produced by a small independent maker of cider, which is imported into or produced or manufactured in Jersey, excise duty at the rate of –
 - (i) £20.27 per hectolitre of cider not exceeding 4.9% volume, and
 - (ii) £30.49 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) £40.54 per hectolitre of cider not exceeding 4.9% volume, and
 - (ii) £60.98 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 £20.62 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 –

- (a) on unprocessed tobacco £141.45 per kilogramme
- (b) on cigars £153.05 per kilogramme
- (c) on cigarettes £191.40 per kilogramme
- (d) on hand-rolling tobacco £162.68 per kilogramme
- (e) on other types of processed tobacco not included in sub-paragraphs (b) to (d) £148.13 per kilogramme.

7 Hydrocarbon oil

(1) There shall be charged, on hydrocarbon oil imported or delivered into or produced in Jersey, excise duty at the following rate –

- (a) on higher octane ultra low sulphur petrol £39.58 per hectolitre
- (b) on all other ultra low sulphur petrol £38.02 per hectolitre
- (c) on ultra low sulphur diesel £38.02 per hectolitre
- (d) on all other types of hydrocarbon oil £41.13 per hectolitre.

(2) For the purposes of sub-paragraph (1) –

- (a) petrol is ‘higher octane’ if its research octane number is not less than 96 and its motor octane number is not less than 86;

- (b) ‘ultra low sulphur petrol’ means unleaded petrol the sulphur content of which does not exceed 0.005% by weight; and
- (c) ‘ultra low sulphur diesel’ means gas oil the sulphur content of which does not exceed 0.005% by weight.

8 Vehicle Registration Duty

- (1) This paragraph applies to all motor vehicles required to be registered under Article 4 of the Motor Vehicle Registration (Jersey) Law 1993.^[3]
- (2) If a motor vehicle to which this paragraph applies has not at any time been registered outside Jersey there shall be charged in relation to the motor vehicle the amount of excise duty specified in column 2 of the table to this paragraph in relation to the vehicle.
- (3) If a motor vehicle to which this paragraph applies was registered outside Jersey and the first time the registration outside Jersey took place was on a day that is –
 - (a) one year or less before the date on which excise duty under this Law is payable in relation to the motor vehicle, there shall be charged in relation to the vehicle the amount of excise duty specified in column 2 of the table to this paragraph in relation to the vehicle;
 - (b) more than one year, but less than 2 years, before the date on which excise duty under this Law is payable in relation to the motor vehicle, there shall be charged in relation to the vehicle the amount of excise duty specified in column 3 of the table to this paragraph in relation to the vehicle;
 - (c) more than 2 years, but less than 3 years, before the date on which excise duty under this Law is payable in relation to the motor vehicle, there shall be charged in relation to the vehicle the amount of excise duty specified in column 4 of the table to this paragraph in relation to the vehicle; or
 - (d) 3 years or more before the date on which excise duty under this Law is payable in relation to the motor vehicle, there shall be charged in relation to the vehicle the amount of excise duty specified in column 5 of the table to this paragraph in relation to the vehicle.

TABLE				
<i>Column 1</i>	<i>Column 2</i>	<i>Column 3</i>	<i>Column 4</i>	<i>Column 5</i>
Cylinder capacity of engine	Vehicle first registered in Jersey, or first registered outside Jersey one year or less ago	Vehicle first registered outside Jersey more than one but less than 2 years ago	Vehicle first registered outside Jersey more than 2 but less than 3 years ago	Vehicle first registered outside Jersey 3 years or more ago
Less than 125cc	£30	£20	£15	£10
126 – 500cc	£60	£40	£30	£20
501 – 1000cc	£125	£85	£65	£50
1001 – 1400cc	£375	£245	£190	£170
1401 –	£625	£410	£315	£285

1800cc				
1801 – 2000cc	£940	£615	£470	£425
2001 – 2500cc	£1,250	£815	£625	£565
2501 – 3000cc	£1,875	£1,220	£940	£845
3001 – 3500cc	£2,500	£1,625	£1,250	£1,125
more than 3500cc	£3,125	£2,035	£1,565	£1,410”.

5 Commencement of Part 2 of this Law

This Part shall be deemed to have come into force on 1st January 2006.

PART 3
STAMP DUTY

6 Interpretation of this Part

In this Part a reference to Part 1 or Part 2 is a reference to Part 1 or Part 2, as the case may be, in Schedule 1 to the Stamp Duties and Fees (Jersey) Law 1998.^[4]

7 Item 2 in Part 1 of Stamp Duties and Fees (Jersey) Law 1998 amended

In Part 1, in item 2, for paragraphs (a) to (d) (inclusive) there shall be substituted the following paragraphs –

“(a) Where the claim does not exceed £100	£6	Claim summary	Greffier
(b) Where the claim exceeds £100 but does not exceed £500	£15	Claim summary	Greffier
(c) Where the claim exceeds £500 but does not exceed £1,000	£20	Claim summary	Greffier
(d) Where the claim exceeds £1,000 but does not exceed £2,500	£30	Claim summary	Greffier
(da) Where the claim exceeds £2,500 but does not exceed £10,000	£40	Claim summary	Greffier”.

8 Item 13 in Part 1 of Stamp Duties and Fees (Jersey) Law 1998 amended

In Part 1, in item 13 –

- (a) in paragraph (h) for the words “disposed by the contract” there shall be substituted the words “of the estate to which the partage relates”;
- (b) in paragraph (j) for the words “net value” (twice occurring) there shall be substituted the words “gross value”;

- (c) in paragraph (k) for the words “cash consideration for the transfer –” there shall be substituted the words “cash consideration for the transfer or, if one half of the gross value of the property exceeds such consideration, one half of the gross value of the property –”;
- (d) in paragraph (l) –
- (i) for sub-paragraph (1) there shall be substituted the following subparagraph –

Item	Stamp Duty	Chargeable Document	Designated Officer
<p>“(1) Of lease, sub-lease, licence to occupy premises, or transfer or extension of lease, sub-lease or licence (subject as is hereinafter provided, and except as provided by paragraphs (m) or (t) of this item) where –</p> <p>(1) the annual rental stipulated in the contract multiplied by the number of years for which the contract provides that the lessee, sub-lessee or transferee shall have possession of the demised premises, or the amount payable annually for the licence to occupy the premises multiplied by the number of years for which the contract provides that the licensee shall be entitled to occupy the premises (in either case excluding any period in excess of 21 years) –</p> <p>(i) does not exceed £100,000</p> <p>(ii) exceeds £100,000</p>	<p>50p for each £100 or part of £100 subject to a minimum of £10</p> <p>£500 in respect of the first £100,000, plus</p>	<p>Contract</p> <p>Contract</p>	<p>Greffier</p> <p>Greffier</p>

75p for each
£100 or part of
£100 in excess
thereof

In calculating the fee payable under this sub-paragraph –

- (A) in determining the number of years to be taken into account, any fraction of a year shall be reckoned as a full year and any optional extension of the term of the lease, sub-lease or licence shall be included;
- (B) except as hereinafter provided, in the case of a transfer or extension of –
 - (i) a lease or sub-lease, the rental to be taken as a basis for calculating the fee shall be the rental currently payable for the demised premises at the date of the contract; or
 - (ii) a licence, the amount to be taken as a basis for calculating the fee shall be the amount currently payable for the right to occupy the premises to which the licence relates at the date of the contract;
- (C) where –
 - (i) a lease or sub-lease is granted, transferred or extended for less than the prevailing market rental of the demised premises, a fee calculated on such rental shall be agreed with the Greffier; or
 - (ii) a licence is granted, transferred or extended for less than the prevailing market value of a licence to occupy the premises to which the licence relates, a fee calculated on such amount for the licence shall be agreed with the Greffier;
- (D) any contract increasing the rental payable in respect of an existing lease or sub-lease, or the amount payable under the licence, shall be deemed to be a contract of lease or licence, as the case may be, for the purpose of this Law, and shall be subject to the fee specified in this sub-paragraph in respect of the increased rental or charge or any part thereof on which stamp duty has not previously been paid under sub-clause (C); and
- (E) in the case of an extension of a lease, sub-lease or licence, the term of years on which stamp duty has previously been paid by the lessee, sub-lessee or licensee may, at the discretion of the Greffier, be taken into account in determining the fee to be paid under this sub-paragraph in respect of the extension.”;

- (ii) in sub-paragraph (2) for the words “lessee, sub-lessee or transferee,” there shall be substituted the words “lessee, sub-lessee, transferee or licensee,”.

9 Item 47 added to Part 1 of Stamp Duties and Fees (Jersey) Law 1998

Part 1 is amended by adding at the end the following item and entries –

**“47. CHILDREN (JERSEY) LAW
2002**

(a)	Application for order in relation to parental responsibility (Article 5(1)(a) and (2))	£90	Application	Greffier
(b)	Application for order appointing guardian (Article 7(1))	£90	Application	Greffier
(c)	Record of disclaimer of appointment as guardian	£90	Record	Greffier

(Article 8(6))			
(d)	Application for contact order, prohibited steps order, residence order or specific issue order (Article 10)	£90	Application Greffier
(e)	Application for leave to change child's surname or to remove child from Jersey (Article 14 (1))	£90	Application Greffier
(f)	Application for order relating to financial provision (Schedule 1)	£90	Application Greffier
(g)	Request, made on Form C2 in the Children Rules 2005, for leave to obtain directions (other than in relation to Preliminary Directions hearings and Case Review hearings) (Schedule 1)	£50	Request Greffier
(h)	Application under Schedule 1 that is contested, for each half day or part of a half day (Schedule 1)	£200	Application Greffier

Notwithstanding the above sub-paragraphs, if an application referred to in any of the above sub-paragraphs is required to be made on Form C1 in the Children Rules 2005 and is required to be accompanied by an application for special leave in Form C2 in those Rules, no fee is payable in relation to the application made in Form C1.

No fee is payable in relation to an application referred to in Rule 6 of the Children Rules 2005.”.

10 Part 2 of Stamp Duties and Fees (Jersey) Law 1998 amended

In Part 2 –

- (a) in item 5, in paragraph (a) for the words “filing summons,” there shall be substituted the words “filing summons or Form 16,”;
- (b) in item 13 for the amount “£15” there shall be substituted the amount “£25”.

11 Commencement of Part 3 of this Law

This Part shall be deemed to have come into force on 1st January 2006.

PART 4

CLOSING PROVISION

12 Citation

This Law may be cited as the Finance (Jersey) Law 2006.

[1] Chapter 24.750.

[2] Chapter 24.660.

[3] Chapter 25.350.

[4] Chapter 24.960.