

Independent Taxation Legislation - Stage 2

Kate Wright – Chair of the Violence Against Women and Girls Taskforce

26th March 2024

Statement in support of Deputy Doublet's Amendment, from Kate Wright, Chair of the VAWG Taskforce

Deputy Louise Doublet has proposed an amendment to the Government's proposition seeking fully independent tax returns for married couples, with no option to complete a joint tax return.

Removing a tool for perpetrators of economic abuse and coercive control

I entirely agree with the main thrust of Deputy Doublet's argument that full independent taxation is necessary to help protect victims of domestic abuse. We now know that economic abuse is a factor in most domestic abuse cases, and that domestic abuse is sadly more prolific on island than we might have cared to recognise before the publication of the VAWG Taskforce's research.

Removing the option for an abusive spouse to coerce their partner into agreeing to a joint tax return, thereby providing them with full access to their finances, removes one tool that enables perpetrators of domestic abuse to maintain the power imbalance in the relationship and keep their partner trapped in that abusive relationship.

Enabling gender equality and important cultural change

I am supportive of Deputy Doublet's amendment for the reasons and evidence she presents, and also because I believe there is a much wider cultural issue that we need to be clear and bold in addressing in Jersey. Her amendment provides us with a specific opportunity to do this.

The VAWG Taskforce found that gender inequality is the root cause of violence against women and girls on our island.

If we are serious about creating a more equal, fairer island then we have to ensure that all of our laws, policies and systems are supportive of this. We cannot advocate and legislate for equality in some aspects of our 'system', and allow other policies and laws in other parts of this system to undermine gender equality as a principle we wish to live by.

Changing the way we do things can be hard, but gender equality - which we know is a good thing economically and socially for the island as a whole, not just for women and girls - will never be achieved if it is 'optional'.

The Government's proposal to move to independent taxation with a compromise option for married couples to opt for a joint tax return is no doubt well intended - to provide 'choice' to those couples who may prefer to complete a joint tax return as it suits them or because they find the thought of change difficult. I understand this and completing my own tax return is certainly not something I personally look forward to.

However this positive intention to preserve 'freedom of choice' is, in my view, a misnomer. It not only serves to reduce the ability of women in abusive, coercive relationships to choose independence and freedom from their abusive relationship, it also continues to facilitate the gender inequality ingrained in our culture that reduces real 'choice' for many women and girls and holds back our society from fulfilling its social and economic potential.

The importance of encouraging financial literacy

I believe it is important that we should ALL be encouraged to be financially literate and independent (not just men), and the historic sexism that joint taxation is rooted in is holding women and girls back economically in other ways too.

For example, my parents had a fairly typical relationship for their generation in that my father was the main breadwinner (as my mother took years off to look after the children) and he managed all of their finances. Aside from having a nightmare that you really don't need when you are grieving in trying to locate bank accounts and investments and work out how to pay bills, when he died unexpectedly aged 70, one of my father's pensions died with him and another was halved in value. This left my mother suddenly significantly worse off financially.

She had no idea this would be the case and, had she been involved and jointly responsible for their finances, no doubt would have taken steps to improve her financial position on retirement (either through investing in a better pension of her own or by encouraging my father to improve his own provisions). I should also add that, with a little advice initially, she has had no trouble assuming responsibility for her own finances since he died.

A move to independent taxation in my view encourages a more independent mindset and healthier approach to our finances more generally. It empowers all women economically.

That said, Deputy Doublet's proposition must be supported by good quality, practical and accessible advice for people who are understandably nervous about completing a tax return perhaps for the first time. And I would want to push for this strongly.

A 'married man's tax'

Independent taxation is fairer for men. Our husbands have been bearing responsibility for married couple's tax for generations. Is this right, in our modern world when we are quite rightly demanding equality in every other respect? I saw one man describe joint taxation recently on X (Twitter) as the 'married man's tax'!

Jersey's international reputation

Finally, the Government's proposal as it stands reaffirms Jersey's outdated image in the world, and it is high time we shrugged it off - for our own good.

Are we really saying that some Jersey women are not as capable as men, or women in the U.K. for that matter, when it comes to completing a tax return? Or are we saying we don't really care enough about gender equality in Jersey to take this opportunity to support cultural and systemic change that will help to modernise our island socially and economically?