STATES OF JERSEY

UPLIFTS IN LAND VALUES: LAND DEVELOPMENT TAX OR EQUIVALENT MECHANISM(S) – ADDENDUM

Presented to the States on 7th July 2011
by the Deputy of St. Mary

STATES GREFFE

ADDENDUM TO P.90/2011

Financial and manpower statement

Clearly the development of taxation falls squarely within the work of the Treasury Department, which has been recently beefed up to deal with their workload, of which this is part.

The potential revenue implications are alluded to in my paragraphs 12 and 13. The scale of rezonings in the immediate future is admittedly nothing like what happened as a result of the 2002 Island Plan, but this revenue stream will affect States income far into the future. There is also a trigger mechanism on the Island Plan H1 developments on States-owned land, which may very well bring very large sites with very large uplifts back to the House within 2 years. There are also all the dwellings built by people on their own land, which include a land value uplift which can be captured at some future point (see my paragraphs 32 and 46).

So long as the revenue exceeds the costs of implementation, which they surely will, then this proposal is worthwhile as it removes a gross unfairness from our society.