

**10.05.16**

**3.5 (9430) Deputy S.Y. Mézec of St. Helier of the Minister for Treasury and Resources regarding potential tax revenues not collected from individuals who reside outside Jersey who earn a taxable income from inside Jersey:**

What measures, if any, does the Minister intend to take to investigate the potential tax revenues not collected from individuals who reside outside Jersey but who earn a taxable income from inside Jersey?

**Senator A.J.H. Maclean (The Minister for Treasury and Resources):**

I have already signalled my intention to bring forward measures over the next 2 years, which will empower the Taxes Office to improve Jersey taxpayers' compliance with the law regardless of where they live. I have also signalled in a written response to the Deputy today that the Taxes Office will do more analytical and statistical work to better understand the size of any tax gap. That is to say, the difference between what people should, in theory, pay under the law and what is actually paid. The Comptroller deploys his resources according to risk. He tells me that he has no data or information to hand which currently indicates a disproportionate level of non-compliance with the tax law by non-residents.

**3.5.1 Deputy S.Y. Mézec:**

I thank the Minister for his answer both there and the written answer, both of which were very helpful, which makes it difficult to come up with a supplementary question. But would he give any sort of indication on to what scale he thinks this is a particular problem for Jersey, if indeed it is a problem, and could he indicate if there is any specific areas that he or his department are currently working on to try and crack down on any discrepancies there might be?

**Senator A.J.H. Maclean:**

I thank the Deputy for his comments. We did try to be as helpful as possible with the answer, as is always the case. At this stage, no, I can only repeat again what the Comptroller has assured me. He does not believe that there is any great extent of non-compliance but at this stage he also accepts, and has brought to my attention, the fact that there is a lack of statistical and analytical data available, and that is an area that he is certainly focusing on. But it does take time, as has been the case in other jurisdictions. But we certainly have a highly competent Comptroller who is going to address these matters over the coming few years.

**3.5.2 Deputy G.P. Southern:**

In an associated matter with this particular area, has there been any change in the frequency and the type of use of 134A investigations into deliberate tax avoidance on the Island?

**Senator A.J.H. Maclean:**

Not that I am familiar with, but I am more than happy to find out if that is the case. I certainly have no data available to suggest that is.