

19-21 Broad Street | St Helier  
Jersey | JE2 3RR

Deputy Sam Mézec  
Chair  
Corporate Services Scrutiny Panel

By Email

30 November 2022

Dear Deputy Mézec,

**Mortgage Interest Tax Relief (MITR)**

When we met on 18 November, I indicated that I was considering pausing the phasing-out of MITR (in one way or another) as a further measure to help people with the cost of living.

Minsters have since concluded that it is not right and currently not easily affordable - at this time to provide relief which would by its nature only be targeted towards homeowners. Instead, we will reserve any remaining financial flexibility we have to provide further help on a targeted basis once we have a clearer view of the likely trend in inflation over the coming months.

Had I proceeded on the basis I outlined when we met, the resulting benefit would have been insufficiently targeted on struggling homeowners who may be approaching the end of a fixed-term interest deal.

I do not rule out providing help to people struggling with mortgage repayments in the future, if needed. In the meantime, the Council of Ministers stands by the support that will be delivered throughout 2023 by the decision taken by the States Assembly in the Mini-Budget to uprate income tax thresholds and allowances by 12%. This change will deliver timely support to all taxpayers and remains above the current level of RPI (10.4% for the 12 months to September 2022).

Please do not hesitate to get in touch if you have any questions or would like to discuss this matter further.

Yours sincerely,



**Deputy Ian Gorst**  
Minister for Treasury and Resources