

**WRITTEN QUESTION TO THE MINISTER FOR TREASURY AND RESOURCES
BY SENATOR F. du H. LE GRESLEY
ANSWER TO BE TABLED ON TUESDAY 15th MARCH 2011**

Question

Would the Minister advise exactly what work is being done to explore the options for raising International Services Entity (ISE) fees from 2012 for each of the following regulated service providers –

- (a) banks
- (b) trust company business
- (c) fund service business
- (d) fund functionary
- (e) managed managers

In order for the ISE fee increases for 2012 to be factored in at an early stage by the financial services industry would the Minister agree to bring this to the States as a separate proposition before the end of June 2011, rather than at the time of the Budget as he stated on 1st February 2011, and if not, why not?

Answer

In my Budget speech I proposed to increase the basic ISE Fee charged to international companies from £100 to £200. This should raise an extra £3 million per year.

During preliminary discussions with businesses I was advised that the structure for other ISE fees, those charged to banks and trust companies, could be improved.

A review is now underway which is focusing on three factors, namely equity, simplifying administration and increasing the overall ISE contribution.

Work is being done with the JFSC, Jersey Finance and the Taxes Office to find ways to achieve these goals, and in particular on identifying factors that distinguish between different types of company which are currently subject to the same level of ISE fee.

A public consultation document will be issued in the spring of 2011, which will set out options for increasing revenues from ISE fees, for making the fee structure more equitable and for simplifying the system. The responses received will be analysed over the summer and will form the basis of a proposal to be lodged with the Budget proposals in September 2011.

Businesses that will potentially be affected by any changes must be adequately consulted. Any proposed changes to ISE Fees need to have been adequately consulted upon. The Minister cannot therefore commit to laying draft legislation before the States in advance of the Budget.