

# STATES OF JERSEY



## **GOVERNMENT PLAN 2021–2024 (P.130/2020): SEVENTH AMENDMENT (P.130/2020 AMD.(7)) – AMENDMENT**

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**Lodged au Greffe on 7th December 2020  
by Corporate Services Scrutiny Panel**

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**STATES GREFFE**

GOVERNMENT PLAN 2021–2024 (P.130/2020): SEVENTH AMENDMENT  
(P.130/2020 Amd.(7)) – AMENDMENT

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**1 PAGE 2 –**

After the words “Stamp Duty”, each time they appear, insert the words “and Land Transactions Tax”.”

**CORPORATE SERVICES SCRUTINY PANEL**

**Note:** After this amendment, the Seventh Amendment would read as follows –

“After the words “Article 9(2)(a) of the Law” insert the words –

“, except that the 2021 Estimate for Stamp Duty and Land Transactions Tax shall be increased by £335,000 by amending the Stamp Duty and Land Transactions Tax bands in accordance with the table below, with other affected lines in Summary Table 1 to be updated accordingly –

Transaction value up to	2019 Rate	2020 Rate	Proposed new rate
1 – 50	0.5% up to 50k	0.5% up to 50k	-
50,001 – 300	1.5% on excess up to 300k	1.5% on excess up to 300k	-
300,001 – 500	2% on excess up to 500k	2% on excess up to 500k	-
500,001 – 700	3% on excess up to 700k	3% on excess up to 700k	-
700,001 – 1	3.5% on excess up to 1m	3.5% on excess up to 1m	-
1,000,001 – 1.5	4.5% on excess up to 1.5m	4.5% on excess up to 1.5m	-
1,500,001 - 2	5.5% on excess up to 2m	5.5% on excess up to 2m	-
2,000,001 - 3	6.5% on excess up to 3m	6.5% on excess up to 3m	7%
3,000,001 – 6	8.5% on excess up to 6m	8.5% on excess up to 6m	9.5%
6,000,001 +	9.5% on excess	9.5% on excess	10.5%

”

## **REPORT**

This is a technical Amendment to clarify the Seventh Amendment to the Government Plan 2021-24. This Amendment will add wording concerning the Land Transactions Tax (LTT) as, when reviewing legal drafting for the Seventh Amendment, it was noted that the Amendment only covered Stamp Duty and did not also cover LTT. Currently the proportions charged for these are the same, therefore the Panel has brought forward this Amendment.

The LTT is a form of duty on share transfer transactions where the shares 'confer a right of occupation of land in Jersey', this often refers to apartment style dwellings. The Panel has been informed that such transactions very rarely pass the £2 million threshold proposed. As such, original advice from the Treasury and Exchequer Department that the Seventh Amendment will raise additional Stamp Duty/LTT of £335,000 remains unchanged.

### **Financial and manpower implications**

There are no financial or manpower implications past those outlined in the Seventh Amendment.

## Appendix

If adopted, the seventh amendment to the Government Plan (as amended) will require a consequential amendment to the Draft Finance (2021 Budget) (Jersey) Law 202- also to be adopted. The following is a copy of the amendment to the Draft Law that will be required:

### DRAFT FINANCE (2021 BUDGET) (JERSEY) LAW 202- (P.147/2020): [XXX] AMENDMENT

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#### 1 PAGE 22, INSERT NEW ARTICLE 24 –

After Article 23 insert –

##### **“24 Schedule 1 amended**

- (1) In the second item (viii) of the table in paragraph 2 of Schedule 1, for “£6.50” there is substituted “£7”.
- (2) In item (ix) of the table in paragraph 2 of Schedule 1, –
  - (a) for “£139,500” there is substituted “£144,500”;
  - (b) for “£8.50” there is substituted “£9.50”.
- (3) In item (x) of the table in paragraph 2 of Schedule 1, –
  - (a) for “£394,500” there is substituted “£429,500”;
  - (b) for “£9.50” there is substituted “£10.50”.

and renumber the subsequent Articles accordingly.

#### 2 PAGE 23, INSERT NEW ARTICLE 27 –

After Article 26 insert –

##### **“27 Schedule amended**

- (1) In item (h) of the table in paragraph 2(1) of the Schedule, for “£6.50” there is substituted “£7”.
- (2) In item (i) of the table in paragraph 2 of the Schedule, –
  - (a) for “£139,500” there is substituted “£144,500”;
  - (b) for “£8.50” there is substituted “£9.50”.
- (3) In item (j) of the table in paragraph 2 of the Schedule, –
  - (a) for “£394,500” there is substituted “£429,500”;
  - (b) for “£9.50” there is substituted “£10.50”.

and renumber the subsequent Articles accordingly.