

**WRITTEN QUESTION TO THE MINISTER FOR TREASURY AND RESOURCES BY  
DEPUTY L.M.C. DOUBLET OF ST. SAVIOUR  
QUESTION SUBMITTED ON MONDAY 15TH NOVEMBER 2021  
ANSWER TO BE TABLED ON MONDAY 22ND NOVEMBER 2021**

**Question**

Will the Minister provide details of the policies on Child Tax Allowance and Childcare Tax Allowance in terms of how this is split between two parents (including whether this depends on the type of relationship, such as married, unmarried, same sex or mixed sex) and stating what permissions are required in each case and from which parent?

**Answer**

The Income Tax (Jersey) Law 1961 (ITL) provides the following allowances and tax reliefs to taxpayers with children:

- Article 95, ITL provides an allowance of £3,060 for each qualifying child. This allowance is normally referred to as the “Child Allowance”.
- Article 98A, ITL provides a single allowance of £4,590 to an individual with a qualifying child resident in the household. This allowance is not available to an individual with a spouse or civil partner unless the spouse or civil partner is incapacitated or the couple are separated. This allowance is referred to in the legislation as the “Additional Allowance in Respect of Children”.
- Article 92B, ITL provides relief for certain childcare costs incurred by taxpayers with children.

The benefits of Articles 95, 98A and 92B, ITL, are available only to the approximately 90% of taxpayers who receive Marginal Relief.

**Article 95, ITL**

This allowance may be claimed by an individual taxpayer with a qualifying child irrespective of whether the individual is married (whether or not in a same sex relationship), in a civil partnership, cohabiting or single.

Parents who are married or in a civil partnership are considered as having an equal claim to the allowance though, under married-couples taxation, it is unnecessary to apportion the allowance. If parents separate or divorce, the allowance claim is normally covered in the separation agreement. If it is not covered in an agreement, parents are asked to provide Revenue Jersey with a jointly-signed statement setting out how it should be divided. In rare circumstances where the parents cannot agree a division, Revenue Jersey will seek to apportion the allowance according to each individual’s contribution to the child’s welfare.

Under Independent Taxation, it is currently proposed that the child allowance will be apportioned 50/50 unless the married/civil partnership couple make a joint request for a different apportionment.

Where parents are unmarried or not in a civil partnership but live together, Revenue Jersey normally treat the mother as having the primary claim but the mother or father (as the case may be) may relinquish all or part of the allowance to his or her partner.

### **Article 98A, ITL**

This allowance is generally only available to individuals who are either single or co-habiting, but may also be claimed by an individual with a spouse or civil partner who is incapacitated in the assessment year or the couple are separated and the claimant is not wholly maintaining his or her wife or civil partner.

Where more than one individual is entitled to relief under this Article for the same child, the allowance is apportioned by agreement. If no agreement can be reached, the allowance will be apportioned by Revenue Jersey by reference to the periods during which the child was resident with each individual in the year of assessment.

### **Article 92B, ITL**

An individual entitled to claim Child Allowance (Article 95, ITL) for a child, may claim tax relief for qualifying childcare costs paid in an assessment year in respect of that child. A claim for tax relief may be made irrespective of whether the individual is married, in a civil partnership, cohabiting or single.

Where for a year of assessment, two or more individuals are entitled to relief for costs – perhaps because childcare costs are paid from a joint bank account, Revenue Jersey will apportion tax relief by agreement with the couple. If no agreement can be reached, Revenue Jersey will normally apportion 50/50.

### **Appealing a Decision**

Where the apportionment of an allowance or giving of a tax relief results in a taxpayer being aggrieved by a tax decision, Article 27, ITL, allows the decision to be appealed to the Commissioners of Appeal.