

# STATES OF JERSEY



## **DRAFT TAXATION (LAND TRANSACTIONS) (JERSEY) LAW 2009 (APPOINTED DAY) ACT 200-**

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**Lodged au Greffe on 30th September 2009  
by the Minister for Treasury and Resources**

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**STATES GREFFE**





Jersey

## **DRAFT TAXATION (LAND TRANSACTIONS) (JERSEY) LAW 2009 (APPOINTED DAY) ACT 200-**

### **REPORT**

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The purpose of this Draft Act is to introduce the Appointed Day Act for Land Transactions Tax so that it comes into force on 1st January 2010.

#### **Background**

This Draft Act is the final step in implementing LTT – a tax on ‘share transfer’ transactions which confer rights of occupation of land in Jersey.

The tax payable will be equal to that which would have been payable under the Stamp Duties and Fees (Jersey) Law 1998 for registered transactions and includes all relevant discounts (e.g. those for first-time buyers).

At the moment freehold purchasers are required to pay Stamp Duty under the Stamp Duties and Fees (Jersey) Law 1998 where as those purchasing property by share transfer pay no such charge. In the latter case the owner of the property (i.e. the company in which the shares are purchased in consideration of the right to occupy that property) has not changed – hence there is no requirement to register the transaction in the Royal Court or pay the associated Stamp Duty.

The Proposition “Draft Taxation (Land Transactions) (Jersey) Law 200-” (P.185/2007) was approved by the States on 17th June 2008. It followed the 2005 States decision to approve the Deputy of St. Martin’s proposition (P.211/2004) charging the (then) Finance and Economics Committee to prepare the necessary legislation, for consideration by the States, to introduce stamp duty on share transfer transactions involving immovable residential and commercial property in Jersey.

#### **Financial and manpower implications**

It is expected that LTT will raise in the region of £1 million to £2 million a year. Only a broad estimate is possible given the data available on share transfer transactions. There are no other financial implications.

There are no additional manpower implications as a result of this decision because the administration of LTT will be absorbed by the current manpower resources in the Treasury department.

## Explanatory Note

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This Act brings the Taxation (Land Transactions) (Jersey) Law 2009 into force on 1st January 2010.



Jersey

## **DRAFT TAXATION (LAND TRANSACTIONS) (JERSEY) LAW 2009 (APPOINTED DAY) ACT 200-**

*Made* [date to be inserted]

*Coming into force* [date to be inserted]

**THE STATES**, in pursuance of Article 23 of the Taxation (Land Transactions) (Jersey) Law 2009<sup>1</sup>, have made the following Act –

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### **1 Commencement of Law**

The Taxation (Land Transactions) (Jersey) Law 2009<sup>2</sup> shall come into force on 1st January 2010.

### **2 Citation**

This Act may be cited as the Taxation (Land Transactions) (Jersey) Law 2009 (Appointed Day) Act 200-.

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- <sup>1</sup> *L.10/2009*  
<sup>2</sup> *L.10/2009*