

## Cherry Godfrey

Dear Scrutiny Panel,

Although it is difficult to gauge exactly what impact these changes would have, we have made a few comments below in red next to the questions:

- 1) In increasing the first time buyer relief to properties up to £500,000 will this enable more first time buyers to purchase a property? **It will but the “tapering” of relief between £450K & £500K means as you get closer to the maximum purchase price of £500K, the savings are nominal so not really much of a help to FTB’s.**
- 2) Will the increase of the first time buyer relief for properties up to £500,000 allow first time buyers to purchase a typical (i.e. three bedroom) family home? **For some yes, but Sadly most 3 bed properties are now above £500K so probably not.**
- 3) What effect, if any, will the increase of stamp duty/LTT on properties over £500,000 have on the market? **The £600K to £900K market has always been slower than the market to £600K so it could put people off “upsizing” as it will become even more expensive to buy. Therefore might dampen down the price.**
- 4) The reduction of stamp duty/LTT on mortgages up to £600,000 is being introduced to rectify a perceived inequality. Does this relief rectify the unfairness in the market and provide a benefit to purchasers of low value property? **Yes this is a positive move. Provides a benefit for lower priced purchasers.**
- 5) Will it be beneficial to have less stamp duty bands? **Personally I don’t think it makes much difference. People often think they will save a fortune by just remaining within a lower band, but when you calculate the difference of tipping into the next band, the difference is nominal.**
- 6) Will the proposed changes to stamp duty allow Jersey to remain competitive internationally? **Not sure why this matters – the idea is to help local people buy their own homes, not encourage international investors.**
- 7) Will the overall stamp duty provisions in 2019 Draft Budget Statement either assist or hinder the property market in Jersey? **I think it will assist but the 1% increase in the “medium” bands (£600K to £1M) may cause that area of the market to slow even more and encourage people to extend their existing properties meaning there will be fewer affordable family homes.**

Kind regards,  
Howard De La Haye Cert CII, DipPFS  
Director