

**WRITTEN QUESTION TO THE MINISTER FOR TREASURY AND RESOURCES  
BY DEPUTY S.M. AHIER OF ST. HELIER  
ANSWER TO BE TABLED ON TUESDAY 8th SEPTEMBER 2020**

**Question**

Will the Minister advise the Assembly –

- (a) how many people have ceased through retirement to pay Income Tax on a prior-year basis over each of the last 10 years; and
- (b) how many years it is estimated it would take for all taxpayers to pay Income Tax on a current-year basis through natural progression in this way?

**Answer**

- (a) When people who pay tax on a prior year basis (PYB) retire they remain on that basis of payment, so no taxpayers have ceased to be PYB taxpayers on retirement. In addition, when people that pay tax on a current year basis (CYB) retire they become PYB taxpayers.

The Challenge that PYB taxpayers have at retirement is the payment of the tax on their previous year's income out of what is usually far less retirement income than that prior year employment income. In the event that the Assembly agrees the move to CYB, this significant challenge would be removed.

- (b) The CYB basis of paying tax will not therefore occur naturally. It should also be noted that self-employed people and all pensioners pay tax on a PYB.