

STATES OF JERSEY



MINI-BUDGET 2022 (P.80/2022): EIGHTH AMENDMENT

Lodged au Greffe on 30th August 2022
by Deputy M.B. Andrews of St Helier North
Earliest date for debate: 13th September 2022

STATES GREFFE

MINI-BUDGET 2022 (P.80/2022) – EIGHTH AMENDMENT

1 PAGE 2, PARAGRAPH (c) –

For the word “doubling” substitute the word “raising” and for the figure “£516.50” substitute the figure “£289.24”.

DEPUTY M.B. ANDREWS OF ST. HELIER NORTH

Note: After this amendment, the proposition would read as follows –

THE STATES are asked to decide whether they are of opinion –

to agree that the following actions should be taken to address cost of living concerns –

- (a) increasing the personal income tax thresholds and allowances by 12% above the 2022 thresholds and allowances, in accordance with the Table in Appendix 2 of the report accompanying the proposition, to take effect for the year of assessment 2023;
- (b) temporarily reducing by 2 percentage points Class 1 and 2 social security contributions for the period 1st October 2022 to 31st December 2022, comprising a reduction, in respect of earnings below the standard earnings limit (SEL), from 6% to 4% for the Class 1 employee contribution rate, and from 12.5% to 10.5% for the Class 2 contribution rate;
- (c) **raising** the value of the Community Costs Bonus for 2022 by increasing the value of the bonus from £258.25 to **£289.24**;
- (d) setting a fixed value at £70 per month for the Cold Weather Bonus and Cold Weather Payments, regardless of temperature, for the winter months (October 2022 to March 2023 inclusive); and
- (e) postponing the commencement of the obligation for offshore retailers to register under the Goods and Services Tax (Jersey) Law 2007 from 1st January 2023 to 1st July 2023.

REPORT

In the Mini Budget proposals, the Community Cost Bonus (CCB) will be doubled from £258.25 to £516.50, if approved, which demonstrates a 100 percent increase. Alternatively, I propose the CCB be increased by 12 percent from £258.25 to £289.24.

This amendment will see an aggregate budget allocation of £2,024,680 instead of £3.6 million to support 7,000 households. Measuring the CCB increase with Retail Prices Index (RPI) is sufficient enough without the need to double the CCB, because an CCB increase at 12 percent will provide sufficient coverage for Islanders in real terms.

Financial and manpower implications

This amendment will see an aggregate budget allocation of £2,024,680 instead of £3.6 million outlined in P.80/2022, there will be no expected manpower implications for the Social Security Department or Treasury and Resources in addition to those highlighted in P.80/2022.