

STATES OF JERSEY



DRAFT INCOME TAX (AMENDMENT – STAGE 2 OF INDEPENDENT TAXATION) (JERSEY) LAW 202- (P.6/2024): AMENDMENT (P.6/2024 AMD.) – COMMENTS

**Presented to the States on 10th April 2024
by the Council of Ministers**

STATES GREFFE

COMMENTS

If adopted, Deputy Doublet's amendment ([P.6/2024 Amd](#)) would remove the proposed option for married couples and civil partners to file a joint tax return.

Last year, the then Minister for Treasury and Resources, Deputy Gorst, proposed to introduce Independent Taxation for all couples, in which each taxpayer would assume individual responsibility for managing their own tax affairs, including filing their own tax returns. Following the debate in July 2023, the States did vote to implement Independent Taxation, but they also recognised the importance of maintaining a joint aspect (in the form of joint filing) for married couples and civil partners who currently submit one tax return. As a result, the Minister was asked to develop the current proposal ([P.6/2024](#)) which seeks to provide a degree of choice for those couples who are comfortable with joint filing.

Indications are that many couples who have been filing one tax return for years will welcome the opportunity to continue this approach. Recent engagement suggests that around 61 percent of eligible taxpayers would prefer joint filing.

To address potential concerns related to coercive or controlling behaviour, the legislation includes the following safeguards:

- To file jointly, spouses would need to make a joint election, and either party could revoke this election at any time.
- The option to file jointly would be available only to those couples who currently file one return.

Jersey remains steadfast in its commitment to delivering Independent Taxation, aligning with the Convention on the Elimination of All Forms of Discrimination against Women (CEDAW). Even if a couple chooses to file jointly, their taxation will remain independent. Each spouse would receive individual tax assessments based solely on their own income and allowances, eliminating any skewing of effective rates or payments due to each other's income. The proposals lodged by the Council of Ministers are compatible with CEDAW.

It is important to note that regardless of whether the amendment is adopted, individuals retain the fundamental right to authorise a third party to prepare their tax return on their behalf. This authorisation enables someone else, such as a tax professional or a trusted individual (like a delegate or attorney for a close relative), to handle tax matters. This provision is crucial for situations where taxpayers are unable to manage their tax affairs personally.

Conclusion

The Council of Ministers is unable to support this amendment and asks Members to reject it.

Ministers are aiming to strike a balance between individual tax autonomy and the historic practice of joint filing. As we move towards Independent Taxation, this will ensure fairness and flexibility within our tax system. Importantly, the Minister's proposal reflects the wishes of the Assembly as expressed in July 2023.