

STATES OF JERSEY



Jersey

DRAFT FINANCE (BUDGET – COST OF LIVING) (JERSEY) LAW 202-

**Lodged au Greffe on 2nd August 2022
by the Minister for Treasury and Resources
Earliest date for debate: 13th September 2022**

STATES GREFFE



Jersey

DRAFT FINANCE (BUDGET – COST OF LIVING) (JERSEY) LAW 202-

European Convention on Human Rights

In accordance with the provisions of Article 16 of the Human Rights (Jersey) Law 2000, the Minister for Treasury and Resources has made the following statement –

In the view of the Minister for Treasury and Resources, the provisions of the Draft Finance (Budget – Cost of Living) (Jersey) Law 202- are compatible with the Convention Rights.

Signed: **Deputy I.J. Gorst of St. Mary, St. Ouen and St. Peter**
Minister for Treasury and Resources

Dated: 29th July 2022

REPORT

This draft Law gives effect to the income tax proposals described in the Report to the 2022 ‘mini budget’ (P.80/2022) to address the cost of living crisis, lodged au Greffe by the Council of Ministers.

Financial and manpower implications

The financial and manpower implications associated with this draft Law are identified within the Report to the 2022 ‘mini budget’ to address the cost of living crisis, lodged au Greffe by the Council of Ministers.

Human Rights

The notes on the human rights aspects of the draft Law in the **Appendix** have been prepared by the Law Officers’ Department and are included for the information of States Members. They are not, and should not be taken as, legal advice.

Re-issue Note

Due to the death of Her Majesty Queen Elizabeth II, this Projet is re-issued in order to change references to “Her Majesty” to “His Majesty” in the draft Law.

APPENDIX TO REPORT**Human Rights Notes on the Draft Finance (Budget – Cost of Living)
(Jersey) Law 202-**

These Notes have been prepared in respect of the draft Finance (Budget – Cost of Living) (Jersey) Law 202- (the “**draft Law**”) by the Law Officers’ Department. They summarise the principal human rights issues arising from the contents of the draft Law and explain why, in the Law Officers’ opinion, the draft Law is compatible with the European Convention on Human Rights (“**ECHR**”).

These notes are included for the information of States Members. They are not, and should not be taken as, legal advice.

The draft Law amends the Income Tax (Jersey) Law 1961 and the Finance (Budget 2022) Law 2022 to increase allowances and reliefs available to islanders and to delay the commencement of provisions expanding the application of Goods and Services Tax. The draft Law does not impose any additional tax burdens or obligations on islanders. It is considered compliant with the provisions of the ECHR.

EXPLANATORY NOTE

This Law, if passed, would amend the Income Tax (Jersey) Law 1961 to implement measures to address the cost of living. It also would amend the Finance (2022 Budget) (Jersey) Law 2022 to delay the commencement of amendments to the Goods and Service Tax (Jersey) Law 2007 to 1st July 2023.

Article 1 is an introductory provision.

Articles 2 and 3 increase the exemption thresholds for income tax and for child day care, respectively.

Articles 4 and 5 increase the allowances in respect of children.

Article 6 amends the Article 46 of the Finance (2022 Budget) (Jersey) Law 2022 to delay the commencement from 1st January 2023 to 1st July 2022 of amendments to the Goods and Service Tax (Jersey) Law 2007 relating to the obligation of certain offshore retailers to register for GST.

Article 7 gives the title by which this Law may be known and provides that it comes into force on 1st January 2023.



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Jersey

DRAFT FINANCE (BUDGET – COST OF LIVING) (JERSEY) LAW 202-

A LAW to amend the personal allowances and reliefs in the [Income Tax \(Jersey\) Law 1961](#) and to amend the commencement of amendments to the [Goods and Services Tax \(Jersey\) Law 2007](#) made in the [Finance \(2022 Budget\) \(Jersey\) Law 2022](#).

Adopted by the States [date to be inserted]

Sanctioned by Order of His Majesty in Council [date to be inserted]

Registered by the Royal Court [date to be inserted]

Coming into force [date to be inserted]

THE STATES, subject to the sanction of His Most Excellent Majesty in Council, have adopted the following Law –

1 [Income Tax \(Jersey\) Law 1961](#) amended

Articles 2 to 5 amend the [Income Tax \(Jersey\) Law 1961](#).

2 Article 92A (threshold for exemption from income tax) amended

In Article 92A –

- (a) in the following provisions for “£26,550” there is substituted “£29,750” –
 - (i) paragraph (2),
 - (ii) paragraph (2A);
- (b) in the following provisions for “£6,550” there is substituted “£7,350” –
 - (i) paragraph (4)(i),
 - (ii) paragraph (4A)(i);
- (c) in paragraph (6) for “£16,550” there is substituted “£18,550”.

3 Article 92B (increase in exemption threshold for child day care) amended

In Article 92B –

- (a) in paragraph (1) –
 - (i) in sub-paragraphs (c) and (d) for “£16,320” there is substituted “£18,300”,
 - (ii) in sub-paragraph (e) for “£6,273” there is substituted “£7,050”;
- (b) in paragraph (5) in the definition “qualifying income” –
 - (i) in sub-paragraph (a) for “£6,550” there is substituted “£7,350”,
 - (ii) in sub-paragraph (b) for “£4,590” there is substituted “£5,150”.

4 Article 95 (children) amended

In Article 95 in the following provisions for “£3,060” there is substituted “£3,450” –

- (a) paragraph (1);
- (b) paragraph (4).

5 Article 98A (additional allowance in respect of children)

In Article 98A(1A) for “£4,590” there is substituted “£5,150”.

6 Article 46 (citation and commencement) of the Finance (2022 Budget) (Jersey) Law 2022 amended

In Article 46(2)(b) for “1st January 2023” there is substituted “1st July 2023”.

7 Citation and commencement

This Law may be cited as the Finance (Budget – Cost of Living) (Jersey) Law 202- and comes into force on 1st January 2023.