

# STATES OF JERSEY



## DRAFT FINANCE (2010 BUDGET) (JERSEY) LAW 200-

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Lodged au Greffe on 27th October 2009  
by the Minister for Treasury and Resources

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STATES GREFFE





Jersey

## **DRAFT FINANCE (2010 BUDGET) (JERSEY) LAW 200-**

### **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 (2010 Budget) (Jersey) Law 200- are compatible with the Convention Rights.

(Signed) **Senator P.F.C. Ozouf**

## REPORT

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This Draft Law gives effect to proposals described in the Draft Budget Statement 2010.

### **Financial and manpower implications**

The financial and manpower implications are clearly identified at Section 11 of the Draft Budget Statement 2010 (P.179/2009).

### **European Convention on Human Rights**

Article 16 of the Human Rights (Jersey) Law 2000 requires the Minister in charge of a Projet de Loi to make a statement about the compatibility of the provisions of the Projet with the Convention rights (as defined by Article 1 of the Law). On 22nd October 2009 the Minister for Treasury and Resources made the following statement before Second Reading of this Projet in the States Assembly –

In the view of the Minister for Treasury and Resources the provisions of the Draft Finance (2010 Budget) (Jersey) Law 200- are compatible with the Convention Rights.

## Explanatory Note

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*Article 1* sets the standard rate of income tax for 2010 at 20 pence in the pound.

*Article 2* amends the Customs and Excise (Jersey) Law 1999.

Paragraph (2) substitutes the provisions imposing excise duty on spirits, wines, beer, cider, etc. and on hydrocarbon oil. In each case the rate of duty is increased as outlined in the 2010 Budget.

Paragraph (3) introduces a duty payable upon the first occasion that a motor vehicle is required to be registered in Jersey. In the case of a vehicle first registered on or after 1st March 2001 and where the relevant information is available, the rate of duty is determined according to the vehicle's CO<sub>2</sub> emissions. In all other cases, the rate of duty is determined according to the cylinder capacity of the engine. The time when duty is payable and the rules for relief and drawback will be the same as applied, prior to 6th May 2008, to vehicle registration duty. Duty would be payable on registration on and from 1st September 2010 (see Article 4(2) for commencement).

*Article 3* amends the Stamp Duties and Fees (Jersey) Law 1998. Paragraph (a) introduces a higher rate of fee for each half day that the Royal Court sits to hear an action, where the claim in the action is for more than £2 million. The higher rate is £1,000 per half day. For claims for £2 million or less, the rate continues at £300 per half day.

*Article 4* provides for the citation and commencement of the Law. The duty on registration of a motor vehicle takes effect on 1st September 2010. All other changes to duties and fees take effect on 1st January 2010.





Jersey

## **DRAFT FINANCE (2010 BUDGET) (JERSEY) LAW 200-**

### **Arrangement**

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#### **Article**

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Jersey

## **DRAFT FINANCE (2010 BUDGET) (JERSEY) LAW 200-**

**A LAW** to set the rate of income tax for 2010 and to amend the Customs and Excise (Jersey) Law 1999 and the Stamp Duties and Fees (Jersey) Law 1998.

*Adopted by the States* [date to be inserted]

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

*Registered by the Royal Court* [date to be inserted]

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

### **1 Standard rate of income tax for 2010**

There shall be levied and charged in Jersey for the year 2010, in accordance with, and subject to the provisions of, the Income Tax (Jersey) Law 1961<sup>1</sup>, income tax at the standard rate of 20 pence in the pound.

### **2 Customs and Excise (Jersey) Law 1999 amended**

- (1) In this Article, “principal Law” means the Customs and Excise (Jersey) Law 1999<sup>2</sup>.
- (2) In Part 2 of Schedule 1 to the principal Law for paragraphs 1 to 7 there shall be substituted the following paragraphs –

#### **“1 Spirits**

There shall be charged –

- (a) on all spirits, produced by a small independent distiller of spirits, which are imported into or produced or manufactured in Jersey, excise duty at the rate of £12.45 per litre of alcohol; and

- (b) on all other spirits imported into or produced or manufactured in Jersey, excise duty at the rate of £24.88 per litre of alcohol.

## 2 Wines

There shall be charged, on all wines imported into or produced or manufactured in Jersey, excise duty at the following rates –

<i>Strength of wines</i>	<i>Rate per hectolitre</i>
Wines exceeding 1.2% volume but not exceeding 5.5% volume	£60.60
Wines exceeding 5.5% volume but not exceeding 15% volume	£159.03
Wines exceeding 15% volume but not exceeding 22% volume	£194.89
	<i>Rate per litre of alcohol</i>
Wines exceeding 22% volume	£24.88.

## 3 Beer

There shall be charged –

- (a) on all beer, produced by a small independent brewer, which is imported into or produced or manufactured in Jersey, excise duty at the rate of –
- (i) £26.27 per hectolitre of beer not exceeding 4.9% volume, and
  - (ii) £39.53 per hectolitre of beer exceeding 4.9% volume; and
- (b) on all other beer imported into or produced or manufactured in Jersey, excise duty at the rate of –
- (i) £52.54 per hectolitre of beer not exceeding 4.9% volume, and
  - (ii) £79.06 per hectolitre of beer exceeding 4.9% volume.

## 4 Cider

There shall be charged –

- (a) on all cider, produced by a small independent cider-maker, which is imported into or produced or manufactured in Jersey, excise duty at the rate of –
- (i) £24.59 per hectolitre of cider not exceeding 4.9% volume, and
  - (ii) £36.99 per hectolitre of cider exceeding 4.9% volume; and

- (b) on all other cider, imported into or produced or manufactured in Jersey, excise duty at the rate of –
  - (i) £49.18 per hectolitre of cider not exceeding 4.9% volume, and
  - (ii) £73.97 per hectolitre of cider exceeding 4.9% volume.

## 5 Other alcoholic beverages

There shall be charged, on all alcoholic beverages imported into or produced or manufactured in Jersey (other than wines, beer or cider exceeding 1.2% volume but not exceeding 5.5% volume), excise duty at the rate of £24.88 per litre of alcohol.

## 6 Tobacco

There shall be charged, on all tobacco imported into or grown, produced or manufactured in Jersey, excise duty at the following rates –

(a) on unprocessed tobacco	£179.62 per kilogramme
(b) on cigars	£194.36 per kilogramme
(c) on cigarettes	£243.04 per kilogramme
(d) on hand-rolling tobacco	£206.58 per kilogramme
(e) on other types of processed tobacco not included in sub-paragraphs (b) to (d)	£188.11 per kilogramme.

## 7 Hydrocarbon oil

- (1) There shall be charged, on hydrocarbon oil imported or delivered into or produced in Jersey, excise duty at the following rate –

(a) on higher octane ultra low sulphur petrol	£46.79 per hectolitre
(b) on all other ultra low sulphur petrol	£44.93 per hectolitre
(c) on ultra low sulphur diesel	£44.93 per hectolitre
(d) on all other types of hydrocarbon oil	£48.61 per hectolitre.

- (2) For the purposes of sub-paragraph (1) –
- (a) petrol is ‘higher octane’ if its research octane number is not less than 96 and its motor octane number is not less than 86;
  - (b) ‘ultra low sulphur petrol’ means unleaded petrol the sulphur content of which does not exceed 0.005% by weight; and
  - (c) ‘ultra low sulphur diesel’ means gas oil the sulphur content of which does not exceed 0.005% by weight.”.

- (3) In Part 2 of Schedule 1 to the principal Law after paragraph 7 there shall be added the following paragraph –

**“8 Motor vehicles**

- (1) In this paragraph –

‘established CO<sub>2</sub> mass emission figure’ means, in relation to a vehicle, the grams per kilometre of carbon dioxide emitted by the vehicle, established in accordance with sub-paragraphs (5) and (6);

‘LPV’ means a light passenger vehicle, being a motor vehicle designed and constructed for the carriage of passengers and comprising no more than 8 seats in addition to the driver’s seat;

‘vehicle emissions duty’ means the excise duty payable as described in Article 38(3) or (5).

- (2) The rate of vehicle emissions duty charged on a motor vehicle is –

- (a) in the case of an LPV which has an established CO<sub>2</sub> mass emission figure and which is first registered, whether in Jersey or outside Jersey, on or after 1st March 2001, the rate applicable in accordance with sub-paragraph (3);
- (b) in the case of any other motor vehicle, the rate applicable in accordance with sub-paragraph (4).

- (3) The rate of vehicle emissions duty applicable to an LPV described in paragraph (2)(a) is –

- (a) if the LPV has not, at any time, been registered outside Jersey, the amount (if any) specified in column 2 of Table 1 for the LPV’s established CO<sub>2</sub> mass emission figure, specified in column 1;
- (b) if the LPV was registered outside Jersey, the amount (if any) specified in column 3, 4 or 5 of Table 1, according to when the LPV was first registered outside Jersey, for the LPV’s established CO<sub>2</sub> mass emission figure, specified in column 1.

1 CO <sub>2</sub> mass emission figure	2 LPV 1st registered in Jersey	3 LPV 1st registered outside Jersey 1 year or less ago	4 LPV 1st registered outside Jersey more than 1 but 2 years or less ago	5 LPV 1st registered outside Jersey more than 2 years ago
120g or less	£0	£0	£0	£0

More than 120g but not more than 150g	£40	£40	£25	£20
More than 150g but not more than 165g	£120	£120	£80	£60
More than 165g but not more than 185g	£180	£180	£115	£90
More than 185g but not more than 225g	£300	£300	£195	£150
More than 225g but not more than 250g	£600	£600	£390	£300
More than 250g but not more than 300g	£1,000	£1,000	£650	£500
More than 300g	£1,250	£1,250	£815	£625

- (4) The rate of vehicle emissions duty applicable to any motor vehicle to which sub-paragraph (3) does not apply is –
- (a) if the vehicle has not, at any time, been registered outside Jersey, the amount (if any) specified in column 2 of Table 2 for the cylinder capacity of the vehicle's engine, specified in column 1;
  - (b) if the vehicle was registered outside Jersey, the amount (if any) specified in column 3, 4 or 5 of Table 2, according to when the vehicle was first registered outside Jersey, for the cylinder capacity of the vehicle's engine, specified in column 1.

TABLE 2				
ALL OTHER MOTOR VEHICLES				
1	2	3	4	5
Cylinder capacity of engine	Vehicle 1st registered in Jersey	Vehicle 1st registered outside Jersey 1 year or less ago	Vehicle 1st registered outside Jersey more than 1 but 2 years or less ago	Vehicle 1st registered outside Jersey more than 2 years ago
1000cc or less	£0	£0	£0	£0

More than 1000cc but not more than 1400cc	£150	£150	£100	£75
More than 1400cc but not more than 1800cc	£250	£250	£165	£125
More than 1800cc but not more than 2000cc	£380	£380	£245	£190
More than 2000cc but not more than 2500cc	£500	£500	£325	£250
More than 2500cc but not more than 3000cc	£750	£750	£490	£375
More than 3000cc but not more than 3500cc	£1,000	£1,000	£650	£500
More than 3500cc	£1,250	£1,250	£815	£625

- (5) The CO<sub>2</sub> mass emission figure for an LPV shall be established when the LPV is first registered in Jersey and shall be the figure specified in a document produced in accordance with the requirements for registration that are prescribed under Part 2 of the Motor Vehicle Registration (Jersey) Law 1993<sup>3</sup>.
- (6) Where more than one CO<sub>2</sub> mass emission figure is specified in a document described in sub-paragraph (5), the CO<sub>2</sub> mass emission figure established for the vehicle shall be –
- (a) the figure specified as the combined figure or, if there is more than one combined figure, the lowest of them; or
  - (b) where there is no combined figure, the lowest figure specified.”.

### 3 Stamp Duties and Fees (Jersey) Law 1998 amended

In Part 1 of the Schedule to the Stamp Duties and Fees (Jersey) Law 1998<sup>4</sup>, for paragraph 2(2)(e) there shall be substituted the following clause –

“(e) Hearing of the		Billet or	Greffier”.
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	action in a case, or any interlocutory matter therein, where the court appoints a special day for judging a dispute between parties, whether or not witnesses are heard, for each half day or part of a half day –		application	
	(i) where the claim does not exceed £2 million	£300		
	(ii) where the claim exceeds £2 million	£1,000		

#### 4 Citation and commencement

- (1) This Law may be cited as the Finance (2010 Budget) (Jersey) Law 200- .
- (2) Article 2(3) shall come into force on 1st September 2010.
- (3) The remainder of this Law shall come into force on 1st January 2010.

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- <sup>1</sup> *chapter 24.750*
  - <sup>2</sup> *chapter 24.660*
  - <sup>3</sup> *chapter 25.350*
  - <sup>4</sup> *chapter 24.960*