

STATES OF JERSEY



BUDGET STATEMENT 2010 (P.179/2009): AMENDMENT (P.179/2009 Amd.) – AMENDMENT

**Lodged au Greffe on 1st December 2009
by the Minister for Treasury and Resources**

STATES GREFFE

BUDGET STATEMENT 2010 (P.179/2009): AMENDMENT (P.179/2009 Amd.) –
AMENDMENT

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For the words “engine sizes” substitute the words “CO₂ emissions” and for the table setting out the amounts of the tax substitute the following table –

“(i) vehicles up to 120g (CO ₂ g/km)	No annual tax
(ii) vehicles between 121g and 185g	£75 annual tax
(iii) vehicles between 186g and 250g	£150 annual tax
(iv) vehicles over 251g	£250 annual tax”

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After the words “from September 2010” insert the words “(or the earliest possible date thereafter)”.

MINISTER FOR TREASURY AND RESOURCES

NOTE:

This amendment to an amendment has been lodged by the Minister for Treasury and Resources less than 14 days before the start of the debate in accordance with the provisions of Article 20(3) of the Public Finances (Jersey) Law 2005. Paragraphs (2) and (3) of Article 20 are in the following terms –

- (2) A draft or proposition to which this Article applies is not capable of being amended during a debate in the States on the draft or proposition except in accordance with an amendment lodged at least 14 days before the start of the debate.
- (3) Paragraph (2) does not apply to an amendment moved by the Minister if the States agree that the amendment may be debated forthwith or at a time approved by the States.

In accordance with the provisions of paragraph (3) the Minister for Treasury and Resources will seek the agreement of the States to debate this amendment during the debate on the Budget 2010.

REPORT

The Minister for Treasury and Resources would like to propose an amendment to the first Budget amendment of Senator Le Main on the following grounds –

Part 1

- CO₂ emissions are a better indicator of a vehicle's emissions than engine capacity. Therefore, to the extent the tax changes behaviour, the change will benefit the environment.
- Adopting CO₂ emissions will provide some more consistency with the Budget proposals for Vehicle Emissions Duty (VED) and allow the debate to focus on the other more important considerations and differences between them – for example one being an annual tax and the other being a one-off tax on first registration.
- Emissions bandings for commercial vehicles and private vehicles are the same so that commercial and private vehicles are treated similarly.
- For older vehicles and other vehicles (including commercial) where CO₂ emissions data are not available then engine capacity should be used as the basis for tax instead.
- In financial terms –
 - The replacement of engine capacity by CO₂ emissions will not affect the financial implications of the original proposed amendment to the budget. The schedule is an indicative estimate at this stage and would require further research to refine ahead of the enacting legislation.
 - Applying the same CO₂ emissions bands to private and commercial vehicles will not materially affect the financial implications of the original proposed amendment to the budget.

Part 2

- To implement this measure, it would need to be fully researched and consulted on, a collection process developed and primary legislation enacted. It might not be possible to do this by September 2010, hence the proposed amendment to the wording of the proposition.

Financial and manpower implications

This amendment does not change the financial implications of the original budget amendment proposed by Senator Le Main and achieves the principal objective of providing funding for the agreed environmental spend.