

STATES OF JERSEY



EXPENDITURE PROPOSALS FOR 2012 AND 2013 AND DRAFT BUDGET STATEMENT 2011 (P.157/2010): FIFTH AMENDMENT

**Lodged au Greffe on 22nd November 2010
by Senator A. Breckon**

STATES GREFFE

EXPENDITURE PROPOSALS FOR 2012 AND 2013 AND DRAFT BUDGET
STATEMENT 2011 (P.157/2010): FIFTH AMENDMENT

PAGE 2, PARAGRAPH (b) –

After the words “as set out in the Budget Statement” insert the words –

“except that the estimate of total taxation revenue shall be increased by £5,000,000 by increasing the rates of stamp duty for probate or letters of administration as follows –

If the net value of the personal estate is sworn –	Proposed stamp duty
Not to exceed £10,000	NIL
To be between £10,001 and £100,000	1%
To be between £100,001 and £500,000	1.5%
To be between £500,001 and £1,000,000	2%
To be between £1,000,001 and £5,000,000	3%
To be between £5,000,001 and £10,000,000	4%
To exceed £10,000,001	5%

SENATOR A. BRECKON

Note:

The current rates under paragraph 9 of Part 3 of the Schedule to the Stamp Duties and Fees (Jersey) Law 1998 are as follows –

If the net value of the personal estate is sworn –

- | | |
|----------------------------|---|
| (a) Not to exceed £10,000 | no fee |
| (b) Not to exceed £100,000 | £50 for each £10,000 or part of £10,000 |
| (c) To exceed £100,000 | £500 in respect of the first £100,000, plus £75 for each additional £10,000 or part thereof |

REPORT

I have set out below, with advice from officers at the Judicial Greffe and Treasury, what the effects of my amendments would have been had they been in place since 2007.

I have done this as an indication; however, the amount raised through stamp duty in any year would be dependent upon the value and number of applications for probate or letters of administration.

Manpower

There are no extra manpower requirements to administer these amendments.

Financial

The difference between the amounts raised since 2007 and the amounts that could have been raised with the proposed rates is set out in full on the following page. The differences can be summarised as follows –

Year	Amount raised	Amount with proposed rates	Difference
2007	£1,779,175	£6,370,947	£4,591,772
2008	£2,241,525	£9,648,727	£7,407,202
2009	£4,893,225	£26,655,250	£21,762,025
2010 – 6 month actual	£1,467,900	£7,199,048	£5,731,148
2010 – 12 month estimate*	£2,935,800	£14,398,096	£11,462,296

* 2010 estimate based on doubling 6 month actuals.

As can be seen I have erred significantly on the side of caution in suggesting that only £5 million extra taxation revenue would be received through my proposals with the above actual figures from recent years.

**What the effects of my amendments would have been had they been in place
since 2007**

2007		Estate value	Number estates	Stamp duty (current rate)	Stamp duty (proposed rate)
0	-	10,000	277	£0	0
10,001	-	100,000	1205	£228,000	£453,285
100,001	-	500,000	296	£413,650	£973,802
500,001	-	1,000,000	49	£247,625	£694,180
1,000,001	-	5,000,000	33	£499,100	£2,028,780
5,000,001	-	10,000,000	6	£295,575	£1,584,400
10,000,001	-	+	1	£95,225	£636,500
			TOTAL	£1,779,175	£6,370,947

2008		Estate value	Number estates	Stamp duty (current rate)	Stamp duty (proposed rate)
0	-	10,000	242	£0	£0
10,001	-	100,000	1283	£236,150	£471,583
100,001	-	500,000	307	£444,600	£1,044,215
500,001	-	1,000,000	38	£189,025	£529,024
1,000,001	-	5,000,000	41	£528,900	£2,227,305
5,000,001	-	10,000,000	4	£192,950	£1,037,600
10,000,001	-	+	4	£649,900	£4,339,000
			TOTAL	£2,241,525	£9,648,727

2009		Estate value	Number estates	Stamp duty (current rate)	Stamp duty (proposed rate)
0	-	10,000	301	£0	£0
10,001	-	100,000	1257	£236,200	£469,404
100,001	-	500,000	325	£460,100	£1,080,711
500,001	-	1,000,000	55	£274,925	£769,720
1,000,001	-	5,000,000	44	£657,775	£2,674,490
5,000,001	-	10,000,000	2	£86,125	£461,926
10,000,001	-	+	7	£3,178,100	£21,199,000
			TOTAL	£4,893,225	£26,655,250

2010 (first 6 months)		Estate value	Number estates	Stamp duty (current rate)	Stamp duty (proposed rate)
0	-	10,000	167	£0	£0
10,001	-	100,000	611	£107,550	£214,327
100,001	-	500,000	170	£243,125	£573,750
500,001	-	1,000,000	19	£93,200	£261,200
1,000,001	-	5,000,000	17	£239,425	£974,634
5,000,001	-	10,000,000	1	£43,550	£233,600
10,000,001	-	+	1	£741,050	£4,941,537
			TOTAL	£1,467,900	£7,199,048