

# STATES OF JERSEY



## DRAFT FINANCE (JERSEY) LAW 200-

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Lodged au Greffe on 24th October 2006  
by the Minister for Treasury and Resources

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STATES GREFFE





Jersey

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

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

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 (Jersey) Law 200- are compatible with the Convention Rights.

(Signed) **Senator T.A. Le Sueur**

## **Report**

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This draft Law gives effect to proposals described in the Budget Statement 2007.

### **Financial and manpower implications**

The financial and manpower implications are described in the Budget Statement.

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

Article 16 of the Human Rights (Jersey) Law 2000 will, when brought into force by Act of the States, require 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). Although the Human Rights (Jersey) Law 2000 is not yet in force, on 19th October 2006 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 (Jersey) Law 200- are compatible with the Convention Rights.

## **Explanatory Note**

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### **Part 1**

*Article 1* specifies that the standard rate of income tax for 2007 shall be 20 pence in the pound.

### **Part 2**

*Article 2* amends the Customs and Excise (Jersey) Law 1999 so as to set out the new excise duty rates for spirits and wines (a 3.5% rise), beer and cider (a 4% rise), other alcoholic beverages (a 3.5% rise), tobacco (a 4.5% rise) and hydrocarbon oil (a 3.5% rise). However, in the case of “small independent brewers” as defined in the 1999 Law the rates are reduced from the current level of approximately 83% of the full rate to a level of 50% of the full rate.

*Article 3* specifies that Part 2 shall be deemed to have come into force on 1st January 2007 (even though it will not become Law until after that date).

### **Part 3**

*Article 4* provides that in Part 3, “Law” means the Stamp Duties and Fees (Jersey) Law 1998 and that a reference to an item by number is to the item of that number in Part 1 of the Schedule to that Law.

*Article 5* amends the definition of “net value” in the Law so that it means the market value of property excluding any life interests, leases or licences to which the property is subject but including any servitudes.

*Article 6* clarifies a provision relating to reduced rates of stamp duty for change of borrower to make it clear that all the parties to the old and the new borrowing documents have to be the same.

*Article 7* prevents a person from being able to benefit from the lower first time buyer rates of duty if he or she has ever owned a reversionary interest in any dwelling accommodation.

*Article 8* adds planning appeals dealt with by the Judicial Greffier without the need for an oral hearing to the list of documents in relation to which fees may be charged under the Law.

*Article 9* specifies that Part 3 shall be deemed to have come into force on 1st January 2007 (even though it will not become Law until after that date).

### **Part 4**

*Article 10* specifies the name by which this Law may be cited.





Jersey

## DRAFT FINANCE (JERSEY) LAW 200-

### Arrangement

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#### Article

#### **PART 1**

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##### INCOME TAX

1        Standard rate of income tax for 2007

#### **PART 2**

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##### EXCISE DUTY

2        Schedule 1 amended

3        Commencement of Part 2

#### **PART 3**

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##### STAMP DUTY

4        Interpretation of this Part

5        Article 1 amended

6        Item 1 amended

7        Item 13 amended

8        Item 48 added

9        Commencement of Part 3

#### **PART 4**

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##### CLOSING PROVISION

10      Citation







Jersey

## DRAFT FINANCE (JERSEY) LAW 200-

**A LAW** to prescribe the standard rate of income tax for the year 2007; to amend further the Customs and Excise (Jersey) Law 1999 so as to vary the duties on alcohol and increase the duties on tobacco and hydrocarbon oil; to amend further the Stamp Duties and Fees (Jersey) Law 1998 so as to revise and add to the provisions in respect of judicial fees and for connected purposes.

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*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 –

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### PART 1

#### INCOME TAX

##### 1 Standard rate of income tax for 2007

There shall be levied and charged in Jersey for the year 2007, in accordance with the Income Tax (Jersey) Law 1961<sup>[1]</sup>, income tax at the standard rate of 20 pence in the pound.

### PART 2

#### EXCISE DUTY

##### 2 Schedule 1 amended

For paragraphs 1 to 7 of Part 2 of Schedule 1 to the Customs and Excise (Jersey) Law 1999<sup>[2]</sup>, 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 £10.67 per litre of alcohol; and
- (b) on all other spirits imported into or produced or manufactured in Jersey, excise duty at

the rate of £21.34 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	£51.95
Wines exceeding 5.5 % volume but not exceeding 15 % volume	£136.36
Wines exceeding 15 % volume but not exceeding 22 % volume	£167.10
	<i>Rate per litre of alcohol</i>
Wines exceeding 22 % volume	£21.34.

## 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) £22.53 per hectolitre of beer not exceeding 4.9% volume, and
  - (ii) £33.89 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) £45.05 per hectolitre of beer not exceeding 4.9% volume, and
  - (ii) £67.78 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) £21.08 per hectolitre of cider not exceeding 4.9% volume, and
  - (ii) £31.71 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) £42.16 per hectolitre of cider not exceeding 4.9% volume, and
  - (ii) £63.42 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 £21.34 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	£147.82 per kilogramme
(b) on cigars	£159.94 per kilogramme
(c) on cigarettes	£200.01 per kilogramme
(d) on hand-rolling tobacco	£170.00 per kilogramme
(e) on other types of processed tobacco not included in sub-paragraphs (b) to (d)	£154.80 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	£40.97 per hectolitre
(b) on all other ultra low sulphur petrol	£39.35 per hectolitre
(c) on ultra low sulphur diesel	£39.35 per hectolitre
(d) on all other types of hydrocarbon oil	£42.57 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 Commencement of Part 2

This Part shall be deemed to have come into force on 1st January 2007.

# PART 3

## STAMP DUTY

## 4 Interpretation of this Part

In this Part –

- (a) “Law” means the Stamp Duties and Fees (Jersey) Law 1998<sup>[3]</sup>;
- (b) a reference to an item is a reference to the item of that number in Part 1 of the Schedule to the Law.

## 5 Article 1 amended

In Article 1 of the Law for the definition “net value” there shall be substituted the following definition –

“ ‘net value’ means, in relation to any property conveyed or disposed by a contract or in relation to the personal estate of a deceased person, the market value of the property at the time of passing of the contract or death of the deceased disregarding any life interest or lease or licence to which the property is subject but taking account of any servitude pertaining to the property, less the amount of any existing registered charges for which the contract provides that the purchaser or transferee shall assume liability or any charges or taxes payable on the personal estate of the deceased;”.

**6 Item 1 amended**

In item 1, for paragraph (C) of the proviso to paragraph (ba) there shall be substituted the following paragraph –

“(C) all the same persons have acknowledged indebtedness in both the new borrowing document and the registered borrowing document;”.

**7 Item 13 amended**

In item 13, in paragraph (C) of the proviso to paragraph (b) for the words “the purchaser has never previously been entitled to occupy dwelling accommodation wherever situated” there shall be substituted the words “he or she has never owned a reversionary interest in any dwelling accommodation wherever situated nor has he or she ever previously been entitled to occupy such dwelling accommodation”.

**8 Item 48 added**

After item 47 there shall be added the following item –

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<b>“48.</b>	<b>PLANNING APPEALS “ON THE PAPERS”</b>
	For Planning Appeals dealt with by the Greffier without the need for an oral hearing under the provisions of Rule 15/3C of the Royal Court Rules 2004 <sup>[4]</sup>
	£200                      Notice of Appeal    Greffier”

**9 Commencement of Part 3**

This Part shall be deemed to have come into force on 1st January 2007.

**PART 4**

**CLOSING PROVISION**

**10 Citation**

This Law may be cited as the Finance (Jersey) Law 200-.



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- [1] *chapter 24.750*
- [2] *chapter 24.660*
- [3] *chapter 24.960*
- [4] *chapter 07.770.72*