

1240/5(3430)

**WRITTEN QUESTION TO THE MINISTER FOR TREASURY AND RESOURCES
BY DEPUTY G.P. SOUTHERN OF ST. HELIER**

ANSWER TO BE TABLED ON MONDAY 16th JULY 2007

Question

In his response to a written question on 3rd July 2007, the Minister stated that would be unable to give an accurate assessment of the impact of income tax mortgage relief on tax revenues prior to the operation of ITIS in 2008. Will he nevertheless respond to the question with estimated figures?

Answer

I believe that the Deputy means the operation of 20% means 20%, rather than ITIS.

No. It is impossible to answer even with estimated figures as interest tax relief is given not just for mortgage interest tax relief, but also on interest on loans to buy shares in a trade, partnership or trading company, interest on loans to buy commercial property and interest on loans to buy plant and machinery used for trade or employment purposes. It is impossible to distinguish mortgage interest tax relief in the total interest relief figure on the Income Tax computer system as all that interest relief is lumped together. An answer to this issue is likely to be available at the end of the assessing cycle in October 2008.