

**WRITTEN QUESTION TO THE MINISTER FOR TREASURY AND RESOURCES
BY DEPUTY M. TADIER OF ST. BRELADE
ANSWER TO BE TABLED ON MONDAY 13th JULY 2009**

Question

Will the Minister provide a detailed breakdown of the effective tax rate for *all* 1(1)Ks currently living in the island for the past 5 years?

Answer

It is unclear exactly what the Deputy is asking for. However, it is assumed that the question seeks the effective tax rate for *all* 1(1)k's, in other words the *average* rate for *all* concerned, for each of the last 5 years of assessment.

The reason this is significant is, as the Deputy will appreciate, the only information that can be released into the public domain by the Comptroller of Income Tax is the *average* effective tax rate for all 1(1)k's. The Comptroller cannot and will not release individual data in respect of individual taxpayers into the public domain for any taxpayer, including 1(1)k's. To do so would be a breach of the Comptroller's Royal Court Oath of Office.

The Comptroller and his staff assess each individual's liability to tax on a case by case basis. This applies to all taxpayers, including each 1(1)k and the companies and trusts in which they have an interest. Taking the information from each case file, it would be possible to calculate the average effective rate for all 1(1)k's. However this would entail a substantial amount of work and resource cost at the Income Tax Office, as well as diverting Income Tax staff resources from their very busy workload. Suffice to say, this information if required, will take some time to collect.

What the Comptroller has said, on the basis of his experience, is that it is reasonable to expect that the average effective tax rate for all 1(1)k's, in respect of their personal, corporate and trust income liable to Jersey income tax, will be in the range of between 15% and 20%.