

**WRITTEN QUESTION TO THE MINISTER FOR TREASURY AND RESOURCES
BY DEPUTY G.P. SOUTHERN OF ST. HELIER
ANSWER TO BE TABLED ON TUESDAY 1st FEBRUARY 2011**

Question

Will the Minister confirm that –

- (a) early estimates of the loss in tax revenue from the zero/ten tax policy were around £90m annually, with approximately £30m from the ‘zero’ component and £60m from ‘ten %’?
- (b) more recent estimates from the Treasury give estimates of £10 - £15m tax to be recouped through ‘look-through’ from Jersey owned zero-rated non-finance companies?

In the light of the answer given to question 5947 on 18th January 2011 that only £0.7m of additional tax revenue is likely from ‘look through’ in 2009, will the Minister now give an estimate of the tax revenue through ‘deemed distribution’ for 2010 once companies have declared both final and interim dividends?

Answer

- (a) I can confirm that the early estimates of the loss in revenue from the zero/ten tax policy were as stated in the question.
- (b) It is not possible to give an accurate estimate for tax revenue for 2010 deemed distribution in relation to interim and final dividends until the 2010 tax assessments have all been completed. That will not be until the end of 2011 as the 2010 Tax Returns have only been issued to taxpayers this month and the assessing cycle will not be completed until November, 2011.

The answer given to question 5947 made clear, as does (b) above, that it is not possible at this stage to produce or provide an accurate estimate of the tax revenue through ‘deemed distribution’ for 2010.