

2.7 Deputy G.P. Southern of the Minister for Treasury and Resources regarding the sources of tax included in the sum of £54 million for 2009 income tax from all trades other than financial intermediation:

Will the Minister provide a breakdown of the sources of tax included in the sum of £54 million for 2009 income tax from all trades other than financial intermediation as mentioned in his written response to Question 6121 on 15th March 2011?

Deputy E.J. Noel of St. Lawrence (The Assistant Minister for Treasury and Resources - rapporteur):

I think this may have been more suitable as a written question but as the Deputy has asked for it to be read out, this is a detailed breakdown of the £54 million by sector.

The Bailiff:

How long is this going to take?

Deputy E.J. Noel:

About 90 seconds, Sir, hopefully.

The Bailiff:

Alright.

Deputy E.J. Noel:

Agriculture and Horticulture, £2.9 million; Fishing, £0.2 million; Manufacturing, £0.3 million; Construction and Quarrying, £7.4 million; Wholesale and Retail, £3.4 million; Hotels and Restaurants £2.8 million; Transport and Communications, £4.5 million; Real Estate Fee Income, £0.3 million; Health and Social Work, £4.1 million; other business services, £16.4 million; other community services, £12.3 million. These are rounded-up figures and yes if the Deputy does add them up, they come to £54.6 million. I trust that this is acceptable.

2.7.1 Deputy G.P. Southern:

Does the Assistant Minister consider that it would be useful to maintain this list of where we are getting our sources of income from in the light of the change from a single tax rate of 20 per cent to a tax rate of 0 per cent and 10 per cent and, in particular, can he state how a tax rate of 0 per cent is producing £54 million from all services other than financial intermediation?

Deputy E.J. Noel:

I think all valuable statistics are worth collecting. In terms of Deputy Southern's last point, I am afraid that he continually does not understand that business tax comes from partnerships, from sole traders and from some corporations that have 'Schedule A' income, and we will be collecting tax from those businesses and therefore we will continue to have this stream of income.

2.7.2 Deputy M.R. Higgins:

After hearing the Assistant Minister saying it is valuable keeping all this data, I am most surprised looking at the answer to written question 10 from Deputy Southern. Basically, when you read this thing, they say they cannot collect all the information or they do not have it. It is clear as mud, so would the Assistant Minister give an undertaking that they will provide clear data as to where the revenue of the States is coming from?

Deputy E.J. Noel:

We will provide the data that our systems allow us to do so. Some data is easier to collect than others. We have a bespoke computerised system and it is not always easy to extract data from that system in the numerous ways that Members seem to want it.

2.7.3 Deputy M.R. Higgins:

Supplementary, Sir. If it is so difficult because the systems are not there, is this not an essential activity of Government to know where their income is coming so they can prioritise where it is going to be spent and so should they not get their systems in order?

Deputy E.J. Noel:

We do know where our income comes from. What we do not know is necessarily all the different permutations of the detailed breakdowns that Members want.

The Bailiff:

The final question, Deputy Southern. I am sorry, Deputy of St. John, have you got your light on?

2.7.4 The Deputy of St. John:

Yes, please. I have heard this word used a number of times now, usually on the television when I am looking at some futuristic building programme, a bespoke computer system. Will the Assistant Minister please give details of what he means by a "bespoke computer system" and who operates it and who can get the information from it?

Deputy E.J. Noel:

We have had this system for a number of years now. It is a JD Edwards system. It is well known. It is bespoke, in fact, because it has been tailored to this Island and our requirements. Extracting data from it outside the normal activities is not a straightforward task.

2.7.5 The Deputy of St. John:

Can I put a supplementary on that? Given that it is a JD Edwards system and it was put in many years ago now, being in the House at the time and it was problematic then, is the Assistant Minister agreeing that it is still problematic now all these years later and is it time it was changed?

Deputy E.J. Noel:

No, I am not. All I am saying is that Members ask for data in different formats outside the normal requirements.

2.7.6 Deputy G.P. Southern:

I have got 2: I will try and wrap them in one. Can the Minister state what proportion of this £54 million comes from local shareholders and confirm that non-local shareholders are not being charged tax on the dividends they receive from their companies? Will he confirm whether or not the estimates of £54 million and £74 million are to be maintained in 2010 and 2011? Are they going to be roughly the same?

Deputy E.J. Noel:

The Deputy knows full well the Zero/Ten system. Those shareholders who live outside the Island do not pay tax in Jersey. They pay tax in their home jurisdictions. As for estimates, they are exactly that; they are estimates. As we have new information, those estimates may well change.

[10:30]

2.7.7 Deputy S. Power of St. Brelade:

Could the Assistant Minister circulate those figures in writing to States Members? Would that be a problem?

Deputy E.J. Noel:

They are already on Hansard but I am more than willing to forward those figures on to Members.

The Bailiff:

Yes, I must confess, it seemed the question was on the face of it more appropriate for a written question.

Deputy G.P. Southern:

I have got 2 written questions in here. They contain 3 sides of writing, none of them an answer.