

**WRITTEN QUESTION TO THE MINISTER FOR TREASURY AND RESOURCES  
BY THE DEPUTY OF GROUVILLE  
ANSWER TO BE TABLED ON TUESDAY 24th FEBRUARY 2015**

**Question**

How much have all the reports pertaining to the proposed Property Tax produced to date actually cost, namely PwC, the consultation report and the questionnaire?

How much will it cost to implement and why is it considered necessary to change the system?

Would it be more efficient to revise the existing system?

Could PwC undertake to make clear the response to the consultation and if they consider it to be a good response and, if not, why not?

Have the land taxes imposed in Ireland, Denmark and New Zealand been considered by the Minister and compared to what is being proposed and the system in Jersey at present?

**Answer**

The Green Paper on Property Taxation (R.101/2014) was published on 18 July 2014. As the Green Paper makes clear, the purpose of the consultation exercise was to seek the views of the public on six proposed principles, based on the independent advice received, which could be used to shape any future changes to the property tax system. No changes to the property tax system have been proposed and it is therefore not correct to refer to “the proposed Property Tax”.

Responses to the specific questions asked have been provided in the order raised.

1. The cost of the Green Paper on Property Taxation (R.101/2014) and the consultation exercise was as follows:

<b>Description</b>	<b>Service provider</b>	<b>Cost</b>
Report on the taxation of land and property	PricewaterhouseCoopers LLP	£50,000.00
Printing of consultation report	Bigwoods Premier Printers Limited	£2,779.40
External focus groups/workshop	4insight	£7,660.00

The balance of the work has been performed internally to the States within existing resources.

2. At present, no changes have been proposed to the property tax system and therefore there is no cost of implementation. Should any firm proposals be made, the associated costs will be identified.

The aims of the property tax review, as set out in the Green Paper, are to ensure that Jersey’s property tax system as a whole (parish rates, the Island-wide Rate, stamp duty, Land Transaction Tax and income tax) is modern, coherent and transparent, and that it minimises distortions, acknowledges the contribution made by the public to increases in property value and is appropriate for Jersey.

3. The Minister for Treasury and Resources will consider all options for reform of the property tax system, including reform of the existing system, when the responses to the consultation have been reviewed in full.
4. It is not clear if the Deputy is seeking a comment from the Minister for Treasury and Resources or from PwC. A summary of the responses received to the consultation, as well as the Minister's response, will be published by the summer of 2015.

The Green Paper summarises PwC's much longer report, which was published in full as the annex to the Green Paper. The Green Paper was shared with PwC before it was published.

5. Land taxes in Ireland, Denmark and New Zealand are discussed on pages 26, 22 and 15, respectively, of the PwC report.