

**WRITTEN QUESTION TO THE MINISTER FOR TREASURY AND RESOURCES  
BY DEPUTY G.P. SOUTHERN OF ST. HELIER  
ANSWER TO BE TABLED ON TUESDAY 26th JUNE 2018**

**Question**

Further to statements in her responses to questions on 7th June 2018, when she stood for selection as Minister, that taxes should be “*low, broad, simple and fair*”, will the Minister –

- (a) advise whether she maintains that position and, if so, whether it is her assessment that the proposals in the Reform Jersey manifesto in relation to Income Tax are both ‘simpler’ and ‘fairer’ than the current structure and, if not, will she explain why not;
- (b) undertake to bring forward the Reform Jersey proposals for consideration by the States in the 2019 Budget (given that these proposals have been assessed and modelled by the tax department, and found to be practical and that they would produce an additional £6 million in revenue) and if not, will she explain why not;
- (c) state how, in light of her statement in response to such questions that tax “*needs to be kept as low as possible in order to be competitive with other jurisdictions*”, such a policy will ensure the provision of an acceptable and sustainable public service to meet the needs of Islanders?

**Answer**

The Minister for Treasury and Resources continues to hold the view that taxes should be low, broad, simple and fair – recognising, of course, that those four principles can compete with each other and should be held in an appropriate balance.

A review of Personal Taxation has already started. The report of its first phase was published in March 2017. The early findings of the second phase will be reported alongside the Budget 2019. Focus Groups are currently under way and public consultation will follow.

This review includes consideration of when and how to introduce separate taxation of married women and civil partners (“independent taxation”) - or another form of household taxation. This will include consideration of personal tax rates and allowances, and alternative structures. It is planned that this work will result in measures being brought forward in the Budget 2020.

The Minister for Treasury and Resources has asked her Department to include consideration of Reform’s proposals alongside others as part of this review.

Taxes need to be kept as low as possible to maintain Jersey’s competitive position while continuing to be sufficient to fund its public services.