

2019.12.10

8 Deputy R.J. Ward of the Minister for Treasury and Resources regarding the taxation of part-time and seasonal workers: (OQ.307/2019)

Given that new taxpayers pay on a current year basis, what is being done to ensure that part-time and seasonal workers (particularly young people at school, college or university), who earn well below tax thresholds are not being charged at an effective emergency rate; and, when this happens, what action is being taken to return monies to the individuals involved?

Deputy S.J. Pinel of St. Clement (The Minister for Treasury and Resources):

Anyone that is moving to Jersey, or who is already living in Jersey and is registering for tax, is required to complete a personal income tax registration form. This comprehensive form captures all of the information, needed by Revenue Jersey, to determine the individual's potential liability to tax, based on their personal circumstances and their estimated income. For the avoidance of doubt, the form requires details of job status, such as seasonal work and/or full-time, or part-time employment. An effective rate will be issued to the individual, based on the projected liability, avoiding the need for an emergency effective rate to be applied by their employer. I can assure the Assembly that new registrations are prioritised by Revenue Jersey and that effective rate notices are issued within a matter of days from receipt of the registration form. Finally, I can confirm that if an emergency rate is applied by the employer, where perhaps it should not have been, Revenue Jersey will redress the situation by repaying the excess tax.

3.8.1 Deputy R.J. Ward:

I asked the question, because I have come across situations where young people have been told that they will get their money back in the new year which, to be quite frank, is no good to them, because they are working in order to pay for Christmas presents at Christmas.

[10:45]

So, can I ask the Minister, if I do come across cases, can I bring them to her and she can encourage those to be rectified, as soon as possible?

Deputy S.J. Pinel:

Yes, I can assure the Deputy that any situations of difficulty, or hardship, will be looked at, with priority, from the Taxes Office.

3.8.2 Deputy M. Tadier:

There was a recent report that, roughly, 100 Kenyan professionals have been hired, or will be hired, to work in Jersey hospitality and so, obviously, while we welcome the social and economic contribution that they will be making to the Island, which is very important, will they be liable for tax, if they fall under the tax threshold? Will they still be taxed upfront and what steps are being taken, in this case, to make sure they are not taxed unduly?

Deputy S.J. Pinel:

Yes, the Deputy is correct in that is the way forward, at the moment, with Kenyan seasonal workers. The relevant tax threshold, tax reliefs and allowances due to be applied to the individual, are time apportioned, in accordance with the number of weeks that the person is in the Island.

The Bailiff:

A final supplementary, Deputy Ward.

Deputy R.J. Ward:

No, I got the answer I wanted. Thank you.