

**WRITTEN QUESTION TO THE MINISTER FOR TREASURY AND RESOURCES
BY DEPUTY G.P. SOUTHERN OF ST. HELIER
ANSWER TO BE TABLED ON TUESDAY 16th JULY 2019**

Question

Will the Minister state how much additional Income Tax would be generated by the application of a single rate of 27% to all Income Tax payers with all allowances applied and show how this additional sum would be distributed across Income Tax payers by income decile?

Answer

The additional income tax that would be generated by the application of a single rate of 27% to all income tax payers with all allowances applied is £39mⁱ (see WQ.331.2019 tabled 16 July 2019 for further detail).

The distribution of this additional tax by income decile (displayed lowest to highest) is shown in the table below:

Decile	2017 Marginal 26% and Standard at 20%	2017 all at marginal 27%	Difference - £m
1	£3.0m	£3.1m	£0.1m
2	£5.8m	£6.0m	£0.2m
3	£10.3m	£10.7m	£0.4m
4	£14.4m	£15.0m	£0.6m
5	£18.0m	£18.7m	£0.7m
6	£23.9m	£24.9m	£0.9m
7	£32.2m	£33.4m	£1.3m
8	£44.3m	£46.0m	£1.7m
9	£67.8m	£71.0m	£3.2m
10	£176.7m	£207.1m	£30.4m
Grand Total	£396.3m	£435.6m	£39.4m

Please note - Numbers presented in this table have been rounded independently to the nearest £0.1m; therefore, rows and columns may not sum to the total shown.

ⁱ This figure excludes entirely the High Value Resident (HVR) population on the basis that they are subject to different rates of tax above certain income thresholds.