

**WRITTEN QUESTION TO THE MINISTER FOR TREASURY AND RESOURCES  
BY DEPUTY R.J. WARD OF ST. HELIER  
ANSWER TO BE TABLED ON MONDAY 9th MARCH 2020**

**Question**

What will be the costs of moving all taxpayers to being taxed on a current-year basis; and, in particular, what will be the cost-benefits arising from this process, if any, in terms of the amount of tax collected from those people who leave the Island and in respect of tax administrative costs?

**Answer**

In the 2020 Government Plan, Ministers signalled their intention to review the case for moving all taxpayers onto the “current-year basis of accounting” (CYB) from the prior-year basis (PYB). The work will be conducted within the Personal Tax Review and will consider whether the move would be advisable and – if it were – how best to manage the transition for existing PYB taxpayers so that they do not have to pay two years’ tax in one year.

The work will commence before Easter, with questions being posed to islanders in the next phase of consultation on the issue of Independent Taxation.

Until this work is completed, it is not possible easily to quantify the costs and benefits of making such a change on a hypothetical basis. The perceived benefits identified in the Government Plan hang on the removal of the complexity arising from having two different ways of paying taxes and the problems that can be caused for islanders when their circumstances materially change, for example on retirement.