

**WRITTEN QUESTION TO THE MINISTER FOR TREASURY AND RESOURCES
BY DEPUTY K.F. MOREL OF ST. LAWRENCE
ANSWER TO BE TABLED ON TUESDAY 21st APRIL 2020**

Question

Will the Minister provide details of known States income for the first quarter of 2020 (or, if income is not currently known, forecast income) and the current assumptions, or forecasts, being used by the Treasury and the Comptroller of Taxes to estimate States income for the rest of 2020?

Answer

States income is forecasted by the Income Forecasting Group (IFG) which is chaired by the Treasurer of the States and draws together key officials and external members.

The IFG is currently reviewing its 2020-24 forecasts for submission to Ministers and subsequent publication. The IFG forecast will be founded on the March 2020 economic assumptions of the Fiscal Policy Panel. This forecast will be made public once finalised and presented to the Council of Ministers in the coming weeks.

This forecast will include income which will not normally be received into government bank accounts until 2020, for example personal income tax from prior-year basis taxpayers, corporate income tax and so on. The income forecast therefore differs significantly from payments received and receivable in 2020.

The total tax monies received and processed into the Governments accounts in the first quarter of 2020 is in the region of £211 million. This comes from:

- personal income tax (tax and penalties);
- corporate income tax (tax and penalties);
- GST (tax and penalties);
- International Service Entities (fees); and
- Customs and excise duties.

This is essentially the “cash” received and should not be confused with the income forecast, as explained above, as some of this relates to prior years’ taxation and in the case of GST, for example, the last quarter of 2019.

It would be premature to issue forecasts or assumptions before the report of the IFG is finalised.

