

**WRITTEN QUESTION TO THE MINISTER FOR TREASURY AND RESOURCES
BY DEPUTY R.S. KOVACS OF ST. SAVIOUR
QUESTION SUBMITTED ON MONDAY 31st OCTOBER 2022
ANSWER TO BE TABLED ON MONDAY 7th NOVEMBER 2022**

Question

“With reference to the 2020 tax return, will the Minister advise the following in relation to rental income declared from residential properties –

- (a) how many individuals declared residential rental income –
 - (i) on their principal place of residence, such as through informal lodgings;
 - (ii) on other property in their ownership including, if identifiable, broken down into single or multiple properties;
- (b) whether any residential rental property income was declared in Company returns from either 2019 or 2020, and if so, how much; and,
- (c) whether any non-residents declared income from Jersey residential property, and if so, how many and how much was the total rental declared for taxable purposes?”

Answer

Revenue Jersey can only collect information necessary to fulfil its functions of assessing and collecting income tax. The information available to Revenue Jersey can be variable depending upon how taxpayers may have declared various income streams.

The Comptroller of Revenue has advised me that around 670 taxpayers declared income arising from renting rooms in a principal place of residence in submitted 2020 tax returns.

The Comptroller understands that most taxpayers who declare rental income on personal tax returns are largely declaring income arising from renting dwellings. On that basis, the Comptroller estimates that up to around 4,760 taxpayers will have declared rental income in respect of one property (usually likely to be a dwelling); and that around 1,850 taxpayers will have declared rental income in respect of multiple properties (usually likely to be dwellings). It should be noted that these numbers are likely to be exaggerated as some taxpayers will be declaring income arising from dwellings in other jurisdictions; renting out car-parking spaces; garages; land; and so on. They will also include income arising to an estimated 680 non-residents in respect of Jersey residential property.

It is estimated that around £10 million of income arising from Jersey residential property was taxed in the hands of non-residents but a greater margin of error will exist in this estimate because it is not possible to isolate certain expenses or carry-forward losses.

Revenue Jersey does not hold information on the number and types of properties from which companies' rental income arises. Income is declared (and is assessed for income tax) on an aggregate basis.

Notes

Counts have been rounded to the nearest 10 and values to the nearest £100k. The information provided is based on tax returns which have been filed for the 2020 year of assessment: it does not take account of those taxpayers who have not filed a tax return and have been served with a Default Assessment.

A “taxpayer” may be an individual or married couple or civil partnership, or the separately assessed individuals of a married couple or civil partnership.

Some properties are rented out by more than one taxpayer, eg siblings renting out an inherited property. In such instances, the apparent number of properties would be overstated.

This data can mingle Jersey and non-Jersey rental income which, in some cases, is difficult to isolate.