

23.10.17

5 Deputy C.S. Alves of St. Helier Central of the Minister for Treasury and Resources regarding tax assessment notices (OQ.202/2023)

Will the Minister explain why, when Islanders overpay their tax, it is shown as nil on their tax assessment notices instead of the amount that has been overpaid?

Deputy S.M. Ahier (Assistant Minister for Treasury and Resources - rapporteur):

I thank the Deputy for her question and apologise once again for the absence of the Minister. The annual notice of assessment specifies the tax due for the relevant year of assessment calculated by reference to the income declared in that year's tax return. The notice will state nil when there is no payment outstanding. Statements of account are available on request, which would detail any outstanding underpayments or overpayments for specific years. The notice of assessment and statements of account are currently under review to make them easier for customers to understand. Once an assessment has been finalised, any overpayment is automatically carried forward. I.T.I.S. (Income Tax Instalment Scheme) taxpayers will receive a new effective rate taking into account the overpayment. In some cases, the new effective rate will be lower.

4.5.1 Deputy C.S. Alves:

Does the Assistant Minister in this case think that it is acceptable that this is something that the public have to request to know and the fact that it is automatically carried forward, but members of the public are not necessarily aware of how much is carried forward, and how this affects the percentage? Does he think that is acceptable?

Deputy S.M. Ahier:

Yes, how much is carried forward, some of the sums are very small and they are automatically carried forward. The necessity to inform the person that it is of a certain amount is not necessary in most cases. A lot of people overpay their tax deliberately - you may laugh - but some people do because they know they have had a change of circumstances. If they have had a change of circumstances and they know that their tax is going to increase, then they will overpay during one year to ensure that their balance is in order and they do not have a higher rate in the year following that. I am sorry, I have forgotten the first part of the Deputy's question.

Deputy C.S. Alves:

Whether the Assistant Minister thinks it is acceptable that members of the public have to request this information instead of automatically being given it.

Deputy S.M. Ahier:

I thank her for that clarification. Yes, the automatic request, that is the reason why we will be running the review because some people have said that they do not really want to go through the process of requesting the forms and it can be quite complicated. When the information is presented to them from the statement of accounts, they are quite difficult to understand as well but, yes, I think the Deputy is correct.

4.5.2 Deputy R.J. Ward:

I just wanted to ask the Assistant Minister if he knows the turnaround time for requesting one of the statements he mentioned.

Deputy S.M. Ahier:

For the requesting of the statements of accounts, the actual statements of accounts come as a ...

Deputy R.J. Ward:

Yes, sorry, it was badly put. Once requested, how long it takes to get the statement of the accounts.

[10:15]

Deputy S.M. Ahier:

I believe that the statement of accounts will be sent out within about 2 months.

Deputy R.J. Ward:

I am a little bit thrown by 2 months, if I am honest. No, I do not have a supplementary.

4.5.3 Deputy M. Tadier:

We are often being told that Jersey is a centre of digital excellence or at least aspiring to be that. Does the Minister think that it would be possible at some point for an ordinary member of the public to be able to log in and check their tax account, see what they owe or see what they are owed by the department and, if not, why not?

Deputy S.M. Ahier:

I agree with the Deputy that that would be wonderful if that was possible, and I am sure it is technically possible at this current time. There are changes being made to the system that is being run currently, but to log in and find exactly how much any particular person owes in tax at any particular time during the year would be incredibly difficult and would be incredibly expensive.

4.5.4 Deputy M. Tadier:

I think we have some of the best I.T. (information technology) experts in the Island working all over; I know some in the public sector who are teachers, I know others who work for banks. Does the Minister think that if this Government spent less money on recruiting Comms for his department to churn out what is bordering on propaganda and employed some of those very skilled I.T. people, that Government could be leading by example when it comes to I.T., not just talking about it?

Deputy S.M. Ahier:

I am not too sure of the connection between the Communications Department and the I.T. Department but there you go. Yes, obviously we do have a great deal of I.T. expertise but that does not detract from the issue of how much it costs to reprogramme and change the systems. In this instance of finding specific detail on specific days for every individual taxpayer it would be incredibly complex and incredibly expensive.

4.5.5 Deputy R.S. Kovacs of St. Saviour:

The Assistant Minister mentioned that he believes it is not necessary in some cases to give these figures. Why does he believe so and does he not consider that people having the option to continue with their figure in the tax or take it upfront need to know that amount and not wait 2 months to know the result?

Deputy S.M. Ahier:

Thank you for the question. The reason why they do not really need to know the amount because the amounts are mostly very small, is that the amounts change all the time and they also change for

the person's circumstances. So, if they are continually in a flow of changing throughout the year, then it seems pointless that if somebody had the information in January, by March that figure may be completely different.

4.5.6 Deputy R.S. Kovacs:

I am aware that even when the figure is higher that it is still not included, and I do believe it is necessary. Does the Assistant Minister commit to take consideration to speak with the Minister and his department to have that line included on the figure?

Deputy S.M. Ahier:

When you say the "line included", that presumably is removing the nil amount and incorporating the actual figure, is that what the Deputy is saying?

Deputy R.S. Kovacs:

Yes.

Deputy S.M. Ahier:

Thank you, Deputy, for clarification. I personally do not think that it is necessary but I am perfectly willing to ask the Minister and ask the Comptroller if they will reconsider in the review that is coming up to see if it could be included, yes.

4.5.7 Deputy G.P. Southern:

Just out of interest, could the Assistant Minister tell us who the source was for his statement that lots of people overpay their tax?

Deputy S.M. Ahier:

That was my statement, Deputy. There are a number of people who do pay, I say "a number", some who overpay their tax because they know their circumstances are changing and they do not want to be burdened with a large bill for the year after.

The Bailiff:

Do you have a supplemental question to that, Deputy?

Deputy G.P. Southern:

I believe we mix in different circles then.

Deputy S.M. Ahier:

I am sure we do. [Laughter]

The Bailiff:

Well I do not think that question nor that answer was specifically relevant to the question but, Deputy Alves's, a final supplementary.

4.5.8 Deputy C.S. Alves:

The Assistant Minister said that he felt it was not necessary to include this line; however, his Government stands for openness and transparency, so I would argue that that is not being open and transparent. I would like to ask the Assistant Minister, what does he think constitutes a small amount because he mentioned that small amounts are carried forward. I have seen cases where the

total gross, their total annual gross income is £50,000 and they are owed over £2,500. That is 5 per cent of their gross income. So what constitutes a small amount being carried forward?

Deputy S.M. Ahier:

In my opinion, in the Tax Department any small amount would be under £1,000. So obviously the case that the Deputy is talking about of £2,500, that is exceptional. I am quite surprised that that has happened but obviously if that person requests a statement of accounts, they will receive it and then they can apply to get that funding returned if they wish.

The Bailiff:

You have a point to make ...

Deputy K.F. Morel of St. John, St. Lawrence and Trinity:

Yes, I believe it is a point of order. I have just been listening obviously to the questions and Standing Order 10(6)(b) clearly says that: "A question shall not seek an expression of opinion." Just when listening to many of these questions it appears to me that they have been seeking opinions rather than facts.

The Bailiff:

I accept, of course, the thrust of the Standing Order and that they should not seek ... the purpose of questions are to do 2 things: seek specific information or ask for Ministerial action. Those are the 2 purposes of questions. Of course, there is an element of laxity and liberal application which has always been traditional in the Assembly as to how question time has worked in that way, but it is correct to the extent that if there is a request for expression of a personal opinion as opposed to Ministerial information, then that would not be in accordance with Standing Orders.

Deputy M. Tadier:

Can I just ask, and I appreciate the nuanced way in which you are interpreting the Standing Orders, does it also apply that there is a difference between a political opinion and a personal opinion? So if I were to ask the Minister: "What do you think about the façade of this new building that is going up?" that might be different to what the underlying policies are that form political opinions about her own or his own portfolio and that, of course, as long as the question is political in nature, that is what we are trying to establish rather than vexatious.

The Bailiff:

Well, it is not lost on the Presiding Officer that our question time is used for making generalised political statements both in the forms of the questions as well as the forms of the answers. I think if, provided what is being sought is information and it is legitimate information to provide, so it is not simply an expression of a personal opinion, then it seems to me to be a legitimate use of a question.