

**WRITTEN QUESTION TO THE MINISTER FOR TREASURY AND RESOURCES  
BY DEPUTY S.Y. MÉZEC OF ST. HELIER SOUTH  
QUESTION SUBMITTED ON MONDAY 24th APRIL 2023  
ANSWER TO BE TABLED ON TUESDAY 2nd MAY 2023**

**Question**

“Will the Minister provide an updated figure for the estimated extra revenue that would be raised by removing the Upper Earnings Cap from both Social Security Contributions and Long-Term Care Contributions?”

**Answer**

Officers have modelled the revenue impact using the latest available tax data. This is for the 2021 Year of Assessment.

A key assumption made is that there would be no change in employer or taxpayer behaviour as a result of the rate rise.

If the UEL for Social Security Contributions was abolished, it is estimated additional social security revenue would total £9.0 million.

If the cap on the Long-Term Care Contributions was abolished, it is estimated additional long-term care revenue would total £8.5 million.

Revenue raised in this way would be paid into the relevant fund and would not be available for general government spending. Unless equivalent changes were made to the grant to the social security fund or the long-term care fund there would be no benefit to the balance of general revenues and expenditure.