

**WRITTEN QUESTION TO THE MINISTER FOR TREASURY AND RESOURCES
BY DEPUTY R.S. KOVACS OF ST. SAVIOUR
QUESTION SUBMITTED ON MONDAY 25th SEPTEMBER 2023
ANSWER TO BE TABLED ON MONDAY 2nd OCTOBER 2023**

Question

“Regarding the new taxes outlined in page 44 and 46 of the [Proposed Government Plan 2024-2027](#), will the Minister –

- (a) explain the intended process and charges for –
 - (i) domestic liquid waste;
 - (ii) domestic household waste; and
 - (iii) revenue to replace Road Fuel Duty with a Vehicle Tax;
- (b) explain how, if at all, the above is consistent with minimising the effect of the Cost of Living crisis on residents, and how he would address the effect of extra taxes, especially on low fixed income households; and
- (c) confirm which department will oversee the revenue from these new taxes, and where the income is intended to be used?”

Answer

As indicated on page 44 of the Proposed Government Plan 2024 – 2027, the additional tax measures with regard to waste charges will be announced in future plans. Development of these proposed policies has not commenced and work on replacing fuel duty is at a very early stage. The Assembly will be asked to approve the application of existing resources to work on the development of ‘user pays’ charges in relation to all aspects of waste, including commercial and domestic liquid and solid waste, in debating part (b) of the Proposed Government Plan 2024-2027 proposition.

The Fuel Duty Replacement policy, outlined on page 46 of the Proposed Government Plan 2024 – 2027, will be developed in 2024, subject to States Assembly approval. It is anticipated that the tax will not be introduced until 2026 at the earliest. Ministers expect to focus on three potential options: a form of Vehicle Ownership Charge or a Road User Charge; or a hybrid option.

Ministers will, of course, keep in mind the prevailing cost of living at the time these charges and taxes are being brought to the States Assembly.

Generally speaking, I expect any new taxes to be administered by Revenue Jersey, within the Treasury and Exchequer department. User-pays charges are more likely to be administered by a sponsoring department. Generally speaking, income from general taxation ought to be paid into the General Revenues to help pay for all public services. It would be more usual to earmark user-pays charges for specific purposes. The Fiscal Policy Panel has advised against hypothecating future taxes.