

**WRITTEN QUESTION TO THE MINISTER FOR TREASURY AND RESOURCES
BY DEPUTY M.R. LE HEGARAT OF ST. HELIER NORTH
QUESTION SUBMITTED ON MONDAY 20th NOVEMBER 2023
ANSWER TO BE TABLED ON MONDAY 27th NOVEMBER 2023**

Question

“Will the Minister advise how many prosecutions there have been, in the last 12 months, for non-payment of employees’ I.T.I.S. deductions by employers, how many of these prosecutions relate to Work Permit Holders, and what impact this has on the affected employees’ tax liability?”

Answer

All employers submit a Combined Employer Return (CER) which covers their Social Security, ITIS and Manpower submissions. Administration and compliance for these returns is conducted by Revenue Jersey.

Employers who do not submit their Combined Employer Returns can be subject to financial penalties as well as surcharges for any late payments. Outstanding employer debts are routinely pursued through summons to the Petty Debts court whereby the employer doesn’t cooperate. It would only be in very particular circumstances that the expense of a criminal prosecution for non-payment would be appropriate. In the last 12 months there have been no prosecutions of employers solely for non-payment of tax by an employer.

In respect of the potential impact on employees’ tax records, where an employer has filed their CER, the employee will receive a credit for the tax deducted from their wages even if the employer has not paid these contributions over. This ensures there is no impact on the employee’s tax liability.

Failure to submit to the CER by the employer means that employees do not receive a credit, as no evidence is provided as to the tax deducted. If the employee has no evidence of the deductions, it can directly impact the calculations of their tax liability.

The Deputy may be aware that one business was prosecuted primarily for not filing Combined Employer Returns recently; I understand that cases against other businesses are in the process of being reported to the Attorney General to consider prosecution.

Whilst the prosecution above did not specifically relate to Work Permit Holders, the same approaches would be adopted.