



States Greffe: Scrutiny

The Bailiff of Jersey
Bailiff's Chambers

By email

19th January 2022

Dear Sir,

Corporate Services Scrutiny Panel
Use of Standing Order 72 (10)

The Corporate Services Scrutiny Panel [the Panel] would appreciate your consideration on a point of order in relation to the use of Standing Order 72 (10).

The Panel are in the process of reviewing [P.119/2021 – Draft Taxation \(Enveloped Property Transactions\) \(Jersey\) Law 202- \[the Proposition\]](#). The Panel were recently advised, in a letter from the Minister for Treasury and Resources [the Minister], that Standing Order 72 (10)¹ will limit the Panel's ability to call in the Proposition for further review. The Panel would like to highlight the following points for your consideration regarding the use of Standing Order 72 (10).

Firstly, the requirements of the Public Finances (Jersey) Law 2019² [the Law] have not, it would appear to us, been met in relation to the Proposition. The Law³ states:

“if a lodged government plan proposes imposing or varying a tax for the next financial year, the Minister must lodge draft legislation containing a taxation draft that implements the proposal in sufficient time for the taxation draft to be debated and approved by the States before the start of that financial year”.

The Proposition was lodged by the Minister on the 20th December 2021 for debate on the 8th February 2022, which does not align with the start of the financial year. Neither does it inform the already approved Government Plan. On previous occasions, such as for the [Income Tax \(Amendment – Stage 1 of Independent Taxation\) \(Jersey\) Law 2021](#) and [Income Tax \(Amendment No.46\) \(Jersey\) Law 2020](#) in relation to the payment of 2019 tax liability, when the Minister has been proposing tax legislation for the next financial year, it was lodged in sufficient time for the debate and approval to occur prior to the start of the financial year of the relevant Government Plan. The Panel would therefore conclude that for Standing Order 72 (10) to be relevant, the requirement of the Public Finances (Jersey) Law 2019 should have been satisfied.

Secondly, the Panel would mention that the Government Plan 2022-25 did not include any substantive detail to enable the Assembly before this point to understand, debate and approve the proposed taxation legislation. The Government Plan 2022-25 only referred in high level to the

¹ Standing Order 72 (10) This standing order shall not apply to a draft Law or Regulation that includes a taxation draft that would implement any part of a government plan.

² [Public Finances \(Jersey\) Law 2019 \(jerseylaw.je\)](#)

³ Lodging of a Taxation Draft 11 (1)

“development of options to raise taxation for implementation by 2024”⁴, and it is our belief that the tax as now proposed cannot reasonably be considered to have formed part of the Government Plan. The detail in the Proposition clarifies relevant transactions, excluded transactions, calculation for enveloped property transaction tax, obligations for taxpayers, consequential amendments for other taxation which covers Land Transaction Tax, Companies (Jersey) Law 1991 and Revenue Administration (Jersey) Law 2019, administration of the proposed taxation, economic analysis, human rights or financial and manpower implications. This detail is fundamental to enabling Assembly debate and approval of the taxation measure, of which appropriate scrutiny is a core phase.

Whilst the Panel may decide not to seek a referral of the draft Law for Scrutiny it would like the option to do so and would therefore appreciate your consideration of the use of Standing Order 72 (10).

The Panel looks forward to receiving your clarification on this issue and would appreciate a reply being received by Monday 24th January 2022.

Yours sincerely



Deputy Steve Ahier
Vice Chair, Corporate Services Scrutiny Panel

⁴ Pg 117 & Pg 155- [R Government Plan 2022 to 2025.pdf](#)