



Jersey

FINANCE (2016 BUDGET) (JERSEY) LAW 2016

Arrangement

Article

PART 1	3
STANDARD RATE OF INCOME TAX SET FOR 2016 AND INCOME TAX (JERSEY) LAW 1961 AMENDED	3 3
<i>Interpretation and standard rate of income tax</i>	<i>3</i>
1 Interpretation of Part 1	3
2 Standard rate of income tax for 2016.....	3
<i>Allowances and reliefs</i>	<i>4</i>
3 Benefits in kind – Article 65B amended.....	4
4 Deduction for interest payments on only or main residence reduced from 2017 – Article 90AA amended	4
5 Deduction for interest payments on only or main residence withdrawn in 2026 – Article 90AA repealed and Articles 90AE, 92A, 92C and 131I amended.....	4
6 Basic exemption threshold – Article 92A amended	5
7 Child allowance in 2016 and 2017 – Articles 90B, 92A, 92B, 95 and 98A amended	5
8 Child allowance in 2018 – Articles 95 and 98A amended.....	8
9 Age enhanced exemption threshold closed from 2017 – Article 92A amended	9
10 Earned income allowance for spouse or civil partner – Article 92A amended	10
11 Exemption threshold increase for child day care – Article 92B amended	11
12 Eligibility for exemption threshold increase for child day care – Article 92B amended	11
13 Non-residents – Article 106 substituted and Articles 118B and 129A amended	12
<i>Distributions by companies</i>	<i>13</i>
14 Preference shares – Articles 62 and 118B and Schedule 5 amended	13
15 Shareholder loans – Article 81O and Schedule 5 amended.....	13
16 Dividends and distributions – Articles 88 and 133 amended	14
<i>Companies</i>	<i>14</i>
17 Companies regarded as resident in Jersey – Article 123 amended.....	14

	<i>Pensions</i>	14
18	Pensions – Article 62, Part 19 and Schedule 1A amended.....	14
	<i>Collection and administration</i>	17
19	Disclosure of information – Article 13 amended	17
20	Time for delivery of company statement – Article 17A amended	17
21	Revised assessment following apportionment – Articles 24 and 92A amended.....	18
22	ITIS rate – Articles 41C, 41D, 41DA and 49B amended and Schedule 1A revised	18
PART 2		19
<hr/>		
	STAMP DUTIES AND FEES (JERSEY) LAW 1998 AND TAXATION (LAND TRANSACTIONS) (JERSEY) LAW 2009 AMENDED	19
23	Interpretation of Part 2.....	19
24	Schedules to 1998 Law and 2009 Law amended – secured debts and security interests on residential property	19
PART 3		20
<hr/>		
	CUSTOMS AND EXCISE (JERSEY) LAW 1999 AMENDED	20
25	Interpretation of Part 3.....	20
26	Small independent cider-makers and distillers of spirits – Article 1 amended.....	20
27	Excise duty (other than vehicle emissions duty) – Part 2 of Schedule 1 amended.....	21
28	Vehicle emissions duty – Part 2 of Schedule 1 amended	22
PART 4		25
<hr/>		
	CLOSING	25
29	Citation and commencement	25



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A LAW to set the standard rate of income tax for 2016 and to amend the Income Tax (Jersey) Law 1961, the Stamp Duties and Fees (Jersey) Law 1998, the Taxation (Land Transactions) (Jersey) Law 2009 and the Customs and Excise (Jersey) Law 1999

<i>Adopted by the States</i>	<i>15th December 2015</i>
<i>Sanctioned by Order of Her Majesty in Council</i>	<i>10th February 2016</i>
<i>Registered by the Royal Court</i>	<i>19th February 2016</i>

THE STATES, subject to the sanction of Her Most Excellent Majesty in Council, have adopted the following Law –

PART 1

STANDARD RATE OF INCOME TAX SET FOR 2016 AND INCOME TAX (JERSEY) LAW 1961 AMENDED

Interpretation and standard rate of income tax

1 Interpretation of Part 1

In this Part, except where the context otherwise requires, a reference to an Article or Schedule is to the Article or Schedule of that number in the Income Tax (Jersey) Law 1961¹.

2 Standard rate of income tax for 2016

There shall be levied and charged in Jersey for the year 2016, in accordance with and subject to the provisions of the Income Tax (Jersey) Law 1961², income tax at the standard rate of 20 pence in the pound.

*Allowances and reliefs***3 Benefits in kind – Article 65B amended**

- (1) In Article 65B(3) for the amount “£1,000” there shall be substituted the amount “£250”.
- (2) This Article shall have effect for the year of assessment 2016 and ensuing years.

4 Deduction for interest payments on only or main residence reduced from 2017 – Article 90AA amended

- (1) For Article 90AA(5)(b) there shall be substituted the following subparagraph and table –
 - “(b) that portion of the total interest payable that does not exceed the limit specified, for the year of assessment, in the Table.

Table	
Year of assessment	Limit on amount of interest
2016	£15,000
2017	£13,500
2018	£12,000
2019	£10,500
2020	£9,000
2021	£7,500
2022	£6,000
2023	£4,500
2024	£3,000
2025	£1,500.”.

- (2) This Article shall have effect for the year of assessment 2016 and ensuing years.

5 Deduction for interest payments on only or main residence withdrawn in 2026 – Article 90AA repealed and Articles 90AE, 92A, 92C and 131I amended

- (1) Article 90AA shall be repealed.
- (2) In Article 90AE –
 - (a) in the heading and in paragraphs (1), (2) and (5), for the words “Articles 90AA to 90AD” there shall be substituted the words “Articles 90AB to 90AD”;

- (b) paragraphs (3A) and (4) shall be deleted.
- (3) In Article 92A(10) for the words “Article 90AA, 90B or 90C” there shall be substituted the words “Article 90B or 90C”.
- (4) In Article 92C(2) for the words “Article 90AA, 90B or 90C” there shall be substituted the words “Article 90B or 90C”.
- (5) In Article 131I(3) for the definition “income” there shall be substituted the following definition –
- “ ‘income’ means the pension holder’s total income for a year of assessment, before the deduction of the total approved pension contributions paid by the pension holder in the year of assessment (whether or not allowed as a deduction under paragraph (2)).”.
- (6) This Article shall come into force on 1st January 2026 and have effect for the year of assessment 2026 and ensuing years.

6 Basic exemption threshold – Article 92A amended

- (1) In Article 92A –
- (a) in paragraphs (2)(ii) and (2A)(ii) for the amount “£22,800” there shall be substituted the amount “£23,000”;
- (b) in paragraph (6)(b) for the amount “£14,200” there shall be substituted the amount “£14,350”.
- (2) This Article shall have effect for the year of assessment 2016 and ensuing years.

7 Child allowance in 2016 and 2017 – Articles 90B, 92A, 92B, 95 and 98A amended

- (1) In Article 90B(1)(a)(ii)(B) for the words “a deduction under Article 95,” there shall be substituted the words “an exemption threshold increase under Article 95,”.
- (2) In Article 92A –
- (a) for paragraph (8) there shall be substituted the following paragraph –
- “(8) The threshold applicable in an individual’s case shall be increased by –
- (a) the amount of any such increase to which the individual is entitled under Article 95; and
- (b) an additional amount, if the individual is entitled to such an increase under Article 95(1)(b) (having regard to Article 95(3)), including if the individual is entitled to an increase under Article 95(1)(b) by virtue of Article 95(2).”;
- (b) for paragraph (9) there shall be substituted the following paragraph –

“(9) The threshold applicable in an individual’s case shall be increased by the amount of any such increase to which the individual is entitled under Article 98A.”.

(3) In Article 92B(5) in the definition “qualifying child” for the words “a deduction under Article 95” there shall be substituted the words “an exemption threshold increase under Article 95”.

(4) In Article 95 –

(a) in paragraph (1)(a) for the words “be entitled in respect of each child to a deduction of £3,000; or” there shall be substituted the words –

“be entitled in respect of each child to –

(i) an increase in his or her exemption threshold of £3,000, and

(ii) a deduction of –

(A) for the year of assessment 2016, £2,000,

(B) for the year of assessment 2017, £1,000; or”;

(b) in paragraph (1)(b) for the words “be entitled in respect of each child to a deduction of £6,000.” there shall be substituted the words –

“be entitled in respect of each child to –

(i) an increase in his or her exemption threshold of £6,000, and

(ii) a deduction of £6,000.”;

(c) in paragraph (2) –

(i) for the words “a deduction” there shall be substituted the words “an exemption threshold increase and deduction”,

(ii) for the words “such a deduction,” there shall be substituted the words “such an increase and deduction,”

(iii) for the words “the same deduction” there shall be substituted the words “the same exemption threshold increase and deduction”;

(d) for paragraph (3) there shall be substituted the following paragraph –

“(3) In the case of a child who is entitled in the child’s own right to an income exceeding £3,000 a year, the exemption threshold increase and deduction under this Article in respect of the child shall each be reduced –

(a) in the case of an increase and a deduction under paragraph (1)(a), by the amount of the excess; and

(b) in the case of an increase and deduction under paragraph (1)(b), by £3 for every £2 of the excess.”;

(e) in paragraph (4) –

(i) for the words “a deduction” there shall be substituted the words “an exemption threshold increase and deduction”,

- (ii) for the words “the deduction” there shall be substituted the words “the increase and deduction”;
- (f) after paragraph (4) there shall be inserted the following paragraph –
 - “(4A) The exemption threshold increase and deduction must be apportioned in the same proportion.”;
- (g) for paragraph (5) there shall be substituted the following paragraph –
 - “(5) An apportionment may be made under paragraph (4) notwithstanding that an exemption threshold increase and deduction in respect of the child in question have already been allowed to any individual.”.
- (5) In Article 98A –
 - (a) in paragraph (1) –
 - (i) for the words “a deduction under Article 95” there shall be substituted the words “an exemption threshold increase under Article 95”;
 - (ii) for the words “the individual shall, subject to paragraphs (2) to (5), be entitled to a deduction of £4,500.” there shall be substituted the words “the individual shall be entitled as described in paragraph (1A).”;
 - (b) after paragraph (1) there shall be inserted the following paragraph –
 - “(1A) Subject to paragraphs (2) to (5), the individual shall be entitled to –
 - (a) an increase in his or her exemption threshold of £4,500; and
 - (b) a deduction of –
 - (i) for the year of assessment 2016, £3,000,
 - (ii) for the year of assessment 2017, £1,500.”;
 - (c) in paragraph (2) for the words “one deduction” there shall be substituted the words “one exemption threshold increase and one deduction”;
 - (d) in paragraph (3) –
 - (i) in sub-paragraph (b) for the words “a deduction under paragraph (1),” there shall be substituted the words “an exemption threshold increase and a deduction under paragraph (1A),”;
 - (ii) for the words beginning “neither of them” to the end of the paragraph there shall be substituted the words “neither of them shall be entitled to such an increase and deduction except in respect of the youngest of the children in respect of whom either would be entitled to an increase and deduction.”;
 - (e) in sub-paragraph (3A) –

- (i) in sub-paragraph (b) for the words “a deduction under paragraph (1),” there shall be substituted the words “an exemption threshold increase and a deduction under paragraph (1A),”;
 - (ii) for the words beginning “neither of them” to the end of the paragraph there shall be substituted the words “neither of them shall be entitled to such an increase and deduction except in respect of the youngest of the children in respect of whom either would be entitled to an increase and deduction.”;
- (f) in paragraph (4) for the words “the deduction under paragraph (1)” there shall be substituted the words “the increase and deduction under paragraph (1A)”;
- (g) after paragraph (4) there shall be inserted the following paragraphs –
- “(4A) The exemption threshold increase and deduction must be apportioned under paragraph (4) in the same proportion.
 - (4B) An apportionment may be made under paragraph (4) notwithstanding that an exemption threshold increase and deduction in respect of the child in question has already been allowed to any individual.”;
- (h) for paragraph (5) there shall be substituted the following paragraph –
- “(5) Where for any year of assessment an individual is entitled under this Article to apportioned amounts in respect of 2 or more children –
- (a) the exemption threshold increase to which the individual is entitled shall be equal to the sum of those amounts, or the amount referred to in paragraph (1A)(a), whichever is the lesser;
 - (b) the deduction to which the individual is entitled shall be equal to the sum of those amounts or the amount referred to in paragraph (1A)(b) for the year of assessment, whichever is the lesser.”.
- (6) This Article shall have effect for the year of assessment 2016 and ensuing years.

8 Child allowance in 2018 – Articles 95 and 98A amended

- (1) In Article 95 –
- (a) in paragraph (1)(a) for the words beginning “be entitled in respect of each child” to the end of the sub-paragraph there shall be substituted the words “be entitled in respect of each child to an increase in his or her exemption threshold of £3,000; or”;
 - (b) in paragraphs (2), (4), (4A) and (5) after the word “deduction”, in each place that it appears, there shall be inserted the words “(if any)”;

- (c) for paragraph (3) there shall be substituted the following paragraph –
- “(3) In the case of a child who is entitled in the child’s own right to an income exceeding £3,000 a year –
- (a) the exemption threshold increase under paragraph (1)(a) shall be reduced by the amount of the excess;
 - (b) the exemption threshold increase and deduction under paragraph (1)(b) shall each be reduced by £3 for every £2 of the excess.”.
- (2) In Article 98A –
- (a) for paragraph (1A) there shall be substituted the following paragraph –
- “(1A) Subject to paragraphs (2) to (5), the individual shall be entitled to an increase in his or her exemption threshold of £4,500.”;
- (b) in paragraph (2) the words “and one deduction” shall be deleted;
 - (c) in paragraph (3) –
 - (i) in sub-paragraph (b) the words “and a deduction” shall be deleted,
 - (ii) the words “and deduction”, in each place that they appear, shall be deleted;
 - (d) in paragraph (3A) –
 - (i) in sub-paragraph (b) the words “and a deduction” shall be deleted,
 - (ii) the words “and deduction”, in each place that they appear, shall be deleted;
 - (e) in paragraph (4) the words “and deduction” shall be deleted;
 - (f) paragraph (4A) shall be deleted;
 - (g) in paragraph (4B) the words “and deduction” shall be deleted;
 - (h) for paragraph (5) there shall be substituted the following paragraph –
- “(5) Where for any year of assessment an individual is entitled under this Article to apportioned amounts in respect of 2 or more children, the exemption threshold increase to which the individual is entitled shall be equal to the sum of those amounts, or the amount referred to in paragraph (1A), whichever is the lesser.”.
- (3) This Article shall come into force on 1st January 2018 and have effect for the year of assessment 2018 and ensuing years.

9 Age enhanced exemption threshold closed from 2017 – Article 92A amended

- (1) In Article 92A –
- (a) paragraph (A1) shall be deleted;

- (b) in paragraph (2)(i) for the words “at the commencement of the year of assessment, either he or his wife was the relevant age or older,” there shall be substituted the words “on 31st December 2016, either he or his wife was aged 65 or older.”;
 - (c) in paragraph (2A)(i) for the words “at the commencement of the year of assessment, either he or she, or his or her civil partner B was the relevant age or older,” there shall be substituted the words “on 31st December 2016, either he or she, or his or her civil partner B, was aged 65 or older.”;
 - (d) in paragraph (6) for the words “at the commencement of the year of assessment, he or she was the relevant age or older,” there shall be substituted the words “on 31st December 2016, he or she was aged 65 or older.”.
- (2) This Article shall come into force on 1st January 2017 and have effect for the year of assessment 2017 and ensuing years.

10 Earned income allowance for spouse or civil partner – Article 92A amended

- (1) In Article 92A –
- (a) in paragraph (2A) for the words “paragraphs (4A), (5A), (8) and (9)” there shall be substituted the words “paragraphs (4A), (5), (8) and (9)”;
 - (b) for paragraphs (4), (4A), (5) and (5A) there shall be substituted the following paragraphs –
 - “(4) Where –
 - (a) an individual to whom paragraph (2) applies receives earned income for a year of assessment; and
 - (b) the individual’s wife also receives earned income for the year of assessment, which is included in the total income of the individual,the threshold applicable in the individual’s case shall be increased by whichever is the lowest of –
 - (i) £4,500;
 - (ii) an amount equal to his earned income; or
 - (iii) an amount equal to his wife’s earned income.
 - (4A) Where –
 - (a) an individual to whom paragraph (2A) applies receives earned income for a year of assessment; and
 - (b) the individual’s civil partner B also receives earned income for the year of assessment, which is included in the total income of the individual,the threshold applicable in the individual’s case shall be increased by whichever is the lowest of –
 - (i) £4,500;

- (ii) an amount equal to his or her earned income; or
 - (iii) an amount equal to civil partner B's earned income.
- (5) For the purposes of paragraphs (4) and (4A), 'earned income' shall not include earned income received or receivable by an individual from his or her spouse or civil partner."
- (2) This Article shall have effect for the year of assessment 2016 and ensuing years.

11 Exemption threshold increase for child day care – Article 92B amended

- (1) In Article 92B(1)(c) and (d) for the amount "£12,000" there shall be substituted the amount "£14,000".
- (2) This Article shall have effect for the year of assessment 2016 and ensuing years.

12 Eligibility for exemption threshold increase for child day care – Article 92B amended

- (1) For Article 92B(1)(b) there shall be substituted the following sub-paragraphs –
- “(b) in the case of a claimant who is an eligible claimant by virtue of sub-paragraph (a) of the definition ‘eligible claimant’ in paragraph (5), whichever is the lower of –
 - (i) the claimant's qualifying income, and
 - (ii) the qualifying income of the claimant's spouse or civil partner;
 - (ba) in the case of a claimant who is an eligible claimant by virtue of sub-paragraph (c) of the definition ‘eligible claimant’ in paragraph (5), the claimant's qualifying income;”.
- (2) In Article 92B(5) for the definition “eligible claimant” there shall be substituted the following definition –
- “ ‘eligible claimant’ means –
 - (a) an individual –
 - (i) in whose case the exemption threshold described in Article 92A(2) or (2A) applies,
 - (ii) who has qualifying income, and
 - (iii) whose spouse or civil partner has qualifying income;
 - (b) an individual –
 - (i) in whose case the exemption threshold described in Article 92A(2) or (2A) applies, and
 - (ii) who is entitled to an additional allowance under Article 98A; or

- (c) an individual in whose case the exemption threshold described in Article 92A(6) applies and who has qualifying income;”.
- (3) In Article 92B(5) for the definition “qualifying income” there shall be substituted the following definition –
 - “‘qualifying income’ means income arising from a trade, profession, office, employment or vocation chargeable to tax under Case I or II of Schedule D or under Schedule A pursuant to Article 51(1)(b) or (c), excluding –
 - (a) the first £4,500 of such income for the year of assessment; and
 - (b) in the case of an individual who is married or in a civil partnership, earned income received or receivable by the individual from his or her spouse or civil partner;”.
- (4) This Article shall have effect for the year of assessment 2016 and ensuing years.

13 Non-residents – Article 106 substituted and Articles 118B and 129A amended

- (1) For Article 106 there shall be substituted the following Article –

“106 Non-residents

- (1) An individual who is not resident in Jersey shall only be entitled to allowances and reliefs under this Part for a year of assessment if the individual has profits or gains arising or accruing that are charged to tax for the year of assessment under Case I or Case II(a) or (b) of Schedule D.
- (2) Such allowances and reliefs shall only be given in respect of the individual’s profits or gains described in paragraph (1).
- (3) Article 129A provides for the apportionment of allowances and reliefs in the case of an individual who is not in Jersey for the whole year.”.
- (2) After Article 118B(1) there shall be inserted the following paragraph –
 - “(1A) A person who is not resident in Jersey and who is paid a dividend from which tax is deducted at the rate of 10% under Article 88(3) shall be exempt from the balance of tax that would, apart from this paragraph, be due in respect of the dividend.”.
- (3) In Article 129A –
 - (a) in paragraph (1) the words “Subject to paragraph (2),” shall be deleted;
 - (b) paragraphs (2) and (4) shall be deleted.
- (4) This Article shall have effect for the year of assessment 2016 and ensuing years.

*Distributions by companies***14 Preference shares – Articles 62 and 118B and Schedule 5 amended**

- (1) In Article 62(1) at the end of Case III(g) there shall be added the words “that are declared out of profits or gains chargeable to tax on the company at a rate other than the standard rate;”.
- (2) At the end of Article 118B(1)(ba) there shall be added the words “to the extent that such dividends were declared out of profits or gains charged on the company at the rate of 0%;”.
- (3) At the end of Schedule 5 there shall be added the following paragraph –

“19 Finance (2016 Budget) (Jersey) Law 2016: exemption for non-resident’s income

The amendment of Article 118B(1)(ba) by Article 14(2) of the Finance (2016 Budget) (Jersey) Law 2016³, which has effect for the year of assessment 2014 and ensuing years, shall not affect any claim for exemption from income tax that was made by virtue of Article 118B(1)(ba) before the day Article 14 was deemed to come into force.”.

- (4) This Article shall be deemed to have come into force on the day this Law is, in accordance with Standing Orders of the States of Jersey, lodged au Greffe.
- (5) Paragraph (1) shall apply to dividends paid on or after the day this Article is deemed to have come into force.
- (6) Paragraphs (2) and (3) shall have effect for the year of assessment 2014 and ensuing years.

15 Shareholder loans – Article 81O and Schedule 5 amended

- (1) Paragraphs (7) to (10) of Article 81O shall be deleted.
- (2) At the end of Schedule 5 there shall be added the following paragraph –

“20 Finance (2016 Budget) (Jersey) Law 2016: election in respect of shareholder loans for year of assessment 2015

The deletion of Article 81O(9) and (10) by Article 16(1) of the Finance (2016 Budget) (Jersey) Law 2016⁴, which has effect for the year of assessment 2016 and ensuing years, does not affect the right of a borrower to make an election, for the year of assessment 2015, under Article 81O(9) and (10) as those paragraphs were in force prior to their deletion.”.

- (3) This Article shall have effect for the year of assessment 2016 and ensuing years.

16 Dividends and distributions – Articles 88 and 133 amended

- (1) In Article 88 for paragraphs (5) to (5E) there shall be substituted the following paragraphs –
- “(5) Where a deduction is made from a dividend pursuant to this Article –
- (a) the person chargeable to tax on the dividend shall, unless the person is a company to which Article 123C applies, be entitled to a credit; and
 - (b) the amount of tax that person is liable to pay in respect of the dividend shall be reduced by the amount of the credit.
- (5A) Subject to paragraph (5B), the credit shall be of an amount equal to the amount of the deduction.
- (5B) If the person chargeable to tax on the dividend is a company to which Article 123D applies, the credit shall be of an amount equal to whichever is the lesser of –
- (a) 10% of the gross dividend; and
 - (b) the amount of the deduction.”.

(2) In Article 133(1), after sub-paragraph (aa) of the proviso there shall be inserted the following sub-paragraph –

“(ab) the company or bank shall not be entitled to repayment of any tax deducted under Article 88(2) or (3) from a dividend paid to the company or bank;”.

(3) This Article –

 - (a) shall be deemed to have come into force on the day this Law is, in accordance with Standing Orders of the States of Jersey, lodged au Greffe; and
 - (b) shall apply to dividends paid on or after that date.

*Companies***17 Companies regarded as resident in Jersey – Article 123 amended**

- (1) In Article 123(1)(a)(i) for the amount “20%” there shall be substituted the amount “10%”.
- (2) This Article shall have effect for the year of assessment 2016 and ensuing years.

*Pensions***18 Pensions – Article 62, Part 19 and Schedule 1A amended**

- (1) In Article 62(1) for sub-paragraph (d)(ii) of Case III there shall be substituted the following clause –
- “(ii) any lump sum paid from or under a pension scheme, annuity contract, retirement trust scheme or similar

arrangement, whether the payment is made on the death of a pension holder, in commutation of or otherwise in lieu of a pension, by way of return of contributions paid by a pension holder, by way of transfer, or otherwise (other than a payment which is taxed under Case VI, in accordance with Article 131J(2)(a) or 131L(1));”.

(2) In Article 130(2) –

- (a) in sub-paragraph (a) the word “and” following clause (ii) shall be deleted and after clause (ii) there shall be added the following clause –

“(iii) the pension holder attaining the age of 75; and”;

- (b) in sub-paragraph (b) for clause (i) there shall be substituted the following clause –

“(i) a pension holder transfers the whole or part of his or her fund value in an approved Jersey scheme, or in an equivalent scheme (within the meaning of Article 131CG(7)), to an approved Jersey scheme, and”.

(3) In Article 131 –

- (a) for paragraph (9) there shall be substituted the following paragraph –

“(9) The scheme may provide for the payment, following the death of a member, of either or both of –

- (a) an income to one or more of the member’s dependants –

(i) in the case of a child of the member who is a dependant by reason of Article 130A(2)(a) but who, on attaining the age of 23, would not be a dependant by reason of Article 130A(2)(b), until the child attains the age of 23, or

(ii) in the case of any other dependant, for the life of the dependant;

- (b) a lump sum to the member’s estate or to any person.”;

- (b) after paragraph (15) there shall be inserted the following paragraph –

“(15A) The scheme may permit payments other than a return of contributions to be made to the employer –

(a) in exceptional circumstances, such as the winding up of the scheme; and

(b) with the prior written approval of the Comptroller.”.

(4) In Article 131B(7) for sub-paragraph (a) there shall be substituted the following sub-paragraph –

“(a) an annuity to one or more of the individual’s dependants –

-
- (i) in the case of a child of the individual who is a dependant by reason of Article 130A(2)(a) but who, on attaining the age of 23, would not be a dependant by reason of Article 130A(2)(b), until the child attains the age of 23, or
- (ii) in the case of any other dependant, for the life of the dependant;”.
- (5) For Article 131CA(6) there shall be substituted the following paragraph –
- “(6) The scheme may provide for the payment, following the death of the primary beneficiary, of either or both of –
- (a) subject to paragraph (6A), a sum by way of annuity equivalent to one or more secondary beneficiaries;
- (b) a lump sum commuting the whole of the fund value to the primary beneficiary’s estate or to any person.”.
- (6) After Article 131CA(6) there shall be inserted the following paragraph –
- “(6A) Where a secondary beneficiary is a person who is a dependant of the primary beneficiary by reason of Article 130A(2)(a) but who, on attaining the age of 23, would not be a dependant by reason of Article 130(2)(b), the scheme must provide for the payment of the sum by way of annuity equivalent to end upon the secondary beneficiary attaining the age of 23.”.
- (7) For Article 131CG(6) there shall be substituted the following paragraph –
- “(6) The scheme manager of an approved Jersey scheme must notify the Comptroller, in writing, of –
- (a) the date of a transfer received in accordance with paragraph (5);
- (b) the amount of the transfer;
- (c) the name of the scheme from which it was transferred;
- (d) the jurisdiction in which that scheme is established; and
- (e) whether benefits have commenced from that scheme.”.
- (8) After Article 131J there shall be inserted the following Article –
- “131JA Taxation relating to payment from a Jersey occupational pension scheme to the employer**
- Where a payment is made from a Jersey occupational pension scheme to the employer as permitted by Article 131(15A), the amount paid shall be treated for the purposes of this Law as a receipt of the trade, profession or vocation carried on by the employer upon whichever is the earlier of –
- (a) the payment falling due; and
- (b) the last day on which the trade, profession or vocation is carried on by the employer.”.
- (9) In Article 131L –

- (a) in paragraph (1) the words “in commutation of or in lieu of pension income” shall be deleted;
 - (b) in paragraph (4) for the word “commuted” there shall be substituted the word “paid”.
- (10) For Article 131N there shall be substituted the following Article –

“131N Exemption from tax for transfer from approved Jersey scheme

The following transfers shall be exempt from tax –

- (a) a transfer, permitted under Article 131CG(2) and (3), of the whole or part of a fund value from an approved Jersey scheme to another approved Jersey scheme or an approved drawdown contract;
 - (b) a transfer, permitted under Article 131CG(4), of the whole of a fund value from an approved Jersey scheme to an equivalent scheme established outside Jersey.”.
- (11) After Article 131Q(1)(d) there shall be inserted the following subparagraph –
- “(da) to refuse approval under Article 131(15A);”.
- (12) This Article shall have effect for the year of assessment 2016 and ensuing years.

Collection and administration

19 Disclosure of information – Article 13 amended

- (1) In the heading to Article 13 the word “statistical” shall be deleted.
- (2) For Article 13(1) there shall be substituted the following paragraphs –
 - “(1) Notwithstanding anything in this Law, the Comptroller may, for any purpose described in paragraph (1A) –
 - (a) disclose statistical information to the Minister or the Chief Minister; and
 - (b) disclose any information to an officer in an administration of the States for which either the Minister or Chief Minister is assigned responsibility.
 - (1A) The purposes are –
 - (a) the preparation of the general estimate of the revenue of the States; and
 - (b) any other purpose affecting the revenue of the States.”.

20 Time for delivery of company statement – Article 17A amended

In Article 17A(2)(b) for the words “6 p.m. on the last Friday in July in the year in which the notice is served;” there shall be substituted the words “midnight on 31st December in the year in which the notice is served;”.

21 Revised assessment following apportionment – Articles 24 and 92A amended

- (1) In Article 24(1) –
 - (a) the word “or” following sub-paragraph (b) shall be deleted; and
 - (b) after sub-paragraph (c) there shall be added the word “or” and the following sub-paragraph –
 - “(d) that by reason of the apportionment, under this Law, of an exemption threshold increase or any allowance, relief or deduction between a person and one or more others, an amount is recoverable from the person.”.
- (2) In Article 92A(8C) the words beginning “and, if it appears” and ending “recovered from the individual accordingly.” shall be deleted.

22 ITIS rate – Articles 41C, 41D, 41DA and 49B amended and Schedule 1A revised

- (1) In Article 41C –
 - (a) in paragraph (7B) the words “Subject to paragraph (9),” shall be deleted;
 - (b) paragraph (8) shall be deleted;
 - (c) in paragraph (9) after the words “The rate” there shall be inserted the words “determined by the Comptroller in accordance with paragraphs (2) to (7B)”;
 - (d) after paragraph (9) there shall be inserted the following paragraphs –
 - “(9A) An employee may, at any time, make an election to the Comptroller to have a rate applied in the employee’s case that exceeds the rate determined in accordance with the foregoing provisions of this Article.
 - (9B) If the Comptroller agrees the rate proposed in an election made under paragraph (9A), the Comptroller shall issue a notice in writing to the employee of the rate and the day from which the rate applies.”.
- (2) For Article 41D(3) there shall be substituted the following paragraphs –
 - “(3) If the Comptroller agrees the adjusted rates proposed in an election made under paragraph (2), the Comptroller shall issue a notice in writing of the rates applicable to the husband and wife and the day from which the rates apply.
 - (3A) Article 41C(11) to (13) shall apply to a refusal, by the Comptroller, to issue a notice under paragraph (3) of this Article as they apply to a refusal to issue a notice under Article 41C(9B).”.
- (3) For Article 41DA(3) there shall be substituted the following paragraphs –
 - “(3) If the Comptroller agrees the adjusted rates proposed in an election made under paragraph (2), the Comptroller shall issue a notice in

- writing of the rates applicable to the civil partners and the day from which the rates apply.
- (3A) Article 41C(11) to (13) shall apply to a refusal, by the Comptroller, to issue a notice under paragraph (3) of this Article as they apply to a refusal to issue a notice under Article 41C(9B).”.
- (4) In Article 49B(4) –
- (a) clauses (i) and (j) shall be deleted;
 - (b) for clause (k) there shall be substituted the following clause –
 - “(k) in paragraph (9) for the words ‘The rate determined by the Comptroller in accordance with paragraphs (2)’ there shall be substituted the words ‘The combined effective rate determined by the Comptroller in accordance with paragraphs (3)’;”;
 - (c) after clause (l) there shall be inserted the following clauses –
 - “(la) in paragraph (9A) for the words ‘a rate’ there shall be substituted the words ‘a combined effective rate’;
 - (lb) in paragraph (9B) for the words ‘the rate’ in the first place that they appear there shall be substituted the words ‘the combined effective rate,’;”.
- (5) Schedule 1A is revised to incorporate the amendments and modifications of the Articles reproduced in it.

PART 2

STAMP DUTIES AND FEES (JERSEY) LAW 1998 AND TAXATION (LAND TRANSACTIONS) (JERSEY) LAW 2009 AMENDED

23 Interpretation of Part 2

In this Part –

“1998 Law” means the Stamp Duties and Fees (Jersey) Law 1998⁵;

“2009 Law” means the Taxation (Land Transactions) (Jersey) Law 2009⁶.

24 Schedules to 1998 Law and 2009 Law amended – secured debts and security interests on residential property

- (1) Item 1(a) of the Schedule to the 1998 Law is deleted.
- (2) In item 1(aa) of the Schedule to the 1998 Law –
 - (a) in clause (iv) for the amount “£400,000” there shall be substituted the amount “£450,000”;
 - (b) for the second clauses numbered (i) and (ii) there shall be substituted the following clauses –

	“(A) where the amount secured does not exceed £350,000	NIL	<i>Billet</i>	Greffier
	(B) where the amount secured exceeds £350,000 but does not exceed £450,000	NIL in respect of the first £350,000 plus 25p for each £100 or part of £100 in excess thereof, subject to a minimum of £25	<i>Billet</i>	Greffier”.

- (3) In paragraph 3B of the Schedule to the 2009 Law –
- (a) in sub-paragraph (1)(b), for the amount “£400,000” there shall be substituted the amount “£450,000”;
- (b) for clauses (a) and (b) of sub-paragraph (2) there shall be substituted the following clauses –
- “(a) where the amount secured by the security agreement does not exceed £350,000, nil;
- (b) where the amount secured by the security agreement exceeds £350,000 but does not exceed £450,000, nil in respect of the first £350,000 plus 25p for each £100 or part of £100 in excess thereof, subject to a minimum of £25.”.
- (4) Paragraph 5 of the Schedule to the 2009 Law is repealed.

PART 3

CUSTOMS AND EXCISE (JERSEY) LAW 1999 AMENDED

25 Interpretation of Part 3

In this Part, except where the context otherwise requires, a reference to an Article or Schedule is to the Article or Schedule of that number in the Customs and Excise (Jersey) Law 1999⁷.

26 Small independent cider-makers and distillers of spirits – Article 1 amended

In Article 1(1) –

- (a) in sub-paragraph (a) of the definition “small independent cider-maker” for the amount “20,000 litres” there shall be substituted the amount “500,000 litres”;
- (b) for sub-paragraph (a) of the definition “small independent distiller of spirits” there shall be substituted the following sub-paragraph –
- (a) during the period of 5 years ending on the day before excise duty is charged on spirits produced by the distiller, has not distilled more than 10,000 litres of alcohol;”.

27 Excise duty (other than vehicle emissions duty) – Part 2 of Schedule 1 amended

In Part 2 of Schedule 1 –

- (a) for paragraph 1(a) and (b) there shall be substituted the following subparagraphs –

“(a) on all spirits, produced by a small independent distiller of spirits, which are imported into or produced or manufactured in Jersey, excise duty at the rate of £17.30 per litre of alcohol; and

(b) on all other spirits imported into or produced or manufactured in Jersey, excise duty at the rate of £34.57 per litre of alcohol.”;

- (b) for the table in paragraph 2 there shall be substituted the following table –

<i>“Strength of wines</i>	<i>Rate per hectolitre</i>
Wines exceeding 1.2% volume but not exceeding 5.5% volume	£74.70
Wines exceeding 5.5% volume but not exceeding 15% volume	£196.04
Wines exceeding 15% volume but not exceeding 22% volume	£240.23
	<i>Rate per litre of alcohol</i>
Wines exceeding 22% volume	£34.57”;

- (c) for paragraph 3(a)(ii) and (iii) there shall be substituted the following clauses –

“(ii) £30.67 per hectolitre of beer exceeding 2.8% volume but not exceeding 4.9% volume, and

(iii) £53.14 per hectolitre of beer exceeding 4.9% volume; and”;

- (d) for paragraph 3(b)(ii) and (iii) there shall be substituted the following clauses –

“(ii) £61.34 per hectolitre of beer exceeding 2.8% volume but not exceeding 4.9% volume, and

(iii) £106.26 per hectolitre of beer exceeding 4.9% volume.”;

- (e) for paragraph 4(a)(ii) and (iii) there shall be substituted the following clauses –

“(ii) £30.67 per hectolitre of cider exceeding 2.8% volume but not exceeding 4.9% volume, and

(iii) £53.14 per hectolitre of cider exceeding 4.9% volume; and”;

- (f) for paragraph 4(b)(ii) and (iii) there shall be substituted the following clauses –

“(ii) £61.34 per hectolitre of cider exceeding 2.8% volume but not exceeding 4.9% volume, and

- (iii) £106.26 per hectolitre of cider exceeding 4.9% volume.”;
- (g) in paragraph 5 for the amount “£32.43” there shall be substituted the amount “£34.57”;
- (h) for the table in paragraph 6 there shall be substituted the following table –

<i>“Type of tobacco</i>	<i>Rate of excise duty per kilogramme</i>
(a) unprocessed tobacco	£280.85
(b) cigars	£303.88
(c) cigarettes	£379.98
(d) hand-rolling tobacco	£322.98
(e) processed tobacco other than types (b) to (d)	£294.11”;

- (i) for paragraph 7(1)(a) to (d) there shall be substituted the following clauses –
- “(a) on higher octane ultra low sulphur petrol £47.29 per hectolitre
- (b) on all other ultra low sulphur petrol £45.47 per hectolitre
- (c) on ultra low sulphur diesel £45.47 per hectolitre
- (d) on all other types of hydrocarbon oil £49.14 per hectolitre.”.

28 Vehicle emissions duty – Part 2 of Schedule 1 amended

- (1) For paragraph 8 of Part 2 of Schedule 1 there shall be substituted the following paragraph –

“8 Motor vehicles

- (1) In this paragraph –

‘established CO₂ mass emission figure’ means, in relation to a vehicle, the grams per kilometre of carbon dioxide emitted by the vehicle, established in accordance with sub-paragraphs (2) and (3);

‘motor vehicle’ does not include a restricted speed agricultural tractor, defined in paragraph 9(1);

‘vehicle emissions duty’ means the excise duty payable as described in Article 38(3) or (5).

- (2) The CO₂ mass emission figure for a motor vehicle shall be established when the motor vehicle is first registered in Jersey and shall be the figure specified in a document produced in accordance with the requirements for registration that are prescribed under Part 2 of the Motor Vehicle Registration (Jersey) Law 1993⁸.

- (3) Where more than one CO₂ mass emission figure is specified in a document described in sub-paragraph (2), the CO₂ mass emission figure established for the motor vehicle shall be –
- (a) the figure specified as the combined figure or, if there is more than one combined figure, the lowest of them; or
 - (b) where there is no combined figure, the lowest figure specified.
- (4) The rate of vehicle emissions duty charged on a motor vehicle is –
- (a) in the case of a motor vehicle that has an established CO₂ mass emission figure, the rate specified in column 2 of Table 1 for the motor vehicle's established CO₂ mass emission figure, specified in column 1 of Table 1;
 - (b) in the case of a motor vehicle that does not have an established CO₂ mass emission figure, the rate specified in column 2 of Table 2 for the cylinder capacity of the motor vehicle's engine, specified in column 1 of Table 2.

1 Established CO ₂ mass emission figure in grams	2 Rate of vehicle emissions duty £
100 or less	0
101-125	50
126-150	150
151-175	250
176-200	400
201-225	750
226-250	1,250
251 or more	1,800

1 Cylinder capacity of engine in cubic centimetres	2 Rate of vehicle emissions duty £
1,000 or less	0

1,001-1,400	200
1,401-1,800	350
1,801-2,000	500
2,001-2,500	700
2,501-3,000	1,000
3,001-3,500	1,300
3,501 or more	1,800".

- (2) After paragraph 8 of Part 2 of Schedule 1 there shall be added the following paragraph –

“9 Restricted speed agricultural tractors

- (1) In this paragraph –

‘restricted speed agricultural tractor’ means a motor vehicle that –

- (a) is not constructed itself to carry any load, other than water, fuel, accumulators and other equipment used for the purpose of propulsion, loose tools and loose equipment;
- (b) is designed and used primarily for work in connection with agriculture;
- (c) is driven on a road only when proceeding to and from the site of such work and which when so driven hauls nothing more than land implements or an agricultural trailer; and
- (d) has a maximum speed not exceeding 26 miles per hour;

‘vehicle emissions duty’ means the excise duty payable as described in Article 38(3) or (5).

- (2) The rate of vehicle emissions duty charged on a restricted speed agricultural tractor is –

- (a) if the tractor has not, at any time, been registered outside Jersey, the amount (if any) specified in column 2 of the Table for the cylinder capacity of the tractor’s engine, specified in column 1;
- (b) if the tractor was registered outside Jersey, the amount (if any) specified in column 3, 4 or 5 of the Table, according to when the tractor was first registered outside Jersey, for the cylinder capacity of the tractor’s engine, specified in column 1.

TABLE RESTRICTED SPEED AGRICULTURAL TRACTORS				
1 Cylinder capacity of engine	2 Tractor first registered in Jersey	3 Tractor first registered outside Jersey 1 year or less ago	4 Tractor first registered outside Jersey more than 1 but 2 years or less ago	5 Tractor first registered outside Jersey more than 2 years ago
1000cc or less	£0	£0	£0	£0
More than 1000cc but not more than 1400cc	£177	£177	£118	£88
More than 1400cc but not more than 1800cc	£295	£295	£194	£147
More than 1800cc but not more than 2000cc	£447	£447	£289	£225
More than 2000cc but not more than 2500cc	£589	£589	£382	£295
More than 2500cc but not more than 3000cc	£883	£883	£578	£442
More than 3000cc but not more than 3500cc	£1,178	£1,178	£766	£589
More than 3500cc	£1,473	£1,473	£960	£735.”.

PART 4 CLOSING

29 Citation and commencement

- (1) This Law may be cited as the Finance (2016 Budget) (Jersey) Law 2016.
- (2) Except as provided in Articles 5, 8, 9, 14 and 16, this Law shall come into force on 1st January 2016.

M.N. DE LA HAYE, O.B.E.

Greffier of the States

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- 1 *chapter 24.750*
 - 2 *chapter 24.750*
 - 3 *L.3/2016*
 - 4 *L.3/2016*
 - 5 *chapter 24.960*
 - 6 *chapter 24.980*
 - 7 *chapter 24.660*
 - 8 *chapter 25.350*