



Jersey

## FINANCE (2020 BUDGET) (JERSEY) LAW 2020

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Jersey

## FINANCE (2020 BUDGET) (JERSEY) LAW 2020

A LAW to set the standard rate of income tax for 2020 and to amend further the Income Tax (Jersey) Law 1961, the Customs and Excise (Jersey) Law 1999, the Goods and Services Tax (Jersey) Law 2007 and the Taxation (Land Transactions) (Jersey) Law 2009; to make consequential amendments, and for connected purposes.

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<i>Adopted by the States</i>	<i>2nd December 2019</i>
<i>Sanctioned by Order of Her Majesty in Council</i>	<i>23rd June 2020</i>
<i>Registered by the Royal Court</i>	<i>25th September 2020</i>
<i>Coming into force</i>	<i>in accordance with Article 36</i>

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

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### PART 1

#### STANDARD RATE OF INCOME TAX SET FOR 2020 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 a Part, Article or Schedule by number and without more is to the Part, Article or Schedule of that number in the Income Tax (Jersey) Law 1961<sup>1</sup>.

#### **2 Standard rate of income tax for 2020**

There shall be levied and charged in Jersey for the year 2020, in accordance with and subject to the provisions of the Income Tax (Jersey) Law 1961<sup>2</sup>, income tax at the standard rate of 20 pence in the pound.

*Returns***3 Article 15 (Comptroller to ascertain income liable to tax) amended**

In Article 15(2) for “may from time to time” there is substituted “shall annually”.

**4 Article 16 (delivery of returns in pursuance of notices) amended**

- (1) In Article 16(1) there is deleted “chargeable under this Law, when”.
- (2) Article 16(8) is deleted.
- (3) At the end of Article 16 there is inserted –
  - “(9) The Comptroller must publish a general notice in such a manner as may be considered appropriate.”.

**5 Article 16A (furnishing of documents etc. in pursuance of notices) amended**

For Article 16A(1) and (2) there is substituted –

“The Comptroller may serve notice on any person requiring the person to furnish, within such a period and at such a place as may be specified in the notice, such documents and information as the Comptroller may reasonably require for fulfilling the Comptroller’s purposes under Article 15.”.

**6 Article 17A (penalty for late delivery of returns) amended**

- (1) In Article 17A(1) “pay to the Comptroller” is deleted.
- (2) In Article 17A(2) –
  - (a) at the end of sub-paragraph (a) “or” is deleted; and
  - (b) for sub-paragraph (b) there is substituted –
    - “(b) in the case of a return under Article 20(1) or 20A(1), midnight on the 15th day after the end of the month in respect of which the return is required to be delivered;
    - (c) in the case of a return under Article 20C, midnight on 31st January in the year following the year in which or in respect of which the benefit was provided;
    - (d) in the case of a return under Article 20(1A) or 20A(1A), midnight on the 15th day after the end of each year.”.
- (3) In Article 17A(2A) “pay to the Comptroller” is deleted.
- (4) In Article 17A(2B)(b) for “or 20B” there is substituted “, 20B or 20C”.
- (5) For Article 17A(5) there is substituted –
  - “(5) Where a person is liable to a penalty under paragraph (1) or (2A), the Comptroller may serve a written notice on the person –
    - (a) specifying the amount of the penalty; and
    - (b) setting out the person’s entitlement to apply to the Comptroller under paragraph (6).

- (5A) Subject to paragraph (6), a person on whom a notice is served under paragraph (5) must pay the amount of the penalty within 40 days after the issue of the notice.”.
- (6) In Article 17A(7) after “paragraph (1)” in each of sub-paragraphs (a) and (b) there is inserted “or (2A)”.
- (7) In Article 17A(12) for “surcharge under Article 26(2)” there is substituted “late payment surcharge under Article 41F”.
- (8) In Article 17A(12A) for “or 20B” there is substituted “20B, 20C or 20D”.

## **7 Article 20 (returns of information regarding employees) amended**

- (1) For Article 20(1) there is substituted –
  - “(1) An employer shall deliver to the Comptroller, no later than 15 days after the end of each month, a true, complete and correct return –
    - (a) containing such information as the Comptroller may require, including all or any of the specified information;
    - (b) for the month in question; and
    - (c) in respect of each person employed by the employer at any time during that month.
  - (1A) Provided that the conditions in paragraph (1B) are met, in the case of an employer which is a company, the employer may deliver to the Comptroller a return complying with sub-paragraphs (a) to (c) of paragraph (1) by no later than midnight on the 15th day after the end of each year, instead of by the time limit stated in that paragraph.
  - (1B) The conditions mentioned in paragraph (1A) are that –
    - (a) an application is made in writing to the Comptroller for paragraph (1A) to apply;
    - (b) at least 25% of the ordinary share capital of the company is owned by each employee in respect of whom the return is made; and
    - (c) the Comptroller agrees to the application.
  - (1C) Without prejudice to paragraph (1), the Comptroller may, for the purpose of establishing whether or not an employer has provided a true, complete and correct return under that paragraph, require, by a notice served on the employer, the provision of such further information as the Comptroller may consider necessary, including all or any of the specified information, in respect of any person employed by the employer at any time during a period or year of assessment specified in the notice.”.
- (2) In Article 20(2), sub-paragraph (h) is deleted.
- (3) For Article 20(4) there is substituted –
  - “(4) Where the secretary or another officer of a body corporate or any other person engaged in the management of the body corporate is deemed to be the employer under Article A15(6) or (7), the body corporate as well as that person shall be liable to a penalty under this Article for any failure to deliver a return.”.

## **8 Article 20A (returns of information regarding building sub-contractors) amended**

- (1) For Article 20A(1) there is substituted –
  - “(1) A building contractor shall deliver to the Comptroller, no later than 15 days after the end of each month, a true, complete and correct return containing such information as the Comptroller may require, including all or any of the specified information, for the period in question in respect of each person who is a sub-contractor of the building contractor at any time during that period.
  - (1A) Without prejudice to paragraph (1), the Comptroller may, for the purpose of establishing whether or not a building contractor has provided a true, complete and correct return under that paragraph, require, by a notice served on the building contractor, the provision of such further information as the Comptroller may consider necessary, including all or any of the specified information, in respect of any person who is a sub-contractor of the building contractor at any time during a period or year of assessment specified in the notice.”.
- (2) For Article 20A(4) there is substituted –
  - “(4) Where the secretary or another officer of a body corporate or any other person engaged in the management of the body corporate is deemed to be the building contractor under Article A15(4) or (5), the body corporate as well as that person shall be liable to a penalty for any failure to deliver a return.”.

## **9 Article 20B (returns of information by companies) amended**

- (1) In Article 20B(1) for “(3), (3A) and (3B)” there is substituted “(3) to (3C)”.
- (2) In Article 20B(2) there is deleted “or, if different, a registered person within the meaning of Article 118C, such person being exempt from income tax under Article 118C(9)”.
- (3) For Article 20B(3B) there is substituted –
  - “(3B) The specified information is, in respect of a company resident in Jersey, the financial statements showing the profits or gains of the company arising or accruing from any kind of property, trading activity, profession, employment, vocation or office, whether carried on in Jersey or elsewhere, or interest of money and other annual profits or gains.
  - (3C) The specified information is, in respect of a non-resident company having a permanent establishment in Jersey, the financial statements showing the profits or gains of that permanent establishment arising or accruing from any kind of property, trading activity, profession, employment, vocation or office, whether carried on in Jersey or elsewhere, or interest of money and other annual profits or gains.
  - (3D) For the avoidance of doubt, the requirement in paragraph (1) applies in respect of, among other entities, a company to which Article 123C applies, such company being charged to tax at the rate of 0% under Article 123C(2).”.

## **10 New Articles 20C (returns as to benefits in kind) and 20D (returns by foundations) inserted**

After Article 20B there is inserted –

### **“20C Returns of information as to benefits in kind**

- (1) An employer shall deliver to the Comptroller, no later than midnight on 31st January in the year following the year in which or in respect of which the benefit in question was provided, a true, complete and correct return containing such information as the Comptroller may require, including all or any of the specified information, for the year of assessment in question in respect of each person employed by the employer at any time during that year.
- (2) Without prejudice to paragraph (1), the Comptroller may, for the purpose of establishing whether or not an employer has provided a true, complete and correct return under that paragraph, require, by a notice served on the employer, the provision of such further information as the Comptroller may consider necessary, including all or any of the specified information, in respect of any person employed by the employer at any time during a period or year of assessment specified in the notice.
- (3) The specified information mentioned in paragraph (1) is –
  - (a) the benefits provided to the person, whether by the employer or by a person connected with the employer, other than any benefit left out of account under Article 65B(2)(b); and
  - (b) the amount attributable to each benefit and determined in accordance with Article 65B.
- (4) Where the secretary or another officer of a body corporate or any other person engaged in the management of the body corporate is deemed to be the employer under Article A15(6) or (7), the body corporate as well as that person shall be liable to a penalty for any failure to deliver a return under this Article.

### **20D Returns of information by foundations**

- (1) A foundation to which Article 123CA applies shall, when required to do so by a general notice or by a notice served on the foundation by the Comptroller, and within the time limited by the notice, deliver to the Comptroller a true, complete and correct return containing, as required by the notice, such information as the Comptroller may require, including but not limited to the specified information described in paragraph (2), for the period or year of assessment specified in the notice.
- (2) The specified information is the financial statements showing the profits or gains of that foundation arising or accruing from any kind of property, trading activity, profession, employment, vocation or office, whether carried on in Jersey or elsewhere, or interest of money and other annual profits or gains.”

**11 Article 21 (form and manner of returns) amended**

In Article 21(1) at the end of sub-paragraph (g) for the full stop there is substituted a semi-colon, and after that sub-paragraph there is inserted –

- “(h) a return under Article 20C;
- (i) a return under Article 20D;
- (j) a notification under Article 123AA.”.

*Assessment***12 Article 23 (provision for making assessments where no returns are received) amended**

- (1) The text of Article 23 is numbered “(1)”.
- (2) After the new paragraph (1) there is inserted –

“(2) No appeal under Part 6 lies against an assessment under paragraph (1), but a person on whom the assessment is made may nevertheless, no later than 12 months after the date of the assessment, deliver a return containing such information as the Comptroller requires or as is required by a relevant provision of this Law, and if the person does so, the Comptroller’s assessment under paragraph (1) is set aside and the Comptroller must make a further assessment on the basis of that return.”.

**13 Article 25 (notices of assessment) amended**

For the text of Article 25 there is substituted –

- “(1) The Comptroller shall serve, on each person assessed, notice in writing of an assessment under Schedules A and D.
- (2) The notice of assessment shall include –
  - (a) the amount of the assessment;
  - (b) the latest date on which an appeal against the assessment may be made; and
  - (c) the date by which, failing the making of an appeal, the amount is required to be paid.”.

*Collection and repayments***14 Part 7 (Collection and repayments) amended**

- (1) In Article 41AA (duty to pay instalment (companies)) –
  - (a) in the heading, before the number, “Article” is deleted;
  - (b) in paragraph (5) for “A company” there is substituted “A large company”.
- (2) In Article 41B (duty of employer to deduct and account for tax) –
  - (a) in paragraph (5AA) for “no later midnight” there is substituted “no later than midnight”;



- (b) in paragraph (5D) “contractor” is deleted;
  - (c) in paragraph (8) for “under the age of 17 years” there is substituted “under the upper limit of compulsory school age as defined by Article 2 of the Education (Jersey) Law 1999<sup>3</sup>”.
- (3) In Article 41C (calculation of rate), in paragraph (11)(a) for “under of this Article” there is substituted “under this Article”.
- (4) In Article 41I (late payment surcharge) –
- (a) for paragraph (1) there is substituted –
    - “(1) In this Article, “specified time” means, in relation to the year of assessment 2019 and ensuing years –
      - (a) midnight on 30th November of the year immediately following the year of assessment, except in a case such as specified in sub-paragraph (b);
      - (b) in the case of a large company within the meaning of Article 41AA(7), midnight on 30th September of the year immediately following the year of assessment.”;
    - (b) for paragraph (2) preceding the proviso, there is substituted –
      - “(2) If a person in relation to whom this Article applies does not pay in full, before the specified time, the tax chargeable for a year of assessment on that person, the person shall be liable, whether or not an assessment has been served on the person, to pay an additional amount (the “surcharge”) equal to 10% of such tax as remains unpaid at the specified time.”;
    - (c) at the end there is inserted –
      - “(10) This Article does not apply in relation to an individual person who is excepted from the application of Article 41A, under paragraph (12)(a) of that Article.”.
- (5) In Article 49B (general provision for collection of long-term care contributions) –
- (a) in paragraph (3)(c) for the text to be substituted as Article 41B(2)(b) there is substituted –
    - “(b) where the employer has not received a copy of such a notice –
      - (i) for deductions made in the years 2015 to 2019 inclusive, 21%;
      - (ii) for deductions made in the year 2020 and ensuing years, 22%.”;
  - (b) in paragraph (4) for sub-paragraphs (k) and (l) there is substituted –
    - “(l) for paragraph (9) there shall be substituted –
      - “(9) The combined effective rate determined by the Comptroller in accordance with paragraphs (3) to (7B) shall not exceed –
        - (a) in a case where the employee has no arrears of tax, 22%;
        - (b) in a case where the employee has arrears of tax for one year of assessment, 27%;
        - (c) in a case where the employee has arrears of tax for 2 years of assessment, 32%;

- (d) in a case where the employee has arrears of tax for 3 or more years of assessment, 37%.”;”;
- (c) in paragraph (5)(i) for the text to be substituted as Article 41E(15)(c) there is substituted –
  - “(c) for deductions made in the years 2015 to 2019 inclusive, 21% being the sum of a rate of 20% for the purposes of deductions of tax and a rate of 1% for the purposes of deductions of LTC contributions;
  - (e) for deductions made in the year 2020 and ensuing years, 22% being the sum of a rate of 20% for the purposes of deductions of tax and a rate of 2% for the purposes of deductions of LTC contributions.”;
- (d) paragraphs (8A) and (8B) are deleted;
- (e) in paragraph (10) for “41C, 41E and 41I” there is substituted “41C and 41E”.

*Allowances and reliefs: general*

### **15 Article 92A (threshold for exemption from income tax) amended**

In Article 92A –

- (a) in paragraphs (2)(ii) and (2A)(ii) for “£24,800” in each place there is substituted “£25,550”;
- (b) in paragraphs (4)(i) and (4A)(i) for “£6,000” in each place there is substituted “£6,250”;
- (c) in paragraph (6)(b) for “£15,400” there is substituted “£15,900”.

### **16 Article 92B (increase in exemption threshold for child day care) amended**

In Article 92B(5), in the definition “qualifying income” –

- (a) for “Case I or II” there is substituted “Case I, II or IIA”;
- (b) in sub-paragraph (a) for “£5,000” there is substituted “£6,250”.

*Special provisions as to bodies corporate: notification requirement*

### **17 New Article 123AA (duty of body corporate to notify Comptroller) inserted**

After Article 123 (Bodies Corporate) there is inserted –

**“123AA Duty of body corporate to notify Comptroller of certain matters**

- (1) This Article applies to a body corporate, upon –
  - (a) the body becoming resident for tax purposes in Jersey, or becoming regarded as so resident under Article 123(1)(b); or

- (b) where the body does not fall within sub-paragraph (a), the body acquiring a source of income which would, if amounting to a profit or gain, give rise to the body's liability to tax in Jersey.
- (2) A body corporate to which this Article applies (in this Article, a "notifiable body") shall, no later than 6 months after becoming a notifiable body, notify the Comptroller in writing, as to –
    - (a) the date on which the body became a notifiable body;
    - (b) the matters listed in paragraph (4); and
    - (c) such other information as the Comptroller may, by general notice or otherwise, require.
  - (3) Notification under paragraph (2) shall be given by a person listed in paragraph (5) (a "relevant person").
  - (4) The matters mentioned in paragraph (2)(b) are –
    - (a) the name of the notifiable body;
    - (b) the address of the notifiable body's registered office, place of business or permanent establishment;
    - (c) if different to the address under sub-paragraph (b), the address in Jersey which is the notifiable body's address for the purpose of service of notices under this Law;
    - (d) the name of the relevant person and, if different to the address under sub-paragraph (b) or (c), the relevant person's address.
  - (5) Each of the following is a relevant person as mentioned in paragraph (3) –
    - (a) a natural person who is the secretary of the notifiable body or any other such officer having, in Jersey, the direction, control or management of the body;
    - (b) a person carrying on in Jersey, for or in connection with the notifiable body, trust company business or fund services business within the meanings given to those expressions by Article 2 of the Financial Services (Jersey) Law 1998<sup>4</sup>;
    - (c) the notifiable body's agent in Jersey, being a person other than such a person as described in sub-paragraph (b).
  - (6) A notifiable body which fails to comply with paragraph (2) is liable to a penalty not exceeding £3,000, but liability to a penalty under this Article does not arise if the notifiable body satisfies the Comptroller or, on an appeal under Article 27 as applied by paragraph (9), the Commissioners, that there is a reasonable excuse for the failure.
  - (7) If a notifiable body had a reasonable excuse for a failure to comply with paragraph (2) but the excuse has ceased, the body is to be treated as having continued to have the excuse if the failure is remedied without unreasonable delay after the excuse has ceased.
  - (8) If a notifiable body becomes liable to a penalty under this Article, the Comptroller –
    - (a) may determine the amount of the penalty and, subject to paragraph (9), impose it on the body; and

- (b) shall inform the body and, if applicable, the relevant person, in writing of –
  - (i) the reasons for imposing the penalty,
  - (ii) the amount of the penalty,
  - (iii) the date by which, subject to any appeal under paragraph (9), the penalty is due, and
  - (iv) the body’s right of appeal under paragraph (9).
- (9) A notifiable body upon which a penalty is imposed by the Comptroller may, no later than 28 days after receiving the information under paragraph (8)(b) –
  - (a) appeal against the penalty on the ground that liability to the penalty does not arise; and
  - (b) appeal against the amount of the penalty,
 and where a notifiable body does so appeal, the appeal shall be treated for the purposes of Part 6 as though it were an appeal against an assessment.
- (10) The application of this Article does not derogate from and is in addition to the application, in relation to a resident company within the meaning given to that expression by the Taxation (Companies – Economic Substance) (Jersey) Law 2019<sup>5</sup>, of any relevant provision of that Law.”.

*Miscellaneous minor and consequential amendments*

## **18 Removal of certain evidential requirements**

- (1) In Article 89A (relief in respect of interest paid to finance houses) in paragraph (2) for “upon proving to the satisfaction of the Comptroller that” there is substituted “where”.
- (2) In Article 90 (relief in respect of interest paid to banks) there is deleted “, on proof of the facts to the satisfaction of the Comptroller,”.
- (3) In Article 90AA (marginal income deduction in respect of interest payments: only or main residence) in paragraph (2) there is deleted “, on proof of the facts to the satisfaction of the Comptroller,”.
- (4) In Article 90AB (relief in respect of interest payments: commercial letting) in paragraph (2) there is deleted “, on proof of the facts to the satisfaction of the Comptroller,”.
- (5) In Article 90AC (relief in respect of interest payments: machinery and plant) in each of paragraphs (2) and (3) there is deleted “, on proof of the facts to the satisfaction of the Comptroller,”.
- (6) In Article 90AD (relief in respect of interest payments: acquisition of trade etc.) in each of paragraphs (2), (3) and (4) there is deleted “, on proof of the facts to the satisfaction of the Comptroller,”.
- (7) In Article 107 (right to have income for year of assessment adjusted by reference to losses) in paragraph (2) there is deleted “, on proof to the Comptroller’s satisfaction of the amount of the loss and of the payment of tax on the aggregate amount of income,”.

- (8) In Article 107A (right to carry back losses) in paragraph (2) there is deleted “, on proof to the Comptroller’s satisfaction of the amount of the loss and of the payment of tax for the immediately preceding year of assessment,”.
- (9) In Article 129A (apportionment for individual in Jersey for part of year) in paragraph (3) there is deleted “proves, to the satisfaction of the Comptroller, that he or she”.
- (10) In Article 135 (deduction in respect of expenditure and houses of ministers of religion) in paragraph (2) there is deleted “on proof that any sum has been expended as aforesaid”.

## **19 Article 118D (exemption in respect of international savings schemes) amended**

- (1) In Article 118D(1) –
  - (a) at the end of sub-paragraph (c) “and” is deleted;
  - (b) at the end of sub-paragraph (d) for the full stop there is substituted –  
“; and
  - (e) the scheme or arrangement, and the trustees, must comply with –
    - (i) any prescribed conditions and requirements, and
    - (ii) any additional conditions and requirements imposed in its case by the Comptroller.”.
- (2) In Article 118D(2) for “is treated as performance outside Jersey” there is substituted “shall be treated as performed outside Jersey”.

## **20 Article 123D (financial services companies) amended**

For Article 123D(6) there is substituted –

- “(6) For the purposes of paragraph (4)(e) –
  - (a) “customer” shall not include any person which, in relation to the company by which credit facilities are provided, is a connected person, and for this purpose “connected person” has the meaning given by Article 3A(4) and (5); and
  - (b) the provision of credit facilities to customers does not include such provision where credit facilities are not offered –
    - (i) to individuals residing in Jersey,
    - (ii) to businesses operating in Jersey and holding a business licence, or non-resident trading licence, under the Control of Housing and Work (Jersey) Law 2012<sup>6</sup>, or
    - (iii) for the purpose of financing the acquisition or enhancement of immovable property located in Jersey.”.

**21 Article 131CF (permitted commutation – thirty percent of net fund value) amended**

In Article 131CF(1) after “occasions,” there is inserted “a lump sum of”.

**22 Article 145 (delivery and service of notices and forms) amended**

(1) For the text of the first unnumbered paragraph of Article 145 there is substituted –

“A notice, form or similar document which is required to be served on, or given to, a person under this Law may be –

- (a) delivered to that person personally;
- (b) sent to the person by post at the person’s usual or last known place of abode or place of business;
- (c) in the case of a company, sent to the company’s registered office or place of business; or
- (d) delivered by any means of electronic communication, as defined by the Electronic Communications (Jersey) Law 2000<sup>7</sup>.”.

(2) In the proviso in Article 145 for “notice or form” there is substituted “notice, form or other document”.

**23 Schedules 1A and 3A amended**

(1) In Schedule 1A (Articles 41A etc. as modified by Article 49B in their application to persons liable to pay an LTC contribution) –

- (a) in the sub-heading for “, 41E AND 41I” there is substituted “AND 41E”;
- (b) in the modified Article 41A –
  - (i) for the heading there is substituted –

**“41A Duty to pay instalment in May (individuals and unincorporated bodies)”**,

- (ii) in paragraph (2)(a) for “6 p.m. on the last Friday in April” there is substituted “midnight on 31st May”;
- (c) in the modified Article 41B –
  - (i) for paragraph (2)(b) there is substituted –
    - “(b) where the employer has not received a copy of such a notice –
      - (i) for deductions made in the years 2015 to 2019 inclusive, 21%,
      - (ii) for deductions made in the year 2020 and ensuing years, 22%.”,
  - (ii) in paragraph (5AA) for “no later than 15 days after the end of each year” there is substituted “no later than midnight on the 15th day after the end of each year.”,

- (iii) in paragraph (5D) “contractor” is deleted, and
  - (iv) in paragraph (8) for “under the age of 17 years” there is substituted “under the upper limit of compulsory school age as defined by Article 2 of the Education (Jersey) Law 1999<sup>87</sup>”;
  - (d) in the modified Article 41C(9) –
    - (i) in sub-paragraph (a) for “21%” there is substituted “22%”,
    - (ii) in sub-paragraph (b) for “25%” there is substituted “27%”,
    - (iii) in sub-paragraph (c) for “30%” there is substituted “32%”,
    - (iv) in sub-paragraph (d) for “35%” there is substituted “37%”;
  - (e) in the modified Article 41C(11)(a) for “under of this Article” there is substituted “under this Article”;
  - (f) in the modified Article 41E(15) for sub-paragraph (c) there is substituted –
    - “(c) for deductions made in the years 2015 to 2019 inclusive, 21% being the sum of a rate of 20% for the purposes of deductions of tax and a rate of 1% for the purposes of deductions of LTC contributions;
    - (d) for deductions made in the year 2020 and ensuing years, 22% being the sum of a rate of 20% for the purposes of deductions of tax and a rate of 2% for the purposes of deductions of LTC contributions.”;
  - (g) the modified Article 41I is deleted.
- (2) In Schedule 3A (Collection of tax on rental income of non-resident landlords), paragraph 5 (duty of agent to make annual return) is deleted.

## PART 2

### TAX TREATMENT OF SOCIAL HOUSING PROVIDERS: MISCELLANEOUS AMENDMENTS

#### **24 Article 115 of the Income Tax (Jersey) Law 1961 amended**

In Article 115 (miscellaneous exemptions) of the Income Tax (Jersey) Law 1961<sup>9</sup>, after sub-paragraph (ad) there is inserted –

- “(ae) any income derived from the property of a trust listed in clauses (i) to (iv), in so far as such income is applied by the trust to the purpose of providing social housing –
  - (i) Jersey Homes Trust,
  - (ii) Les Vaux Housing Trust,
  - (iii) CTJ Housing Trust,
  - (iv) FB Cottages Housing Trust;”.

## 25 Stamp Duties and Fees (Jersey) Law 1998 amended

- (1) In paragraphs (2) to (4), a reference to a numbered Item is to the Item of that number in the table in paragraph 3 (Tables of judicial fees) of Schedule 1 to the Stamp Duties and Fees (Jersey) Law 1998<sup>10</sup>.
- (2) In Item 1(b) in the entry in the second column (Acknowledgement of debt on table or *au Greffe*) for “Article 115(a) or (aa)” there is substituted “Article 115(a), (aa) or (ae)”.
- (3) In Item 13 –
  - (a) in sub-paragraph (d1) for the entry in the second column (Contracts) there is substituted –
 

“Of creation of *rente nouvelle*, or of one or more simple *conventionnel* hypothecs, where the borrower produces to the designated officer a letter from the Comptroller of Taxes confirming that it qualifies for exemption from income tax under Article 115(a), (aa) or (ae) of the Income Tax (Jersey) Law 1961<sup>11</sup>”;
  - (b) in sub-paragraph (t) in the entry in the second column (Contracts) for “a letter from the Comptroller of Taxes confirming that it qualifies for exemption from income tax pursuant to Article 115(a) or (aa) of the Income Tax (Jersey) Law 1961” there is substituted –
 

“a letter from the Comptroller of Taxes confirming that the purchaser, donee, lessee, sub-lessee or transferee –

    - (a) qualifies for exemption from income tax under Article 115(a), (aa) or (ae) of the Income Tax (Jersey) Law 1961; or
    - (b) is a company prescribed under Article 2 of the Social Housing (Transfer) (Jersey) Law 2013<sup>12</sup>, and qualifies for exemption from income tax under Article 115(c) of the Income Tax (Jersey) Law 1961”.
- (4) In Item 46(AA), at the end of sub-paragraph (a) after “1961” there is inserted “, or to a social housing provider qualifying for exemption from income tax under paragraph (ae) of that Article”.

## 26 Goods and Services Tax (Jersey) Law 2007: Schedule 5 amended

In Schedule 5 (Exempt supplies) to the Goods and Services Tax (Jersey) Law 2007<sup>13</sup>, in sub-paragraph (2) of paragraph 5 (group 5 – supplies by charities) for “Article 115(a) or (aa)” there is substituted “Article 115(a), (aa) or (ae)”.

## 27 Taxation (Land Transactions) (Jersey) Law 2009: Schedule amended

In the Schedule (Value of transaction and rate of LTT applicable) to the Taxation (Land Transactions) (Jersey) Law 2009<sup>14</sup>, in paragraph 8 (charitable occupier or secured party) for “Article 115(a) or (aa)” there is substituted “Article 115(a), (aa) or (ae)”.



### PART 3

#### IMPÔTS DUTIES: CUSTOMS AND EXCISE (JERSEY) LAW 1999 AMENDED

#### 28 Interpretation of Part 4

In this Part, the “Law” means the Customs and Excise (Jersey) Law 1999<sup>15</sup> and a reference to a paragraph by number and without more is to the paragraph of that number in Part 2 of Schedule 1 (Excise duties) to the Law.

#### 29 Excise duty: alcohol

- (1) In paragraph 1 (spirits) –
- (a) for the heading there is substituted –  
**“Spirits and spirits-based drinks”;**
  - (b) in sub-paragraph (a) –
    - (i) for “£18.63” there is substituted “£21.24”,
    - (ii) at the end “and” is deleted;
  - (c) in sub-paragraph (b) –
    - (i) for “£37.23” there is substituted “£42.44”, and
    - (ii) at the end for the full stop there is substituted –  
 “; and
    - (c) on spirits-based products which are ready-to-drink and are imported into or produced or manufactured in Jersey, excise duty at the rate of £42.44 per litre of alcohol.”.
- (2) In paragraph 2 (wines) for the table there is substituted –

<i>“Strength of wines</i>	<i>Rate per hectolitre of wine</i>
Wines exceeding 1.2% volume but not exceeding 5.5% volume	£82.76
Wines exceeding 5.5% volume but not exceeding 15% volume	£219.31
Wines exceeding 15% volume but not exceeding 22% volume	£289.14
	<i>Rate per litre of alcohol</i>
Wines exceeding 22% volume	£42.44”.

- (3) In each of paragraph 3 (beer) and paragraph 4 (cider) –
- (a) in sub-paragraph (a)(i) to (iii) for “£16.72”, “£33.42” and “£57.27” there are substituted respectively “£17.24”, “£34.46” and “£64.14”;
  - (b) in sub-paragraph (b)(i) to (iii) for “£33.42”, “£66.85” and “£114.52” there are substituted respectively “£34.46”, “£68.92” and “£128.26”.

- (4) In paragraph 5 (other alcoholic beverages) for “£37.23” there is substituted “£42.44”.

### 30 Excise duty: tobacco

For the table in paragraph 6 (tobacco) there is substituted –

<i>“Type of tobacco</i>	<i>Rate of excise duty per kilogramme</i>
(a) unprocessed tobacco	£398.88
(b) cigars	£417.85
(c) cigarettes	£522.49
(d) hand-rolling tobacco	£484.12
(e) processed tobacco other than types (b) to (d)	£415.65”.

### 31 Excise duty: hydrocarbon oil

In paragraph 7 (hydrocarbon oil) in sub-paragraph (1) –

- (a) in clause (a) for “£52.42” there is substituted “£58.42”;
- (b) in clauses (b) and (c) for “£50.55” in each place there is substituted “£56.55”;
- (c) in clause (d) for “£54.47” there is substituted “£60.47”.

## PART 4

### CONSEQUENTIAL AND MINOR AMENDMENT OF OTHER ENACTMENTS, AND GENERAL PROVISION

### 32 Control of Housing and Work (Jersey) Law 2012 amended

- (1) Article 32 (undertakings with business licences to provide statements) of the Control of Housing and Work (Jersey) Law 2012<sup>16</sup> is amended in accordance with this Article.
- (2) For Article 32(1) there is substituted –
  - “(1) Subject to paragraph (1B), a person carrying on an undertaking in respect of which a business licence has been granted shall provide to the Minister, no later than the specified time, a statement of the following matters for each month during which the person carries on that undertaking, namely –
    - (a) the name and current residential and employment status of such persons as are working in or for the undertaking during the month in respect of which the statement is provided;

- (b) in respect of each named person, the number of hours for which that person was contractually required to work; and
  - (c) such other particulars as the Minister may determine.
- (1A) In paragraphs (1) and (3), the “specified time” means midnight on the 15th day after the end of the month in respect of which the statement is made.
- (1B) Paragraph (1) does not apply to a person meeting the conditions in Article 20(1B) of the Income Tax (Jersey) Law 1961<sup>17</sup> and making returns on an annual basis under that Article.”.
- (3) In Article 32(3) for “on or before the last day of the month immediately following the period in respect of which the statement is required,” there is substituted “before the specified time,”.

### **33 Social Security (Jersey) Law 1974 amended**

In Schedule 1D (Collection of LTC contributions) to the Social Security (Jersey) Law 1974<sup>18</sup>, in sub-paragraph (1) of paragraph 4A (surcharge for late payment of LTC contributions) for “6 p.m. on the Friday following the first Monday in December in a year” there is substituted “midnight on 30th November in a year”.

### **34 Goods and Services Tax (Jersey) Law 2007, and related Regulations, amended**

- (1) In Article 59 (listing of international services entities) of the Goods and Services Tax (Jersey) Law 2007<sup>19</sup>, in paragraph (5)(c) for “Article 60(1)(g)” there is substituted “Article 60(1)(h)”.
- (2) In the Goods and Services Tax (International Services Entities) (Jersey) Regulations 2008<sup>20</sup> –
- (a) in the heading to Regulation 7 for “Article 60(1)(g)” there is substituted “Article 60(1)(h)”;
  - (b) in each of Regulations 4(1)(j) and 7, for “Article 60(1)(g)” in each place there is substituted “Article 60(1)(h)”.

### **35 Taxation (Land Transactions) (Jersey) Law 2009 amended**

In Article 4 (duty to deliver statement and pay LTT) of the Taxation (Land Transactions) (Jersey) Law 2009<sup>21</sup> –

- (a) for paragraph (1)(a) there is substituted –
  - “(a) a statement, accompanied by such documents or copies of documents as may be required, and containing –
    - (i) the prescribed information, and
    - (ii) a declaration by the person delivering the statement that it is, to the best of the person’s knowledge, information and belief, true and correct; and”;
- (b) for paragraphs (2) and (3) there is substituted –
  - “(2) The statement shall be delivered –

- (a) by any means of electronic communication, as defined by the Electronic Communications (Jersey) Law 2000<sup>22</sup>; and
- (b) no later than the due date.”

### **36 Citation and commencement**

- (1) This Law may be cited as the Finance (2020 Budget) (Jersey) Law 2020.
- (2) Except as provided in paragraphs (3) and (4), this Law comes into force on 1st January 2020.
- (3) Article 32 comes into force on such day as the States may by Act appoint.
- (4) Article 35 comes into force on 1st January 2022.

## ENDNOTES

### Table of Endnote References

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1	<i>chapter 24.750</i>
2	<i>chapter 24.750</i>
3	<i>chapter 10.800</i>
4	<i>chapter 13.225</i>
5	<i>L.3/2019</i>
6	<i>chapter 18.150</i>
7	<i>chapter 04.280</i>
8	<i>chapter 10.800</i>
9	<i>chapter 24.750</i>
10	<i>chapter 24.960</i>
11	<i>chapter 24.750</i>
12	<i>chapter 18.740</i>
13	<i>chapter 24.700</i>
14	<i>chapter 24.980</i>
15	<i>chapter 24.660</i>
16	<i>chapter 18.150</i>
17	<i>chapter 24.750</i>
18	<i>chapter 26.900</i>
19	<i>chapter 24.700</i>
20	<i>chapter 24.700.25</i>
21	<i>chapter 24.980</i>
22	<i>chapter 04.280</i>