

TAXES OFFICE -

TAX STATISTICAL DIGEST

QUARTER 2 Ending 30 June 2017

Tax Analyst
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GLOSSARY OF TERMS

Corporate (Company) Tax - Companies that have completed a return in the year of assessment – Inclusive of companies whose income is subject to Taxation at 0%, 10% or 20%. Companies taxed at 10% or 20% have Profits arising from being a Financial Institution, a Utility company, from the importation or supply of hydrocarbon oil, Quarrying in Jersey, Income from land, Property, Property development.

Current Year and Prior Year Basis (CYB - PYB)

Current Year Basis: A personal taxpayer whose ITIS deductions out of their current earnings are being used to pay their income tax liability for the current year.

Previous Year Basis: A personal taxpayer whose ITIS deductions out of their current earnings are being used to pay their income tax liability for the year of assessment prior to the year in which the deductions are being made (ie the previous year).

Goods Services Tax (GST) – Paid by those businesses registered for GST with the Taxes office.

Marginal Rate Taxpayer - A Personal Taxpayer whose income tax liability is calculated by reference to the marginal rate calculation (i.e. the taxpayer pays less tax under the marginal rate calculation rather than under the standard rate calculation).

Personal Taxpayer

An individual/married couple/civil partnership that pays personal income tax, based on their own liability, in Jersey, for the particular year. A “Personal Taxpayer” whose liability is less than £50 for a particular is year is counted as a Personal Non-Taxpayer and exclude from this analysis.

Personal Taxpayers includes:

- Single individuals (counted as one personal taxpayer)
- Married couples/civil partnerships (counted as one personal taxpayer as they do not have separate tax liabilities).
- Married couples/civil partners that have elected for separate assessment (counted as two personal taxpayers as they have separate tax liabilities).

Standard Rate Taxpayer - A Personal Taxpayer whose income tax liability is calculated by reference to the standard rate calculation (i.e. the taxpayer pays less tax under the standard rate calculation than under the marginal rate calculation).

Tax Payable - The Income tax payable by the taxpayer by Year of Assessment. This is the amount the taxpayer is due to pay to the Treasury, which is either collected via ITIS or made by direct payment. Tax payable is the basis for the ‘tax revenues’ figure that is reported in the States of Jersey Accounts. The Tax payable (Year of Assessment) will differ from Tax receipts (in the States of Jersey Accounts) in any year due to income recognition (i.e. tax revenues are recognised in the year the assessment is raised) and collection timing difference (e.g. payments not necessarily received in the year in which the revenue is recognised).

Tax Payable (Net) – The amount of Tax Payable less any Tax under appeal (at the time of Analysis)

Total Income - The sum of a taxpayer’s income taken into account in calculating income tax liabilities. Total income is measured before tax allowances and any other deductions have been taken into account. Losses incurred in the year and capital allowances by sole traders are included within the Total income.

SUMMARY¹ – YEAR OF ASSESSMENT 2015

PERSONAL TAX

There were 47,040 Personal Tax Payers who paid £381m (tax) in year of assessment 2015. This is made up of:

- 46,220 Personal Tax Payers (resident) who paid £378m in Tax, assessed at the Standard or Marginal rate
- 820 Non-resident Personal Tax payers who paid £3m in Tax.

CORPORATE TAX

There were 1470 Corporate Tax Payers who paid £94M in Tax

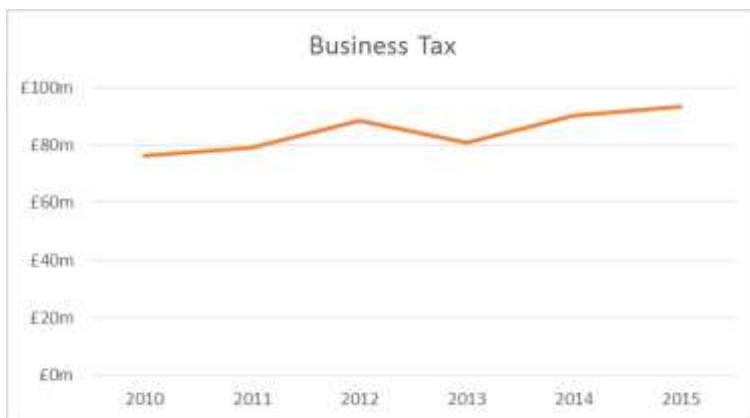
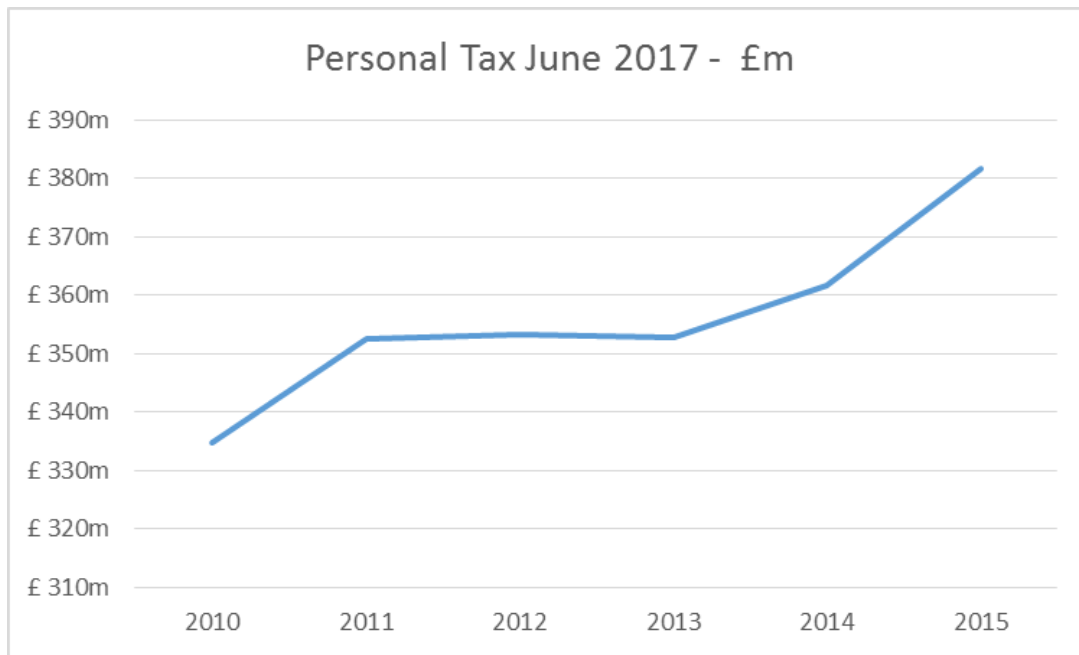
GST

There were 1,560 GST registered Tax Payers who paid £84m in 2015, there was also 910 GST registered Business that received £14m in GST refunds also in 2015. Resulting in a Net Return of £70m GST for 2015 (for 2016 the equivalent figures are 1,590 GST registered Businesses paying £87m and 850 receiving £14m refunds giving a net value of £73m).

¹ All Tax Payers counts rounded to nearest 10. All Tax rounded to nearest Million (£).

SOURCES OF REVENUE BY YEAR OF ASSESSMENT

Sources of Revenue – Personal tax, Corporate Tax and GST ²



	Year of Assessment					
	2010	2011	2012	2013	2014	2015
Personal Net Tax Payable	£ 335m	£ 352m	£ 353m	£ 353m	£ 362m	£ 381m
Business Tax	£76m	£79m	£89m	£81m	£90m	£94m
GST	£40m	£55m	£66m	£66m	£69m	£70m
Total	£ 451m	£ 486m	£ 508m	£ 500m	£ 521m	£ 544m

² **Tax Payable** - The Income Tax payable by the taxpayer by Year of Assessment. This is the amount the taxpayer is due to pay to the Treasury, which is either collected via ITIS or made by direct payment. Tax payable is the basis for the 'tax revenues' figure that is reported in the States of Jersey Accounts. The Tax payable (Year of Assessment) will differ from Tax receipts (in the States of Jersey Accounts) in any year due to income recognition (i.e. tax revenues are recognised in the year the assessment is raised) and collection timing difference (e.g. payments not necessarily received in the year in which the revenue is recognised).

PERSONAL TAX

Personal Tax Payers by Count and Net Tax Payable

Year Of Assessment 2015 - TAX PAYERS						
	Non resident	RESIDENT			Grand Total	
		Taxed at Standard rate	Taxed at Marginal rate	Total		
Married	270	2,390	14,250	16,640	16,910	
Single	550	2,440	27,140	29,580	30,130	
TOTAL	820	4,830	41,390	46,220	47,040	

Year Of Assessment 2015 - NET TAX PAYABLE						
	Non Resident Tax Payers	Resident Tax Payers			Grand Total	
		Tax at Standard Rate	Tax at Marginal Rate	Total		
Married	£1m	£105m	£122m	£227m	£228m	
Single	£2m	£52m	£99m	£151m	£153m	
TOTAL	£3m	£157m	£221m	£378m	£381m	

Notes: All Tax Payers counts rounded to nearest 10. All Tax rounded to nearest Million (£).

Tax Payers (Excluding Non-residents) By Marital Status By Age - Exemption Thresholds

Year Of Assessment 2015			
Tax Payers			
Marital Status	Taxed at 20% Standard Rate	Taxed at Marginal Rate	Total
Single	2,090	24,270	26,360
Single 65 years old Plus	350	2,870	3,220
Married	2,040	11,230	13,270
Married 65 years old Plus	350	3,020	3,370
Total	4,830	41,390	46,220

Notes: Either one or both of a married couple / civil partnership are 65 years old or over to receive the higher threshold relief.

Net Tax Payable			
Marital Status	Tax at Standard rate	Tax at Marginal Rate	Total
Single	£44m	£89m	£134m
Single 65 years old Plus	£8m	£10m	£17m
Married	£89m	£103m	£192m
Married 65 years old Plus*	£16m	£19m	£35m
Total	£157m	£221m	£378m

Notes: All Tax Payers counts rounded to nearest 10. All Tax rounded to nearest Million (£).

INCOME SOURCES AND TAX PAYABLE

Income by Sources Totals

Rate	Count	Total Income	Total Taxed At Source (TAS) income	Total income Including TAS	Net Tax Payable
Marginal	41,390	£1,765m	£2m	£1,768m	£221m
Standard	4,830	£926m	£13m	£939m	£157m
Grand Total	46,220	£2,691m	£16m³	£2,707m	£378m

Notes:

1. All Tax Payers counts rounded to nearest 10. All Tax rounded to nearest Million (£).
2. TAS - Taxed At Source income (Jersey)
3. 20 means 20 - Standard tax payers are taxed at 20% of their total income, therefore 20% of £926m should yield £185m. But in 2015 standard tax payers paid £157m. This is due to Standard tax payers receiving some reliefs in 2015 and or receiving Tax credits for income where tax has already been paid, distributions being an example

Income Sources

Rate	Count	TOTAL INCOME BY SOURCE					Total Taxed At Source (TAS)Income	Total Income including TAS	Net Tax Payable
		Total Earned Income	Total Unearned Income	Total Pension Income	Total Business Income	Total Income			
Marginal	41,390	£1,391m	£114m	£199m	£60m	£1,765m	£2m	£1,768m	£221m
Standard	4,830	£513m	£299m	£37m	£77m	£926m	£13m	£939m	£157m
Total	46,220	£1,904m	£414m	£236m	£137m	£2,691m	£16m	£2,707m	£378m

Notes: All Tax Payers counts rounded to nearest 10. All Tax rounded to nearest Million (£).

³ Actual total for TAS £15.5M rounding effect takes this to £16m

Income Range by Tax Paid

Income range	Count of Individuals	Net Tax	% of total tax Paid
£20,000 or less	7670	£6m	
£20,001 to £25,000	4740	£9m	
£25,001-£30,000	4500	£13m	
£30,001-£35,000	4210	£14m	
£35,001-£40,000	3470	£15m	
£40,001-£45,000	2780	£14m	
£45,001-£50,000	2480	£15m	
Subtotal Income Under £50,000	29,850	£86m	23%
£50,001-£55,000	2020	£14m	
£55,001-£60,000	1710	£13m	
£60,001-£65,000	1390	£12m	
£65,001-£70,000	1250	£12m	
£70,001-£75,000	1040	£11m	
£75,001-£80,000	900	£10m	
£80,001-£85,000	850	£11m	
£85,001-£90,000	700	£9m	
£90,001-£95,000	650	£9m	
£95,001-£100,000	550	£9m	
Subtotal Income Under £100,000	11,060	£111m	29%
£100,001 To £250,000	4460	£112m	
greater than £250,000 and less than £500,000	580	£34m	
£500,000 plus	270	£36m	
Subtotal Income greater than £100,000	5,310	£181m	48%
Grand Total	46,220	£378m	100%

Notes:

- Generally the income is representative of a full year's income. However in some cases the income relates to seasonal workers or contract staff who do not work a full year and therefore do not receive a full year's relief. Thus it is possible to have what appears to be a low income and still have a tax liability.
- For married / civil partnership total income represents the combined marital / Partnership income
- All Tax Payers counts rounded to nearest 10. All Tax rounded to nearest Million (£).

Income Range by Marital Status by Tax Paid

Range	Married		Single		Grand Total
	Tax Payers	Net Tax Payable	Tax Payers	Net Tax Payable	
£20,000 or less	240	£0m	7,430	£6m	£6m
£20,001 to £25,000	120	£0m	4,620	£9m	£9m
£25,001-£30,000	460	£0m	4,040	£12m	£13m
£30,001-£35,000	1,020	£1m	3,190	£13m	£14m
£35,001-£40,000	1,130	£3m	2,340	£12m	£15m
£40,001-£45,000	1,040	£3m	1,740	£11m	£14m
£45,001-£50,000	1,130	£5m	1,350	£10m	£15m
£50,001-£55,000	1,020	£6m	1,000	£8m	£14m
£55,001-£60,000	930	£6m	780	£7m	£13m
£60,001-£65,000	850	£6m	540	£6m	£12m
£65,001-£70,000	840	£7m	410	£5m	£12m
£70,001-£75,000	740	£7m	300	£4m	£11m
£75,001-£80,000	640	£7m	260	£4m	£10m
£80,001-£85,000	650	£8m	200	£3m	£11m
£85,001-£90,000	550	£7m	150	£2m	£9m
£90,001-£95,000	500	£7m	150	£2m	£9m
£95,001-£100,000	440	£7m	110	£2m	£9m
£100,000 To £250,000	3,660	£92m	800	£20m	£112m
Greater than £250,000 and less than £500,000	480	£28m	100	£5m	£34m
£500,000 plus	200	£26m	70	£9m	£36m
Grand Total	16,640	£227m	29,580	£151m	£378m

Current Year and Prior Year Basis (CYB - PYB)

Current Year Basis (CYB) - A Personal Tax payer taxed on Earnings in the same year as the income is earned.

Prior Year Basis (PYB) - A Personal Tax payer taxed on Earnings in the year prior to the year the income is earned, paying Tax in arrears

Personal Tax Payers by Current or Prior Year Basis

YEAR OF ASSESSMENT 2015			
COUNT			
Marital status	Current Year Basis	Prior Year Basis	Grand Total
Married	2,740	13,890	16,640
Single	11,660	17,930	29,580
Grand Total	14,400	31,820	46,220

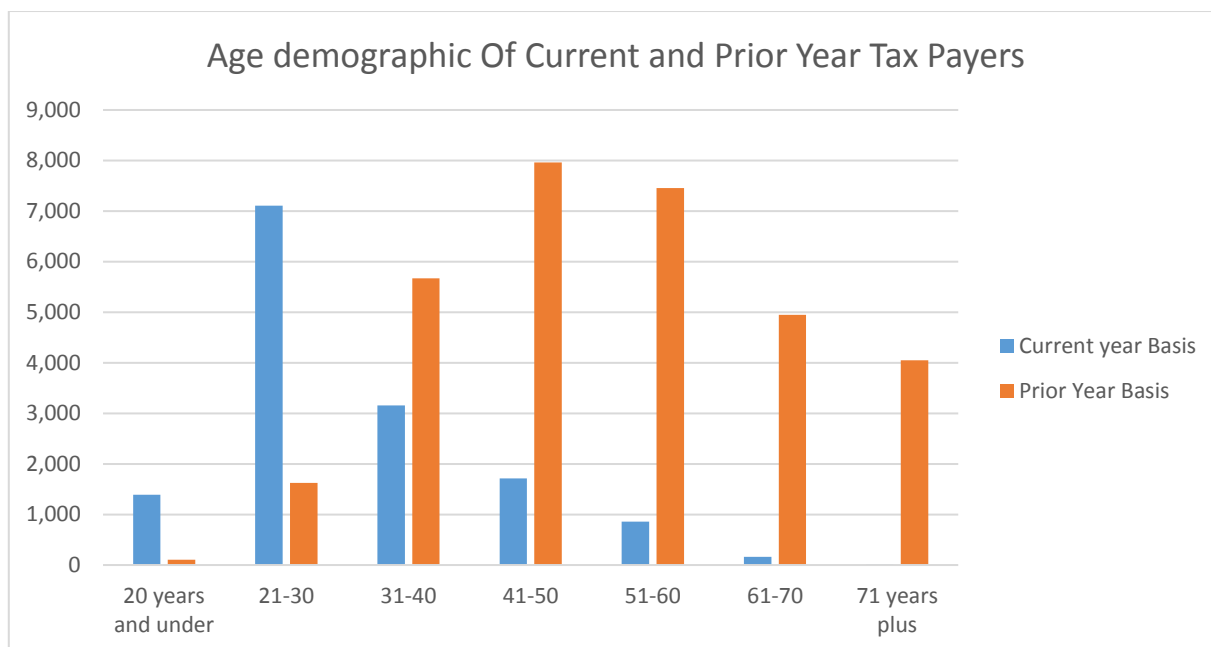
Personal Tax Payers by Current or Prior Year Basis by Net Tax paid

YEAR OF ASSESSMENT 2015			
NET TAX PAYABLE			
Marital status	Current Year Basis	Prior Year Basis	Grand Total
Married	£37m	£190m	£227m
Single	£41m	£110m	£151m
Grand Total	£78m	£300m	£378m

Personal Tax Payers by Current or Prior Year Basis by Age Demographic

	Current Year Basis	Prior Year Basis	Grand Total
20 years and under	1,390	110	1500
21-30	7,110	1,620	8730
31-40	3,160	5,670	8830
41-50	1,710	7,960	9670
51-60	860	7,460	8320
61-70	160	4,950	5110
71 years plus	10	4,050	4060
Grand Total	14,400	31,820	46,220

Note: For Married couples / civil partnership age is based on the oldest of the couple. All new Tax payers are registered as Current Year Basis, unless they are sole traders or their income derives only from investment income then they are Prior Year Basis.



Income Streams by Current Year and Prior year Basis

Prior or Current year Basis	Count	Total Earned Income	Total Unearned income	Total Pension income	Total business income	Total Income	Net tax payable
CYB	14,400	£542m	£17m	£3m	£6m	£567m	£78m
PYB	31,820	£1,363m	£397m	£233m	£131m	£2,124m	£300m
Grand Total	46,220	£1,904m	£414m	£236m	£137m	£2,691m	£378m

QUINTILE ANALYSIS

Tax Payer - Quintiles

Quintile	Total Income ⁴	Net Tax Payable	Effective rate	% Of Net tax Payable
1	£142m	£9m	6%	2%
2	£246m	£24m	10%	6%
3	£352m	£40m	11%	11%
4	£530m	£72m	14%	19%
5	£1,421m	£233m	16%	62%
Total	£2,691m	£378m		100%

Analysis of Tax Paid (%) by Income:	2015
Higher Income:	
Percentage of personal income tax paid by the 5% of Tax Payers with the highest income	31%
Percentage of personal income tax paid by the 10% of Tax Payers with the highest income(see table below)	45%
Percentage of personal income tax paid by the 20% of Tax Payers the highest income	62%
Lower Income :	
Percentage of personal income tax paid by the 20% of Tax Payers with the Lowest income	2%

Percentage of Personal Income Tax Paid By The 10% of Tax Payers with the Highest Income 2010 - 2015

	2010	2011	2012	2013	2014	2015
Percentage of personal income tax paid by the 10% of Tax Payers with the highest income	45%	45%	45%	45%	46%	45%

⁴ Excluding TAS income

CORPORATE TAX

Tax Payable by Tax Rate

COMPANIES BY RATE	2010	2011	2012	2013	2014	2015
Count - 0% companies - NIL Tax paid (Separately registered for Tax purposes)	32,050	31,710	31,550	34,050	35,390	32,990
Count - 0% companies - positive tax payable from Jersey Property rental or development, Quarrying in Jersey, or from the importation and/or supply of hydrocarbon oil	1,390	1,320	1,290	1,290	1,290	1,260
Total Count 0% Companies	33,440	33,030	32,840	35,340	36,680	34,250
Total tax paid by 0% companies in receipt of Jersey Property income/Oil income etc.	£20m	£18m	£18m	£17m	£18m	£20m
Count - 10% companies - No Tax Payable	700	710	730	730	730	690
Count - 10% companies - Tax payable	180	200	210	210	220	210
Count - TOTAL 10% companies	880	910	940	940	950	900
Total tax paid by 10% companies	£39m	£48m	£67m	£63m	£70m	£70m
Count 20% (utility) Companies	20	20	20	20	20	20
Total tax paid by 20% (utility) companies	£5m	£5m	£3m	£3m	£3m	£4m
Count - IBC companies	70	60				
Total tax paid by IBC companies	£12m	£9m				
Count	34,410	34,020	33,800	36,300	37,650	35,170
TAX	£76m	£79m	£89m	£82m	£91m	£94m

Note:

Count of companies rounded to nearest 10. For 2015 there were 7 utilities with Tax payable

GOODS AND SERVICES TAX (GST)

GST by Industry Codes

Classification	GST Charge						
	2010	2011	2012	2013	2014	2015	2016
A - Agriculture, Forestry and Fishing	£0m	£0m	£1m	£1m	£1m	£1m	£1m
B - Mining and Quarrying	£1m	£1m	£1m	£1m	£1m	£1m	£1m
C - Manufacturing	£1m	£2m	£2m	£2m	£2m	£2m	£2m
D - Electricity, Gas, Steam, and Air Conditioning	£3m	£4m	£5m	£4m	£4m	£5m	£4m
E - Water Supply Sewerage Waste Management and Remediation Activities	£0m	£1m	£1m	£1m	£1m	£1m	£1m
F - Construction	£3m	£5m	£5m	£6m	£6m	£6m	£6m
G - Wholesale and Retail Trade; Repair Of Motor Vehicles and Motorcycles	£21m	£29m	£36m	£36m	£37m	£38m	£38m
H - Transportation and Storage	£0m	£1m	£1m	£1m	£1m	£1m	£1m
I - Accommodation and Food Services Activities	£4m	£5m	£7m	£7m	£7m	£8m	£8m
J - Information and Communication	£3m	£5m	£6m	£5m	£6m	£6m	£6m
K - Financial and Insurance Activities	£0m	£0m	£0m	£0m	£0m	£0m	£0m
L - Real Estate Activities	£1m	£1m	£1m	£2m	£2m	£1m	£1m
M - Professional Scientific and Technical Activities	£2m	£3m	£4m	£3m	£3m	£3m	£4m
N - Administrative and Support Service Activities	£1m	£2m	£2m	£2m	£2m	£2m	£3m
O - Public Administration and Defence; Compulsory Social Security	-£3m	-£4m	-£4m	-£4m	-£5m	-£5m	-£5m
P - Education	£0m	£0m	£0m	£0m	£0m	£0m	£0m
Q - Human Health and Social Work Activities	£0m	£0m	£0m	£0m	£0m	£0m	£0m
R - Arts Entertainment and Recreation	£1m	£1m	£1m	£1m	£1m	£1m	£1m
S - Other Service Activities	£0m	£0m	£0m	£0m	£0m	£0m	£0m
T - Activities Of Households As Employers	£0m	£0m	£0m	£0m	£0m	£0m	£0m
V - Charity	£0m	-£1m	-£1m	-£1m	-£1m	-£1m	-£1m
W - DIY Housebuilder	£0m	£0m	£0m	£0m	£0m	£0m	£0m
X - Other	£0m	£0m	£0m	£0m	£0m	£0m	£0m
Grand Total	£40m	£55m	£66m	£66m	£69m	£70m	£73m

Notes GST as at 02-07-2017.

Classification based on Companies house – Standard industrial classification of economic Activities (SIC)

GST rounded to nearest Million (£m)

HIGH VALUE RESIDENTS (HVR)

Source of all tables and analysis: Post-Implementation Review of Jersey's High Value Residents Regime Applicable since July 2011. A Report by the Tax Policy Unit for the Council of Ministers and the States Assembly December 2016. R.130/2016.

Income Tax from HVRs Relocating Under the Post July 2011 Regime

The table below outlines the total income tax paid by those HVRs relocating under the post- July 2011 regime, grouped by reference to the year in which they established tax residence, for the 2012, 2013 and 2014 years of assessment⁵.

HVRs establishing tax residence	Total Income Tax Paid 2012	Total income tax Paid 2013	Total income tax Paid 2014
7 ⁶ in 2012	£542,760	£909,397	£924,382
10 in 2013	N/A	£963,441	£1,321,442
17 in 2014	N/A	N/A	£1,521,220
34 in Total	£542,760	£1,872,838	£3,767,044

Source: Taxes office

Notes:

- In the year of arrival each HVR is expected to pay the £125,000 expected annual minimum income tax contribution appropriately time apportioned (e.g. if an HVR arrives on 1 December they would be expected to pay a minimum of 1/12th of £125,000 in that year of assessment). Therefore in the year of arrival the average income tax payable per HVR is more likely than not to be less than £125,000.
- The threshold at which the preferential tax rate applies (i.e. the threshold of £625,000 of income) is also time apportioned, meaning that in the year that a HVR establishes tax residence the 1% tax rate may apply before a £125,000 tax liability has been generated.

Income Tax from HVRs (2005 onwards)

The table below outlines the total income tax paid by HVR designated taxpayers arriving from 2005 onwards, grouped by reference to the version of the HVR regime that applies to the Taxpayer, for the 2012, 2013 and 2014 years of assessment.

HVRs establishing tax residence	Total income Tax Paid 2012	Total income Tax Paid 2013	Total income Tax Paid 2014
2005-2011 regime	£4,510,238	£4,621,329	£4,766,075
Post-July 2011 regime	£542,760	£1,872,838	£3,767,044
Total	£5,052,998	£6,494,167	£8,533,119

⁵ 2014 is the most recent year of assessment for which complete information is currently available. Information in respect of the 2015 year of assessment will become available in 2017.

⁶ Ordinarily the Comptroller of Taxes does not disaggregate or analyse data on groups consisting of fewer than 12 persons – to avoid inadvertent exposure of – or intrusion into – the affairs of individual taxpayers. Following discussions with the Minister for Treasury and Resources it has been agreed that, to aid analysis of the value of the HVR regime, this policy will be relaxed in certain tables contained in this report.

METHODOLOGICAL NOTES:

- All Data taken from the Taxes Office Database on 02-07-2017 (excluding HVR report)
- Counts of tax payers are inclusive of those Tax payers who have married or separated in the year of assessment. This may result in the double counting of some individuals, as they are counted as a single Tax Payer for part of the marital year and again as part of a married couple for the remainder of the year. This is dependent on being a Tax payer in one or both instances.
- Comparisons to previously published data should be treated with caution as data has occasionally been revised and the methodologies used may differ.
- When compiling this report further analysis was conducted on Married couples/civil partners that have elected for separate assessment. To identify the tax rate used this has resulted in differences in the number of standard tax payers compared to previously published data.
- All the data is drawn from the Taxes office ageing software and database which presents methodological challenges when producing statistics. A software replacement program is currently underway which should address these issues.