

# Taxes Office 2006 Business Plan

## INTRODUCTION BY THE COMPTROLLER OF INCOME TAX

We have been facing and still are facing significant challenges at Income Tax in the next few years with the introduction and successful implementation of the following new and proposed initiatives:

- The Income Tax Instalment System
- A Goods and Services Tax
- The 0/10% corporate tax regime and related provisions
- The European Union Savings Directive and OECD Tax Information Exchange Agreements
- The abolition of tax allowances for those on higher incomes (20% means 20%)
- A new Business Continuity facility

As well as handling these administrative, legal and operational challenges, we will also have to continue to service and assess our 90,000 personal and corporate taxpayers, from whom we collect some £385 million in tax. We must do so efficiently and effectively and ensure that we marshal our resources very carefully indeed, considering all ways and means of ensuring value for money in everything we do.

The Strategic and Business as Usual Objectives set out in this Plan are both challenging and demanding. So we must all work at optimum capacity and have as our overriding objectives the successful introduction of the new tax policies laid down by the Treasury and Resources Minister and the efficient and effective administration and collection of tax, whether we are in a front line or a backroom role, and ensure that we continue to give first class service to all our customers.

Having seen the continued success of Income Tax in past years, as illustrated by the most recent feedback from professional advisers, as well as taxpayer feedback the previous year, combined with the dedication and commitment of the staff here at Income Tax, I have no doubt that we will all rise to the challenges ahead of us.

The Income Tax Office is now, following the introduction of Ministerial Government, part of the Treasury and Resources Department. Whilst our function in administering the Income Tax ( Jersey ) Law and our authority, duty and responsibility under that Law has not changed in any way, we must, where we can, contribute to the success of the Treasury and Resources Department through ensuring a common culture, common values and common corporate policies.

**Malcolm Campbell , BA., FTII., FCMI**  
**Comptroller of Income Tax**

The functions of the Office of Comptroller of Income Tax, as detailed at Article 6 of the Income Tax ( Jersey ) Law, are discharged with the invaluable assistance and expertise of 82 full time staff equivalent organised to deliver services as follows:

## **OUR VISION:**

We are an Office:

sTriving  
After  
eXcellence

## **OUR MISSION :**

The effective administration of the Income Tax Law and the efficient assessment and collection of tax whilst delivering excellent service to our taxpayers and other customers.

## **OUR VALUES ARE :**

- to respect customer confidentiality in accordance with our Royal Court oath of office
- to put the customer at the heart of everything we do
- to take pride in delivering an effective public service for Jersey
- to always be fair and honest and act with integrity
- to achieve success in all we do by working together
- to constantly look for ways to improve what we do and are flexible and open to change
- to relentlessly drive out waste and inefficiency

## **KEY OPERATIONAL AND STRATEGIC OBJECTIVES**

- Assess tax revenues arising from 90,000+ personal and corporate taxpayers whilst
1. administrating the Income Tax Law impartially and ensure collection of 95% of 2005 tax revenues by the end of 2006
  2. Continue compliance activities in areas like claiming of private expenses in business accounts, abuse by controlling directors and attempts to convert income into capital.
  3. Investigate and collect back taxes and penalties from those who evade tax.
  4. Monitor and review the implementation of the Income Tax Instalment System (ITIS) and suggest changes for improvement to the Treasury and Resources Minister
  5. Administer the EU Bilateral Agreements and the Jersey / USA OECD Tax Information Exchange Agreement ( TIEA).
  6. Ensure the continued practice of quick and pertinent tax rulings to professionals on new lines of business and innovative business transactions.
- Attend all meetings of the independent Commissioners of Appeal and present delay and
7. contentious cases to ensure the equitable administration of the provisions of the Income Tax Law.

- Continue to report to the Income Tax Office Monthly Management Meeting progress on important operational issues such as (a) monthly statistics for assessing and accounts
8. inspection, (b) receipt and processing of ITIS returns; (c) cross Divisional discussions to ensure a common approach to operational and policy matters;(d) recruitment, training and development; (e) tax collection; (f) compliance and investigation activities, etc.,
  9. Implement and test a Business Continuity system and procedures for the Income Tax Office.

- Constantly work towards our vision of striving after excellence by adhering to the principles and practices of the EFQM Business Excellence Model and, in particular,
10. delivering excellent results for all our customers, whether taxpayers, professionals, politicians or colleagues in other States Departments, in an efficient and effective manner.

- Ensure the efficient, effective and impartial administration of the Income Tax Law and
11. the most efficient use of resources by training and developing staff to their fullest potential and utilising information technology to its fullest extent.

12. Ensure all States HR and other policies are adhered to and that we continue to maintain very favourable rates of staff absenteeism and staff turnover.

13. Capture the knowledge and 'know how' of all those retiring or who resign and who have specialist technical and professional skills.

14. Continue to promote dialogue between the Income Tax Office and professional agents in order to discuss and resolve common operational issues.

15. Improve the Income Tax Office web-site to ensure a specialist section is introduced for professional advisers.

- Advise the Treasury and Resources Minister, as required, on tax policy and proposed
16. amendments to the Income Tax Law and to implement that policy efficiently, effectively and on time.

- Continue to attend and contribute to the Inter - Island tax meetings between Jersey, Guernsey and the Isle of Man Tax Offices in discussions of common operational and policy issues.
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18. Contribute, together with colleagues from the Economic Development Department, to increase the tax take from high net worth individuals.

19. Deliver taxation revenue estimates to the Treasurer accurately and on time.

20. Contribute to a common culture, common values and common corporate policies so that we play our part to ensure success for the Treasury and Resources Department.

21. Develop, consult on, and seek States approval for, detailed proposals for the Goods and Services Tax (GST).

22. Develop, consult on, and seek States approval for the implementation of the 0/10% corporate tax regime.

23. Develop, consult on, and seek States approval for the introduction of a current year basis of assessment for trading profits.
24. Develop, consult on, and seek States approval for, and implement the abolition of tax allowances and relief's for those on higher incomes (20 means 20).
25. Develop, consult on, and seek States approval for, and implement new information and disclosure powers and enhanced Article 134A anti-avoidance provisions.