

Revenue Policy Development Board

Meeting 25 April 2019

Minutes

In attendance:

John le Fondre	Chief Minister
Susie Pinel	Minister for Treasury and Resources
Gregory Guida	Assistant Minister for the Environment and Assistant Minister for Home Affairs
David Johnson	Deputy, St. Mary
Richard Bell	Director General and Treasurer of the States
Richard Summersgill	Comptroller of Taxes
Paul Eastwood	Deputy Comptroller of Taxes
Sue Duhamel	Director, Employment and Social Security
William Peggie	Director for Natural Environment, GHE
Cora O'Brien	Deputy Director, Tax Policy Unit

Apologies:

Judith Martin	Minister for Social Security
Louise Magris	Director, Environmental Policy

Overview of this first technical briefing

This was the first technical briefing provided to the Revenue Policy Development Board in advance of it becoming formally constituted with agreed Terms of Reference. It provided an overview of the tax and social security system, presented by policy officers of the States (presentation attached).

The second briefing will be held on 30 April 2019 and will cover "user pays" charges.

Matters discussed

- Policy officers provided RPDB members with a high level overview of Jersey's existing tax and social security regime
- Key areas of discussion included:
 - The differing roles and features of different taxes/contributions within the overall regime
 - Good tax policy principles
 - International comparatives on taxation and social security
 - Personal income tax rates, entry points and progressivity
 - The Social Security Fund

- Tax and social security gaps and the importance of tax compliance in maintaining revenues

In particular, the presentation highlighted:

- That different taxes perform different roles in a tax system – some are more progressive than others and ensure that income is re-distributed across the tax system, some raise revenue in ways that have a less damaging impact on business growth, some have an important role to play in changing taxpayer behaviour etc.
- No tax can perform all of these functions and it is important to assess the overall tax mix and ensure that it is balanced and sustainable.
- Jersey currently places a heavy reliance (80%) on personal and corporate income taxes and collects less from taxes on property and GST.

Next meeting

The next meeting of the RPDB will be held on 30 April 2019 and the main agenda item will be “user pays” charges.