

Use these notes to help you claim relief for interest on your principle private residence

You can claim the interest as a deduction if you have taken out a loan to:

- acquire a dwelling-house in Jersey that you live in
- extend a dwelling-house in Jersey that you live in

Loan interest certificates (R62 and R10)

Your lender will provide you with a certificate of interest charged and paid for all loans that are secured on your property.

Banks and finance houses will send you R62 certificates. If you have a private loan with an individual they will provide you with R10 certificates.

Keep the certificates as evidence of your claim. Don't send them in with your tax return. We may request them at a later date.



If your lender is a bank or finance house it must be carrying out its business in Jersey.

You can only claim this interest relief for loans which were taken out to buy or extend your home. Don't claim loans which were taken out for any other purpose, for example equity release loans for home improvement or re-financing a personal debt.

Filling out the form

Section 10: Mortgage interest relief for Jersey property

Enter your total claim from the certificate(s) your lender has provided, for the amount of interest you are claiming for any mortgage or loan which was for the acquisition or extension of your main residence that you occupied during the year of assessment. If you bought and sold during the year, enter the details from both properties.

1st line of property address	Balance at year end or closing balance of loan(s)	Gross interest charged and paid	Tax deducted at source (if any)
<input type="text"/>	£ £ £ £ £ £ £	£ £ £ £ £ £ £	£ £ £ £ £ £ £
If you bought and sold during the year, enter the details of the second property.			
1st line of property address	Balance at year end or closing balance of loan(s)	Gross interest charged and paid	Tax deducted at source (if any)
<input type="text"/>	£ £ £ £ £ £ £	£ £ £ £ £ £ £	£ £ £ £ £ £ £

1. Enter the 1st line of the property address that you're claiming interest relief for.
2. Enter total year-end balance(s) of all the loans that relate to the purchase or extension. If you sold the property during the year enter the total of the closing balance(s).
3. Enter the total of the gross interest paid for all the loans that you're claiming. If the loans are private loans where tax relief has been given at source, enter the amount of tax deducted per the interest certificate(s).
4. If you're claiming a deduction because you sold and bought in the year repeat steps 1 to 3 for the second property.

Private loans taken out before 2004

Up to the year 2003, loan interest was paid net of tax on all private loans. From the year 2004, all new loans had to be paid gross.

However, borrowers with an existing private loan had the option of paying the interest gross or staying as they were.

If you're still paying interest net of tax, the R10 certificate will include this information.

Loans for more than one purpose

Sometimes a loan will include a non-allowable part as well as an allowable amount that was for the purchase or extension of your home.

You must only claim the proportion that relates to the allowable part.

If you have a dual purpose loan, use the following formula to work out what you can claim.

$$\frac{A}{B} \times 100 = C\%$$

A = the part of the loan when you first took it out that was for the acquisition or extension of your property (allowable part)

B = the total amount of your loan when your first took it out

C = percentage of loan capital and loan interest from this year's interest certificates that can be claimed on your return

Extension of property

'Extending your dwelling house' means something physically added that changes the aspect of the property.

Loans in joint names

If you are claiming for a loan in joint names and you each make a claim on separate tax returns, the interest is apportioned between you by reference to the allowable amount you each pay.

The total interest claimed shouldn't exceed the total amount of interest charged and paid.

Don't apportion the year-end balance figure, this should be the total balance outstanding on the loan(s) per the certificates.

Calculating the relief

The amount of interest relief you will receive on your assessment is restricted by a capital cap of £300,000 and a total maximum deduction of £12,000 for the year 2018.

It's only available at the marginal rate calculation of tax.

This is calculated by the taxes office, so don't adjust the figures yourself.

More help

For more information about claiming interest relief for you home go to www.gov.je and search 'interest tax relief'.