Government of JERSEY

Ways to pay

Prior Year Basis (PYB) 2019 tax

A payment options guide for former PYB taxpayers

Estão disponíveis cópias deste folheto em português e em polaco nos Serviços de Atendimento ao Cliente e Locais na La Motte Street, St Helier e em qualquer um dos Parish Halls.

Egzemplarze tej broszury są dostępne w języku portugalskim i polskim w biurze obsługi klienta i usług lokalnych przy La Motte Street w St Helier oraz w każdym domu parafialnym.

In 2020, the States Assembly voted to move all PYB taxpayers to a Current Year Basis (CYB). As part of the reform, we froze your 2019 tax bill for later payment.

This booklet explains the payment options available for paying your frozen 2019 tax bill.

You do not need to take any action until 2024 or make any payments until 2025. However, we're providing the details of the options now, as we know some of you may prefer to put arrangements in place sooner.

Please read through all the payment options so you can make an informed choice about which option is right for you. You can also seek financial advice.

You can find further information about the law changes and PYB and CYB taxpayer status, as well as translations of this booklet, at **gov.je/taxreform**. Paper copies are available from Customer and Local Services in La Motte Street, St Helier and at any of the Parish Halls.

Options in brief

All options are available **now** at **gov.je/PYB2019Tax**

Option 1

Lump sum payment of the entire amount

Pay the entire amount of your frozen 2019 tax bill by 30 September 2024.

Available to: **All**

Option 2

Commit to pay on retirement

Use a financial product or asset to pay the full amount of the frozen 2019 tax bill no later than 12 months from the date you reach Pensionable Age.

Available to: **Customers who have not yet reached Pensionable Age at the time they elect.**

Option 3

Payment Plan Agreement

Make regular payments to clear the frozen 2019 tax bill by 31 December 2041 at the latest.

You don't need to start making payments until 2025, but if you want to spread your payments over 20 years, you'll need to start paying in 2022.

Available to: **All**

If you do not make an election for one of the options by 30 September 2024, a 17-year Payment Plan will be set up for your 2019 tax bill and you'll need to start making payments in 2025.

Payment options election form now available

You can tell us how you want to pay your PYB 2019 bill using the online form at **gov.je/PYB2019Tax**. The deadline for election is 30 September 2024, but if you're ready to make your choice, letting us know now will help us.

If you have a onegov account, log in and when you access the form some of the fields will be pre-populated for you. You'll also be able to save a draft of the form and log back in later to complete it.

You can also complete the form without a onegov account, but it may take a little longer for us to process your election.

If you don't or can't access services online don't worry. You can pick up a paper form at Customer and Local Services at La Motte Street, St Helier or from any of the Parish Halls.

If you're married or in a civil partnership

Applying the rules for payment

If you're married or in a civil partnership, it's the primary taxpayer's circumstances that determine which payment option you can take and how your situation will be dealt with if your circumstances change.

The primary taxpayer is the husband, the older spouse in a same sex marriage or usually the older partner in a civil partnership.

You may find it helpful to read the section on primary taxpayer status at **gov.je/PYB2019Tax**.

Independent Taxation

Plans are currently underway to move all taxpayers to Independent Taxation by 2025. However, payment of the frozen 2019 tax bill will always be subject to the laws that were in place for the year of assessment (2019). So, even when you move to Independent Taxation in future, if you were married or in a civil partnership in 2019, the primary taxpayer will remain responsible until it is paid in full.

Option 1
Lump sum payment of the entire amount

You can pay the entire amount of your 2019 tax bill in one lump sum. Around 700 customers have already done this. You can make your payment now at **gov.je/payPYB**. If you don't have access to the internet and wish to pay in full, or have queries about payments, phone the Finance Hub on **440235**.

Although you can choose to pay your entire balance at any time after choosing one of the other options, if your balance is not paid by 30 September 2024, you should elect for one of the other payment options, or your choices may be restricted.

If you were already part way through 'converting to CYB' at the time the 2019 debt was frozen, please refer to the 'What Happens If' questions section on **gov.je/PYB2019Tax**.

Option 2
Commit to pay on retirement

With this option you put a financial product or an asset in place that will provide you with the money needed to pay your 2019 tax bill in full within 12 months of you reaching Pensionable Age (the date you are able to claim the Jersey Social Security Pension). You can use the pension calculator at **gov.je/PensionAge** to check your Pensionable Age.

You make a declaration confirming your intention to pay your PYB 2019 tax upon reaching Pensionable Age, and that you will ensure you have sufficient means, whether a financial product or other asset, to pay your PYB 2019 tax in full 12 months after you reach Pensionable Age.

This financial product would most commonly be a pension plan that includes a lump sum payment on retirement, but it could be another type of financial product, or assets, such as property investments. You may already have such financial plans in place.

Set up process

Use the election form available at **gov.je/PYB2019Tax**

You're not required to provide evidence of the financial product that you plan to use to make your repayment, but you may be asked to provide proof that the product or asset is in place in the future.

Option 3
Payment Plan Agreement

If you choose a Payment Plan Agreement, starting in 2025 you can spread the payment of your 2019 bill over any number of years up to a maximum of 17, but you must ensure you pay a minimum amount each year and have paid the full amount by 31 December 2041. You don't need to start payments until 2025, but if you want to spread the payments over a longer period than 17 years you can start paying sooner.

To choose a regular payment amount that best suits you, use our online payment calculator at **gov.je/PYB2019Tax**. Input the balance of your 2019 tax bill, which is on the letter you received with this guide, and adjust the number of years and payment frequency (monthly, bi-monthly, quarterly, for example).

Set up process

Use our election form available at **gov.je/PYB2019Tax**.

A new PYB Direct Debit Payment Plan system is being developed and is expected to be available, in time for payments to be set up during 2024.

If you want to start making regular payments now you can do so at **gov.je/payPYB**, or by calling the Finance Hub on **440235**.

The simplest way to pay is by Direct Debit

We encourage customers to set up Direct Debits. They're the most cost-effective way to process your payments and once they're set up, there is nothing more for you to do. We'll email you a PDF confirmation of your election, then send you a Direct Debit mandate to complete when it's time to set up your payments.

Pay online at gov.je

You can make payments at **gov.je/payPYB**. This might suit you if you want to make some payments before the Direct Debit plans are available, or if your income varies so greatly from month to month that an automated Direct Debit really doesn't suit you.

If you don't set up a Direct Debit plan, you'll still commit to pay at least the minimum 1/17th each year on the election form. You'll then need to make sure your payments cover your minimum amount by 31 December each year.

Pay by phone

If you wish to make a payment you can call our Finance Hub on **440235**.

Other payment methods

If you pay by other methods, it's very important that you provide your Tax Identification Number (TIN) and indicate the payment is for 'PYB', otherwise we won't be able to allocate your payment to your PYB 2019 tax account. For this reason, we encourage customers to use Direct Debits or pay at **gov.je/payPYB** wherever possible as these methods have safeguards to ensure the information needed is always supplied.

Payment holidays

We understand your circumstances may change during the payment plan. You can request one 'no questions asked' payment holiday of up to one year. No supporting information is needed for the first payment holiday; it can be taken for any reason.

If you need more than one year's payment holiday, or if you want a second payment holiday at a later date, you'll need to include the supporting evidence of the reason in your application. Payment holidays don't reduce the deferred 2019 liability, so unless you then make a lump sum payment to 'catch up' at the end of the payment holiday, regular payments made after a payment holiday will need to increase.

Further information

You can visit **gov.je/PYB2019Tax** for more information on ways to pay and other topics in our ‘What Happens If?’ section.

If you choose to pay your 2019 PYB bill either on retirement or using a Payment Plan, your circumstances may change before you have finished paying it.

The ‘What Happens If?’ section takes you through a range of possible circumstance changes you might experience, such as marriage, bereavement and financial difficulties, and gives you guidance on what to expect if they do happen.

It is also available in booklet form at Customer and Local Services in La Motte Street, St Helier and at any of the Parish Halls.

It’s important you read and understand this information before making your election.

Financial difficulties

Whether you are facing difficulties now or in the future, our advice is to speak to Finance Hub at the earliest opportunity.

We will take a supportive approach when we review your financial circumstances so we can agree fair and manageable payment terms with you. This is called a 'time to pay' arrangement and it's something Finance Hub does regularly when it's needed.

Help and support

For queries on **your balance or specific tax queries** call Revenue Jersey on **440300**.

For queries on **payment plans, payments or the election form** call the Finance Hub on **440235**.

Some customers may choose to seek advice from an independent financial adviser, who'll be able to talk you through how the different options might suit you according to your circumstances.

The Finance Hub will support you throughout the PYB payment process, but Government officers can't advise you on which option to choose; it's your personal financial decision to make.

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You can make part payments or pay in full at any time at:

gov.je/payPYB