

**THE STATES OF DELIBERATION**  
**of the**  
**ISLAND OF GUERNSEY**

**1st November, 2022**

**Proposition No. P.2022/89**

**Policy & Resource Committee**

**The States of Guernsey Annual Budget Report for 2023**

**AMENDMENT**

Proposed by: Deputy G A St Pier  
Seconded by: Deputy M A J Helyar

To insert an additional proposition:

“20. To incentivise the development of units for first-time buyers, to direct the Policy & Resources Committee, as part of the work to be undertaken in respect of the Category 1 Housing Action in the Government Work Plan, to consider the options and issues in relation to introducing income tax incentives in respect of the profits derived from the development of units sold for less than a fixed percentage (e.g. 75%) of the median local market price and to report back with recommendations (if any) no later than in the 2024 Budget Report.”

**Rule 4(1) Information**

- a) The proposition contributes to the States’ objectives and policy plans by seeking to consider tax-related options that support objectives in the Budget Report in relation to housing, recognised as a key priority in the Government Work Plan.
- b) In preparing the proposition, it has been shared with the Policy & Resources Committee.
- c) The proposition has been submitted to His Majesty’s Procureur for advice on any legal or constitutional implications.
- d) There may be financial implications to the States of carrying the propositions

into effect as existing staff resources are fully committed to progressing Government Work Plan priorities. This may require additional staff resources to be employed or other workstreams prioritised as part of the Government Work Plan to be delayed.

#### Explanatory note

The additional proposition has been drafted to give the Policy & Resources Committee maximum flexibility in their discharge as part of the extant 'market intervention' workstream being undertaken.

It is recognised that there will be a number of issues to consider – for example, a definition of 'first time buyer' or finding an appropriate percentage of 'median local market price' to better encourage the development of first time buyer units. In considering such issues, the Policy & Resources Committee will no doubt wish to consult with such interested parties as it sees fit and the proposition enables such an approach.