

**REPLY BY THE MINISTER OF
THE TREASURY AND RESOURCES DEPARTMENT
TO A QUESTION ASKED PURSUANT TO RULE 6 OF THE RULES OF THE
RULES OF PROCEDURE BY DEPUTY Y BURFORD**

Question

Please advise the amount of tax take that occurred each year under the provisions of the Dwellings Profits Tax Law 1975, from its inception until its suspension in 2009.

Answer

The Treasury and Resources Department's proposals for the suspension of the Dwellings Profit Tax (Guernsey) Law, 1975, were presented to the States in January, 2009 (Billet d'Etat II of 2009). At that time, the Department noted that the Law had originally been introduced as an anti-property speculation measure and that the collection of tax was not its principal purpose. The Report explained that the tax collected had never been significant and that, on average, the costs of collecting it had probably exceeded the tax collected by at least four fold.

The tax collected between 1975 and 2009 totalled £190,255 and was broken down as follows:

| | | | |
|------|----------|------|------------|
| 1975 | £ 16,636 | 1993 | £ 21,567 |
| 1976 | £ 30,403 | 1994 | £ 90 |
| 1977 | £ 4,743 | 1995 | £ 3,134 |
| 1978 | £ 708 | 1996 | £ 7,030 |
| 1979 | £ 11,217 | 1997 | £ 7,003 |
| 1980 | £ 879 | 1998 | nil |
| 1981 | £ 172 | 1999 | nil |
| 1982 | £ 230 | 2000 | £ 11,426 |
| 1983 | £ 1,157 | 2001 | nil |
| 1984 | nil | 2002 | nil |
| 1985 | £ 188 | 2003 | £ 18,869 |
| 1986 | £ 4,901 | 2004 | nil |
| 1987 | £ 11,391 | 2005 | nil |
| 1988 | £ 4,824 | 2006 | £ 9,582 |
| 1989 | £ 5,864 | 2007 | £ 1,588 |
| 1990 | £ 16,653 | 2008 | nil |
| 1991 | nil | 2009 | <u>nil</u> |
| 1992 | nil | | |

Date of Receipt of the Question: 23rd November 2012
Date of Reply: 6th December 2012