

STATES OF DELIBERATION29th October, 2013**Billet d'État No. XXI****AMENDMENT****Treasury and Resources Department**
Budget 2014

Proposed by: Deputy G A St Pier
Seconded by: Deputy J Kuttelwascher

To insert “which includes a dwelling” immediately after “Document Duty payable on a conveyance of realty” in both Propositions 10 and 11.

Explanatory note

The reduced rates of document duty for transactions not exceeding £250,000 currently (£400,000 proposed) only apply to a conveyance of or including a dwelling, as is clearly reflected in the draft Ordinance (on page 52 of the Report). This amendment formally records that in the Propositions.

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Proposed by: Deputy Y Burford
Seconded by: Deputy M K Le Clerc

1. To delete proposition 10 and substitute therefor:

“10. As regards Document Duty for the period 29 October 2013 to 31 October 2014 inclusive:

That the Document Duty payable on a conveyance of realty which includes a dwelling, not being a gift of realty inter vivos, an exchange of realty, partage or conveyance of realty involving an increase in the value of the transaction, shall be:

- a) For first time buyers of dwellings (that is where HM Greffier is satisfied that none of the purchasers has ever held an ownership interest in any dwelling situated in Guernsey):
 - 1% of the value of the transaction where the value of the transaction is £250,000 or less;
 - 2% of the value of the transaction where the value of the transaction exceeds £250,000 but does not exceed £400,000;
 - 3% of the of the value of the transaction where the value of the transaction exceeds £400,000;
- b) Where any purchaser is not a first time buyer:
 - 2% of the value of the transaction where the value of the transaction is £250,000 or less;
 - 2.5% of the value of the transaction where the value of the transaction exceeds £250,000 but does not exceed £400,000;
 - 3% of the of the value of the transaction where the value of the transaction exceeds £400,000.”.

2. To insert immediately after “The Document Duty (Amendment) Ordinance, 2013” in Proposition 12: “, subject to the substitution for the table in clause 1 (on page 52 of the Budget Report) of the following table:

1.	<p>Conveyance of realty other than a conveyance within item 2, 3, or 5:</p> <p>(a) where the realty is, or includes, a dwelling and the value of the transaction does not exceed £250,000</p> <p>(b) where the realty is, or includes, a dwelling and the value of the transaction exceeds £250,000 but does not exceed £400,000</p> <p>(c) where the realty does not include a dwelling, and in any case where the value of the transaction exceeds £400,000</p>	<p>For conveyances registered on or before 31st October 2014 where HM Greffier is satisfied that none of the purchasers has ever held an ownership interest in any dwelling situated in Guernsey, 1.0% of the value of the transaction; for other conveyances within paragraph (a), 2.0% of the value of the transaction</p> <p>For conveyances registered on or before 31st October 2014 where HM Greffier is satisfied that none of the purchasers has ever held an ownership interest in any dwelling situated in Guernsey, 2.0% of the value of the transaction; for other conveyances within paragraph (b), 2.5% of the value of the transaction</p> <p>3.0% of the value of the transaction</p>
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3. To insert immediately after “the Document Duty (Amendment) Ordinance, 2013” in Proposition 13 “, as originally published in the Budget Report.”.

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Proposed by: Deputy E G Bebb

Seconded by: Deputy B L Brehaut

To insert an additional proposition as follows between Proposition 13 and 14:

“13A. To approve that, with effect from the year of charge 2014, the Income Tax (Tax Relief on Interest Payments) (Guernsey) Ordinance, 2007 shall be amended to impose a cap on the amount of interest paid on money borrowed in connection with land or a building in the circumstances set out in section 1 or section 2 of that Ordinance, of no more than £25,000 per person; and to direct the preparation of such legislation as may be necessary to give effect to that decision.”.

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Proposed by: Deputy Y Burford
Seconded by: Deputy M H Dorey

To insert a further proposition between Propositions 18 and 19 as follows:

- “18A. To direct the Treasury and Resources Department not to implement the proposals in Paragraph 3.26 of that Report regarding the incentivisation of Departments to exceed their FTP targets for 2014.”

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29th October, 2013

Billet d'État No. XXI

AMENDMENT

Treasury and Resources Department Budget 2014

Proposed by: Deputy G A St Pier
Seconded by: Deputy J Kuttelwascher

To replace Paragraph 7 of the Second Schedule to Proposition 19 with the following:

“7. Retirement Annuity Allowance

- (1) The conditions to be fulfilled to entitle a claimant to a retirement annuity allowance are that the claimant pays a premium or makes a contribution to a retirement annuity scheme or to a retirement annuity trust scheme approved under the provisions of section 157A of the Income Tax (Guernsey) Law, 1975 and of which he is a beneficiary.
- (2) Subject to the provisions of the next succeeding subparagraph the qualifying premiums or contributions, as the case may be, shall be the amount of any premium paid or contribution made by the claimant during the year of computation of the income of the claimant assessable for the year of charge.
- (3) Notwithstanding the provisions of the preceding paragraph no allowance shall be given in respect of any qualifying premiums or contributions to the extent that, in aggregate, they exceed the lower of:
 - (a) 100% of the income of the claimant during the year of computation referred to in the preceding subparagraph, or
 - (b) any retirement annuity contribution limit for the time being prescribed by regulations made by the Department.
- (4) In the case of a married couple:
 - (a) for the avoidance of doubt, the allowances specified in this paragraph apply in respect of each party to the marriage, and each party to the marriage may be considered to be the claimant for the purposes of this paragraph, irrespective of whether the couple are jointly assessed or separately assessed by virtue of an application under section 46 of the Income Tax (Guernsey) Law, 1975, and
 - (b) for the purposes of this paragraph, and notwithstanding subparagraph (1), either party to the marriage may also pay (and an allowance may be granted in respect of) qualifying premiums or contributions to a retirement annuity scheme or retirement annuity trust scheme of which the other party is a beneficiary, provided that the maximum allowance granted in respect of any individual may not exceed the limit prescribed in subparagraph (3).”

Explanatory note

This is a technical amendment required to correct an error in the wording of Paragraph 7 of the Second Schedule, to ensure that the wording of the recommendation set out in Paragraph 2.18 of the 2014 Budget Report entitling both spouses to claim a Retirement Annuity Allowance, where they have sufficient income in their own right to enable them to contribute to an approved retirement annuity scheme/trust scheme, may be put into effect.