STATES OF JERSEY

PROPOSED BUDGET (GOVERNMENT PLAN) 2026-2029 (P.70/2025): FIFTEENTH AMENDMENT

REMOVAL OF 3% STAMP SURCHARGE

Lodged au Greffe on 21st November 2025
by Deputy D.J. Warr of St. Helier South
Earliest date for debate: 8th December 2025

STATES GREFFE

PROPOSED BUDGET (GOVERNMENT PLAN) 2026-2029 (P.70/2025): FIFTEENTH AMENDMENT

1 PAGE 2, PARAGRAPH (b)(i) –

After the words "Article 9(2)(a) of the Law", insert the words –

", except that in Summary Table 1 the income estimate for Stamp Duty in 2026 should be reduced by £1,300,000 to reflect the removal of the current higher rate surcharge on the sale of second homes for one year".

2 PAGE 3, PARAGRAPH (b)(xii) –

After the words "Appendix to the accompanying Report", insert the words –

", except that, on page 35, the section titled "Reduced higher rates of Stamp Duty on non-main residence properties" should be renamed "Removal of the higher rate of Stamp Duty on non-main residence properties", and for the words "A modest reduction of the surcharge is proposed, taking the surcharge down from 3 percent to 2 percent for one year" there should be substituted the words "The removal of the 3% surcharge is proposed for one year"."

DEPUTY D.J. WARR OF ST. HELIER SOUTH

Note: After this amendment, the proposition would read as follows –

THE STATES are asked to decide whether they are of opinion –

(a) In accordance with Article 16 of the Public Finances (Jersey) Law 2019 (the Law) to approve an amendment to the Government Plan 2025 – 2028 (entitled "Budget 2025 – 2028") to a reduction in the 2025 head of expenditure "Grants to States Funds" as included in Table 5(i) Revenue Heads of Expenditure of that Government Plan from £119,821,000 to £69,821,000.

(b) To receive the Government Plan 2026 – 2029 (entitled "Budget 2026-2029") specified in Article 9(1) of the Law and specifically –

i. to approve the estimate of total States income to be paid into the Consolidated Fund in 2026 as set out in Appendix 2 – Summary Table 1 to the Report, which is inclusive of the proposed taxation and impôts duties changes outlined in the Government Plan, in line with Article 9(2)(a) of the Law, except that in Summary Table 1 the income estimate for Stamp Duty in 2026 should be reduced by £1,300,000 to reflect the removal of the current higher rate surcharge on the sale of second homes for one year.

ii. to refer to their Act dated 24th June 2003 in which they approved that no new 'user pays' charges be introduced without any such charge receiving prior in principle approval by the States Assembly and accordingly to approve the introduction of two new charges, to be levied by Health and Care Jersey to promote appropriate use of the Emergency Department and for repeated non-attendance of outpatient appointments, detailed in the section entitled "Departmental Income Sources" as set out in the Appendix to the accompanying Report.

iii. to approve the proposed Changes to Approval for financing/borrowing for 2026, as shown in Appendix 2 – Summary Table 2 to the Report, which may be obtained by the Minister for Treasury and Resources, as and when required, in line with Article 9 (2)(c) of the Law, of up to those revised approval amounts.

iv. to approve the transfers from one States fund to another for 2026 of up to and including the amounts set in Appendix 2 – Summary Table 3 in line with Article 9(2)(b) of the Law.

v. to approve a transfer from the Consolidated Fund to the Stabilisation Fund in 2026 of up to £50 million, subject to a decision of the Minister for Treasury and Resources based on the availability of funds in the Consolidated Fund as at 31st December 2025 in excess of the estimates provided in this plan, or from budgeted underspends identified before 31st December 2026.

vi. to approve a transfer from the Consolidated Fund to the Agricultural Loans Fund in 2026 of up to £5 million, subject to a decision of the Minister for Treasury and Resources based on availability of funds in the Consolidated Fund as at 31st December 2025 in excess of estimates provided in this plan, or from budgeted underspends identified before 31st December 2026;

vii. to approve each major project that is to be started or continued in 2026 and the total cost of each such project and any amendments to the proposed total cost of a major project under a previously approved Government Plan, in line with Article 9(2)(d), (e) and (f) of the Law and as set out in Appendix 2 – Summary Table 4 to the Report.

viii. to approve the proposed amount to be appropriated from the Consolidated Fund for 2026, for each head of expenditure, being gross expenditure less estimated income (if any), in line with Articles 9(2)(g), 10(1) and 10(2) of the Law, and set out in Appendix 2 – Summary Tables 5(i) and (ii) of the Report.

ix. to approve the estimated income, being estimated gross income less expenditure, that each States trading operation will pay into its trading fund in 2026 in line with Article 9(2)(h) of the Law and set out in Appendix 2 – Summary Table 6 to the Report.

x. to approve the proposed amount to be appropriated from each States trading operation's trading fund for 2026 for each head of expenditure in line with Article 9(2)(i) of the Law and set out in Appendix 2 – Summary Table 7 to the Report.

xi. to approve the estimated income and expenditure proposals for the Climate Emergency Fund for 2026 as set out in Appendix 2 – Summary Table 8 to the Report.

xii. to approve, in accordance with Article 9(1) of the Law, the Government Plan 2026-2029, as set in the Appendix to the accompanying Report, except that, on page 35, the section titled "Reduced higher rates of Stamp Duty on non-main residence properties" should be renamed "Removal of the higher rate of Stamp Duty on non-main residence properties", and for the words "A modest reduction of the surcharge is proposed, taking the surcharge down from 3 percent to 2 percent for one year" there should be substituted the words "The removal of the 3% surcharge is proposed for one year".

REPORT

The introduction of the 3% stamp duty surcharge on additional properties in Jersey aimed to curb speculative investment and support first-time buyers. However, the policy has had significant negative consequences.

Removing the 3% surcharge would reduce transaction costs, which has the potential to encourage more property purchases therefore boosting overall market liquidity. Increased transactions benefit not only the housing market but also ancillary sectors, such as construction and retail.

Abolishing the surcharge would signal support for private landlords, encouraging investment in rental properties and enhancing housing availability. This, in turn, would help to stabilize rental prices and improve affordability for tenants.

Addressing housing market challenges requires a comprehensive, balanced approach. Policies that disproportionately target private landlords risk undermining housing availability and affordability. By removing the surcharge, Jersey can create a more dynamic, accessible housing market that benefits all Islanders

Financial and staffing implications

It is appreciated that the reduced income would have an effect on the Consolidated fund, however there is the potential for increased activity in the market which would in turn generate increased stamp duty revenue.

Children’s Rights Impact Assessment

I consider that this proposition (amendment) has no direct or indirect impact on children and that the duty to have due regard to the UN Convention on the Rights of the Child does not arise. Accordingly, a Children's Rights Impact Assessment is not required under the Children (Convention Rights) (Jersey) Law 2022.