

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

**7<sup>th</sup> November, 2023**

**Proposition No. 2023/114**

**Policy & Resources Committee**

THE STATES OF GUERNSEY ANNUAL BUDGET FOR 2024

**AMENDMENT**

Proposed by: Deputy M A J Helyar  
Seconded by: Deputy P T R Ferbrache

1. To insert the following Proposition immediately after Proposition 18:-

“18A. To agree that, for the purpose of determining liability to any enhanced tariff of Tax on Real Property as set out in proposition 18, any period during which a building is undergoing renovation shall not be counted for the purpose of determining whether the minimum period has been established and to direct the Policy & Resources Committee to take this principle into account when it issues guidance under section 45 of the Tax on Real Property (Guernsey & Alderney) Ordinance, 2007 for the purpose of the definition of "unoccupied".”

2. (a) To add the following at the end of Proposition 18:-

“provided that for enhanced TRP on unoccupied residential buildings (see paragraph 2.54) and unoccupied commercial buildings (see paragraph 2.55), the relevant periods during which a building has not been occupied as a person’s residence or place of business, as the case may be, shall be at least 12 months, whether in aggregate or otherwise, in the period of 18 months ending on the 31<sup>st</sup> December of the year on which property tax is calculated”, and

(b) to add the following at the end of Proposition 20:-

“subject to substitution of clause 3(c)(iii) with the following:-

“**unoccupied**” means -

- (a) in relation to a residential building, where (in accordance with guidance made under section 45) it has not been occupied as a person's residence for a period of at least 12 months, whether in aggregate or otherwise, in the period of 18 months ending on the 31<sup>st</sup> December of the year on which property tax is calculated, and
  
- (b) in relation to a commercial building, where (in accordance with guidance made under section 45) it has not been occupied as a place of business for a period of at least 12 months, whether in aggregate or otherwise, in the period of 18 months ending on the 31<sup>st</sup> December of the year on which property tax is calculated, and for these purposes a "**place of business**" means a place from which a business, employment or trade is, for the time being, carried out,".

#### **Rule 4(1) Information**

- (a) The propositions contribute to the States' objectives and policy plans by creating a fairer basis upon which liability for tax is based.
- b) In preparing the proposition(s), representations from industry have been taken into account.
- c) The proposition has been submitted to His Majesty's Procureur for advice on any legal or constitutional implications.
- d) The financial implications to the States of carrying the proposal into effect are unknown but are likely to reduce the amount of TRP collected by the States compared to the original propositions.

#### **Explanatory note**

The first proposition is to agree that periods of time during which a residential or commercial building is being renovated will not be counted towards the period of inoccupation.

The second proposition is to extend the relevant period for the purposes of determining whether a building is unoccupied from six months (in aggregate or otherwise) in a calendar year to 12 months (in aggregate or otherwise) in an 18 month period ending on 31<sup>st</sup> December. This revised definition is proposed in order to minimise the risk of the system being exploited under a definition requiring a continuous period of unoccupancy.