

Press Release

Date: 11th September 2020

Alderney takes control of two more local taxes

The final pieces of a 'jigsaw' that will allow Alderney to take control of its own local taxes have now been put in place.

Earlier this year, the States of Alderney approved a new law enabling the island to take control of its own property taxation from next January. Now the same principle has been applied to Motor Fuel Excise Duty and Document Duty on property conveyances.

States Members unanimously approved Ordinances to allow all of the revenues from fuel and document duties to be paid into the island's revenue account from January 2021.

"These changes are the final pieces of the jigsaw establishing a new financial relationship that will allow Alderney to keep revenues generated on island for our own spending priorities. Over time, it also provides Alderney with the tools needed to set these taxes at rates that are beneficial to our own economy rather than Guernsey's," said James Dent, Chairman of the Policy and Finance Committee.

He told the States meeting on September 9 that in future the two duties and the property tax will be set at a level sufficient to fund the island's public services while also taking into account the differing impacts these rates might have on the local economy.

The new Alderney Property Tax will replace the Occupier's Rate, collected locally. Taxation on Real Property (TRP), collected by Guernsey will have a zero levy in Alderney from 2021.

The States of Guernsey will continue to fund all Transferred Services, such as health, social security and education, through income tax and social security contributions, while Alderney can now allocate property tax and fuel/document duty to its own local services and priorities. The changes are expected to remove the need for Alderney to receive an annual grant from Guernsey, although provisions will remain for support in emergency situations.

Ends