

CONFIDENTIAL

(For the information of
MEMBERS OF TYNWALD ONLY
until the Budget has been presented)

TYNWALD
Tinvaal



ORDER PAPER NO. 2
Claare Obbyr Earroo 2

DOUGLAS
TUESDAY 15th FEBRUARY 2000
at 10.30 am

1. To lay before the Court -

Isle of Man Budget 2000-2001

Income Tax Act 1970 -

Income Tax (Donations to Charities) (Amendment) Regulations 2000
[SD No 48/00]

Income Tax (Deductions) (Prescribed Cases) (Amendment) Order
2000 *[SD No 49/00]*

Income Tax (Car Fuel Benefits) Order 2000 *[SD No 50/00]*

Income Tax Act 1995 -

Income Tax (Child Benefit) (Temporary Taxation) Order 2000
[SD No 51/00]

Non-Resident Company Duty Act 1986 -

Non-Resident Company Duty (Amendment) Regulations 2000
[SD No 40/00]

National Lottery Act 1999 -

2. Budget for the year 2000-2001 -

The Minister for the Treasury to move -

That the Budget proposals for the year ending 31st March 2001 be received and necessary action be taken to give effect thereto.

3. General Revenue and Capital Payments 2000-2001 and Investments and Reserves 1999-2000 and 2000-2001 -

The Minister for the Treasury to move -

(1) That the Treasury be authorised to expend during the year ending 31st March 2001 sums not exceeding those set out in Column 3 of pages 2 to 5 of the Isle of Man Budget, being the amounts required by the Revenue Funded Government Departments and Other Bodies after deduction of the receipts of the said Government Departments and Other Bodies (estimated at the sums set out opposite their names in Column 2) to enable those Departments and Other Bodies to expend sums not exceeding those set out in Column 1 totalling £482,837,825 for the purpose of carrying into effect the services approved by Tynwald.

Provided that a Department or Other Body, having the duty to administer expenditure out of monies provided by Tynwald, may transfer savings on any main heads to meet additional anticipated expenditure to be incurred on any other main heads of its Vote, subject to the conditions set out in Financial Regulation FD15 - Virements, issued by the Treasury in January 1999.

(2) (a) That the Treasury be authorised to expend during the year ending 31st March 2001, from Capital Transactions Account, sums not exceeding those set out in Column 1 of the Capital Estimates of Government Departments and Other Bodies on pages 8 to 11 of the Isle of Man Budget, totalling £52,742,500 (being expenditure on projects already approved by Tynwald).

(b) That Tynwald approves of the expenditure detailed in Column 2 of the Capital Estimates of Government Departments and Other Bodies on pages 8 to 11 of the Isle of Man Budget and authorises the Treasury to expend during the year ending 31st March 2001, from Capital Transactions Account, sums not exceeding those set out in Column 2, totalling £10,465,300.

- (c) That, upon Tynwald approval to such projects being obtained, the Treasury be authorised to expend during the year ending 31st March 2001, from Capital Transactions Account, sums not exceeding those set out in Column 3 of the Capital Estimates of Government Departments and Other Bodies on pages 8 to 11 of the Isle of Man Budget, totalling £15,405,500.
 - (d) That Tynwald sanctions borrowings not exceeding those set out in Column 4 of the Capital Estimates of Government Departments and Other Bodies on pages 8 to 11 of the Isle of Man Budget, totalling £124,686,000, being made by Government, such borrowings to be repaid within the appropriate period as set out in Column 5.
- (3) (a) That Tynwald approves the transfers from General Revenue Account of the amounts set out in column 2 totalling £42,050,000 and the transfers to General Revenue Account and Other Expenses' expenditure set out in columns 5 and 6 totalling £16,616,000 and £7,450,000 respectively of the Investments and Reserves, Probable 1999-2000, on page 14 of the Isle of Man Budget.
- (b) That Tynwald approves the transfers from General Revenue Account of the amounts set out in column 2 totalling £18,800,000 and the transfers to General Revenue Account and Other Expenses' expenditure set out in columns 5 and 6 totalling £19,000,000 and £10,068,000 respectively of the Investments and Reserves, Estimate 2000-2001, on page 14 of the Isle of Man Budget.

4. Income Tax Act 1970 -

The Minister for the Treasury to move -

That, in accordance with section 119 of the Income Tax Act 1970, it is hereby resolved -

- (1) That in accordance with section 1(2A) of the Income Tax Act 1970 -
- (a) the standard rate of Income Tax shall be 14% on every pound of taxable income;
 - (b) the higher rate of Income Tax shall be 20% on every pound of taxable income.
- (2) That the Income Tax payable on every pound of taxable income derived by any person not residing in this Island, or any association not registered in this Island, from any trade, profession, employment or vocation carried on by such person or association in this Island and from any other source within this Island, shall be at the rate of 20%.

- (3) That the personal allowance -
- (a) in respect of married men under subsection (1) of section 35 of that Act shall be £15,070;
 - (b) in respect of individuals under each of paragraphs (a), (b), (c) and (d) of subsection (3) of that section shall be £7,535.
- (4) That, in accordance with Section 1(2A) of that Act, the threshold for the payment of the higher rate of Income Tax shall be -
1. (a) for a single person £10,000;
 - (b) for a married person who for that year of assessment is not living with his or her spouse £10,000;
 - (c) for a married man who for that year of assessment is living with his wife £10,000;
 - (d) for a married woman who for that year of assessment is living with her husband £10,000 .
2. For the purposes of paragraph 1, a husband and wife shall be treated as living together unless -
- (a) they are separated under an order of a court of competent jurisdiction, or by deed of separation; or
 - (b) they are in fact separated in such circumstances that the separation is likely to be permanent; or
 - (c) an election for separate treatment is made in accordance with section 65 of the Income Tax Act 1970.
3. If the threshold of a married person under paragraph 1(c) or as the case may be 1(d) is not exhausted, the threshold of that person's spouse shall be increased by the unused balance.
4. Any increase under paragraph 3 shall be made by the Assessor.
- (5) That the allowance in respect of registered blind persons under subsection (1) of section 35A of that Act shall be £2,070 and the further deduction under subsection (2) of that section shall be £2,070.
- (6) That this resolution shall have effect in respect of the Income Tax year commencing on 6th April 2000 and subsequent years.

5. Income Tax Act 1970 -

The Minister for the Treasury to move -

That the Income Tax (Donations to Charities) (Amendment) Regulations 2000 [SD No 48/00] be approved.

6. Income Tax Act 1970 -

The Minister for the Treasury to move -

That the Income Tax (Deductions) (Prescribed Cases) (Amendment) Order 2000 [SD No 49/00] be approved.

7. Income Tax Act 1970 -

The Minister for the Treasury to move -

That the Income Tax (Car Fuel Benefits) Order 2000 [SD No 50/00] be approved.

8. Income Tax Act 1995 -

The Minister for the Treasury to move -

That the Income Tax (Child Benefit) (Temporary Taxation) Order 2000 [SD No 51/00] be approved.

9. Non-Resident Company Duty Act 1986 -

The Minister for the Treasury to move -

That the Non-Resident Company Duty (Amendment) Regulations 2000 [SD No 40/00] be approved.

10. National Lottery Act 1999 -

The Minister for the Treasury to move -

That the National Lottery (Designation) (Amendment) Order 2000
[SD No 57/00] be approved.