

THE STATES OF DELIBERATION
of the
ISLAND OF GUERNSEY

3rd November 2026

Proposition No. 2026/82

Policy & Resources Committee

The States of Guernsey Annual Budget for 2027

AMENDMENT

Proposed by: Deputy G St Pier
Seconded by: Deputy S Williams

To insert an additional proposition immediately after Proposition 13 as follows:

“13A. To agree that downsizing relief will not be continued beyond the end of 2027.”

Rule 4(1) Information

- a. The proposition contributes to the States’ objectives and policy plans by ensuring tax equity.
- b. The proposition has been submitted to the Policy & Resources Committee for consultation.
- c. The proposition has been submitted to His Majesty’s Procureur for advice on any legal or constitutional implications.
- d. The proposition should not impact any revenue or expenditure estimates for 2027. (It is possible that a small number of transactions that might otherwise complete in 2028 might be brought forward to 2027 to take advantage of the downsizing relief before it sunsets.)
- e. Drafting advice has been sought from the States Greffier and advice has been sought from officers of the Policy & Resources Committee.

Explanatory note

The Budget Report, *inter alia*, says:

“5.108 The scheme to encourage downsizing was introduced in the 2023 Budget. The first £0.5m of the property being purchased by the downsizer is charged at 0% document duty, subject to certain conditions being met. The maximum available relief is £13,750.

“5.109 The 2025 Budget Report stated that downsizing relief should be continued for two more years until the end of 2026, and in the 2026 Budget Report it was reported that it should be reconsidered at the time of setting the 2027 Budget.

*“5.110 This has now been reviewed by the Policy & Resources Committee. The transactional data shows that the downsizing relief scheme is being utilised, and between 4% to 5% of property conveyances per annum have benefitted from downsizing relief. **However, there is no way of capturing data on how many transactions were directly influenced by the availability of the relief, as opposed to those that would have proceeded anyway.**”*(emphasis added)**

While P&R, as directed, have reconsidered the relief, no compelling case has been presented. Accordingly, this amendment proposes to end the relief at the end of 2027. This will give ample time, if they see fit, for P&R or the Committee *for* Housing to evidence, articulate and present the policy rationale for extending this relief into 2028 and beyond.

There is no need to amend the Ordinance as this has already been amended by Propositions 13 and 14 to replace '2027' with '2028.' The effect of this is that Ordinance does not presently permit the extension of downsizing beyond 2027 without further amendment following next year's Budget.

This amendment is supported by Forward Guernsey.