



2020 budget report: A property perspective

October 2019

Today the Policy & Resources Committee has published the 2020 Budget Report.

The key elements from a property perspective are:

- Introduction of a tiered TRP approach for properties above 200 rating
- A further increase on commercial property - increased by five per cent, with an option to increase this by a further five per cent, to fund additional service developments
- Increases to general office TRP category
- Domestic and land TRP tariffs to be increased by 10.2 per cent from 1 January 2020, with further increases planned annually up to 2025
- The prioritization of drafting legislation to facilitate equity release mortgages

The commercial TRP increases are no particular surprise. It is not the first time that commercial property owners have been 'chosen' and I am sure many will view this as easy pickings. But also note the planned rises in domestic TRP.

The equity release concept is interesting.

Equity releases or 'lifetime mortgages' allow homeowners to access the equity in their property while retaining ownership, by borrowing against it. Currently this cannot be done due to the nuances of Guernsey law.

In addition, the Policy & Resources Committee plan to submit a policy letter recommending that lending, as an activity, will be subject to be licensed by the GFSC. This is to ensure that there are appropriate consumer safeguards in place.

The full budget report can be read [here](#).

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