

PART A

**INTRODUCTION
BACKGROUND AND
APPROACH**

PART TWO REPORT

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1. INTRODUCTION

- 1.1 The Commission presented its Part One Report on 30th June 2003. That Report had been prepared by the Commission under terms of reference arising from resolutions of Tynwald in February and March 2002. Those resolutions and their consequential terms of reference and the background to the setting up of the Commission and its approach are explained in Part B of the Part One Report. It is not necessary to set out the full detail of that again; but, for convenience, the resolutions and the terms of reference of Professor Crow's Inquiry are set out in Annex 3 below.
- 1.2 The Part One Report is not an interim report and its conclusions and recommendations are to be taken as final on those matters within its compass. The reader of the Part Two Report will be presumed to have read the Part One Report; nevertheless, again for convenience, the Part Two Report, although part of the same overall issues under consideration, is generally comprehensive in its own right in relation to those matters which it covers. To achieve this it has been necessary to relate some background which concerns matters covered in Part One.
- 1.3 As explained in its earlier Report, the Commission divided its work into two parts because certain tax related issues were constrained by litigation but the Commission considered it to be in the public interest that its Report should not be further delayed by the litigation so far as matters not affected were concerned. The Commission was able to divide its work and present a two part report because the subject matter of its investigations fits broadly into two interlinked

parts, planning matters and tax matters. As also earlier explained, the matters subject to litigation were to be investigated and reported upon later and as appropriate in the light of the then current or any other litigation. The Part Two Report is consequent upon this further investigation. The two Parts are, as indicated, interlinked, and should now be read as one whole.

- 1.4 The remainder of this Report will give a detailed account and explanation of the Commission's Part Two work, findings, conclusions and recommendations.

END OF SECTION 1