

Increase in Personal Injury Discount Rate approved by Tynwald

The Damages (Personal Injury) (Assumed Rate of Return) Order 2023 was approved by Tynwald on Wednesday and is now in force. This has brought about an increase in the personal injury discount rate (**PIDR**) applicable to lump sum personal injury compensation awarded by the Isle of Man Court.

The PIDR is a figure which reflects the estimated rate of return on lump sum investments, and must be taken into account by the Court when calculating lump sum awards for future financial losses in high value personal injury claims, the aim of which is to put the claimant back in the same financial position they would have been, but for their injury, whilst taking into account the interest expected to be earned upon investment of the compensation.

The PIDR in the Isle of Man has increased from -0.25 to +1%.

The Isle of Man Treasury will consult on the introduction of a periodic review of the PIDR following the planned review in England and Wales.

DQ's leading Dispute Resolution team has a wealth of experience and expertise in dealing with personal injury claims. For more information please contact Ruth Costain.

Lizzie Beard

Disclaimer

The information and/or opinions contained in this article is necessarily brief and general in nature and does not constitute legal or taxation advice. Appropriate legal or other professional advice should be sought for any specific matter. Any reliance on such information and/or opinions is therefore solely at the user's own risk and DQ Advocates Limited (and its associates and subsidiaries) is not responsible for, and does not accept any responsibility or liability in connection with any action taken or reliance placed upon such content.