

**WRITTEN QUESTION TO THE MINISTER FOR TREASURY AND RESOURCES BY DEPUTY G.P.
SOUTHERN OF ST. HELIER**

ANSWER TO BE TABLED ON TUESDAY 15th JULY 2008

Question

Will the Minister inform members how much GST the average household will be saved as a result of the exemption on medical supplies and services?

Answer

When the issue of excluding medical services and products was first proposed in 2006 (under Proposition 86/2006) I provided in my report an estimate of the total revenue likely to be lost. This estimate in October 2006 was £800,000 per annum and I also stated that the impact on voluntary compliance and cost of administration would in each case be low.

Based on the current exclusions in the GST Law under Schedule 5 that relate most closely to the description of supplies you have provided above the total annual revenue loss would be in the region of £700,000. Using the latest adjusted household expenditure figures the estimate of GST saved by the average household will be around £19 per annum.