

2018.10.09

14 Deputy M.R. Higgins of the Minister for Treasury and Resources regarding governance arrangements for health and social care: [OQ.153/2018]

Following her answers in the States on 23rd September 2018 regarding the *de minimis* level for goods imported into the Island and whether they are subject to G.S.T. (Goods and Services Tax), will the Minister provide an update on whether she plans to bring in new proposals on this matter in the Budget?

Deputy S. J. Pinel (The Minister for Treasury and Resources):

For those present at yesterday's States Members briefing, they will have heard that the *de minimis* reduction will not be pursued. Today I have lodged the draft 2019 Budget with the Assembly and I can confirm that following discussions with ministerial colleagues, there are no proposals within the budget to reduce the G.S.T. *de minimis* threshold. However, the Treasury will keep the *de minimis* threshold under close review monitoring the data available on the importation of low value goods. As has been said before, the longer term for the G.S.T. *de minimis* is clear. In the not too distant future the *de minimis* thresholds will disappear across the globe as large countries move the collection of G.S.T. on low value goods away from the border and place the responsibility for collection on to those who supply the goods. When this happens Jersey will be fast follower, eradicating the *de minimis* and the levelling the playing field between local and off-Island retailers.

3.14.1 Deputy M. R. Higgins:

Can the Minister tell us when that is likely to happen? Is it going to be 5 years, 10 years or 50 years, because we are talking about an international agreement? Otherwise how can she follow through on the promise that she will reduce it or the inevitable abolition of it in the future?

Deputy S.J. Pinel:

As the Deputy will well know that decision will largely depend on what happens with Brexit.

The Bailiff:

It is a pleasure to see you back, Minister.

The Deputy of St. Ouen:

May I offer my apologies to the Assembly, Sir, and to Deputy Pamplin.