

21.06.08

[THE STATES noted that, in accordance with Standing Order 63(9), a written response would be provided for the following oral questions that had not been asked during the time allowed at the meeting –]

**19 Deputy M.R. Higgins of St. Helier to the Minister for Treasury and Resources regarding the de minimis level on the Goods and Services Tax (G.S.T.). (OQ.125/2021):**

**Question**

In order to keep inflation down in the post-Brexit, post-pandemic period, will the Minister agree to delay reducing the G.S.T. *de minimis* level on goods imported into the Island until measures have been implemented to prevent Islanders being charged Value Added Tax (V.A.T.) either directly by U.K. and other international exporters, or indirectly by local traders charging U.K. prices which include V.A.T. and, if not, why not?

**Answer**

As I have said recently, it is my intention to further reduce the de minimis threshold in line with the action taken by the U.K. (from 1st January 2021) and the E.U. (from 1st July 2021) to significantly reduce this type of relief. Jersey will be a fast-follower of this initiative.

It is even more important now, in a post-Covid environment, that we provide this support to our local retail community, and one of my main reasons for proposing that the de minimis threshold is further reduced is to help level the playing field between offshore and local retailers.

The measures I addressed in my previous question – to require large offshore retailers to register for G.S.T. and account for it directly – should also help.

I do not believe it is possible to dictate the prices charged by local traders. Customers are of course free to shop where they think they will find the best value.