



States Greffe: Scrutiny

Deputy Susie Pinel
Minister for Treasury and Resources

By email

22nd February 2022

Dear Minister,

Corporate Services Scrutiny Sub Panel

Goods and Services Tax - Personal Importation Review : Phase 1 follow up

Having considered the Ministerial Response to the Corporate Services Scrutiny Sub Panel [the Sub Panel] report on Goods and Services Tax – Personal Important Review: Phase 1 [[S.R.15/2022 Res.](#)] [the Report], the Sub Panel would be grateful if you could provide clarity on the following:

- In your response to recommendation 3 it is indicated that the reduction of GST De minimis was not a political decision. The Sub Panel wishes to enquire how you have drawn this conclusion when the introduction, increasing or lowering of tax is a politically agreed decision?
- You highlight in response to recommendation 6 that you would discuss undertaking an impact assessment to consider the effect of reducing GST De minimis on low-income Islanders with the Minister for Social Security. Can you confirm if this work has been carried out and a timescale for when results of assessment can be expected? This is of particular concern to the Sub Panel given inflation and the levers which Government could utilise to support low-income Islanders.
- You indicate in your response to recommendation 8 that a business case may be produced following the review of the service provision of the existing customs and freight management system. Can you please specify a timescale for this and forward any draft business case to the Sub Panel?
- You outline in response to recommendation 10 that appropriate working groups would be established to manage implementation of changes impacting local logistics businesses, can you please confirm that this has taken place and what work they have undertaken so far?
- Can detail be provided to the Sub Panel on the work undertaken to encourage the removal of VAT at source since 2018?
- Could you please confirm the number of additional staff that have been, or will be, needed to resource the reduction of GST De minimis to £60?

The Sub Panel further notes that in response to recommendation 1 of its report you indicate that you are unable to provide information gained during your consultation with organisations as it is confidential in nature. The Sub Panel believes that unless this information includes data on tax liability or tax paid, it should be forwarded and is happy to receive it on a confidential basis if necessary.

The Sub Panel looks forward to your response, if this can please be received by Tuesday 1st March 2021.

Yours sincerely

A handwritten signature in black ink, appearing to be "Steve Pallett", written over a horizontal line.

Senator Steve Pallett
Lead Member for this Review, Corporate Services Scrutiny Panel