

Copy to:

Deputy S. Rogers

The GST Consultation Team  
Income Tax Office  
1<sup>st</sup> Floor, Cyril Le Marquand House  
The Parade  
St Helier

14 June 2006

Dear Sirs,

I am writing to you to place on record my surprise and horror at the proposals to levy a 3% surcharge on school fees.

In saying that, I must declare an interest. In common with many parents in Jersey, I have chosen to opt out of the States system as I wish to have my children benefit from a Catholic education; that is only available in the private sector.

In so doing I am conscious that I am saving the States many thousands of pounds over the school life of my children. In saying that I am also aware that there is a degree of subsidy involved, but, nonetheless, in monetary terms, the States is the major beneficiary of the decision made by me and many hundreds like me. To levy a tax on what I pay in saving the States money seems me to be grossly unfair and discriminatory.

I sincerely hope that you as a body have not been so blinkered as to assume that all parents who choose to send their children to private schools are from the upper few per cent of earners. I struggle to provide a good education for my children and I hope to be able to continue to do so for many years. This added 3% levy will not be easily met.

I have heard States Members many times on radio supporting the general 3% levy, on the basis that it has to be the same charge on all goods and services, and exemptions will only make the system more difficult to administer. Yet exemptions have already been granted to some areas of the finance industry, so the "no exemption" rule has already been broken. There is no absolute in this matter

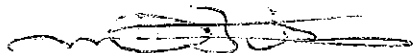
Furthermore, I cannot see how exempting private education, as a sector, from the proposed GST requirements could be difficult to administer. All the bursars of the schools would have to do would be to send a "nil return" in respect of the fees. The

only other alternative, although I concede that this could be more difficult to administer, would be for school fees to be tax deductible.

I accept also that tax not collected at one point means that more has to be collected elsewhere but, were this to happen, the result would make GST no different from any other tax. All taxes, by definition are selective in their application, and the result of such selectivity has to be paid for elsewhere. In terms of GST such admissions has already been made many times. These can be found within the many public promises of hardship caused by the tax being covered by the proposed Income Support.

In summary I would beg you to consider the effect this proposed charge would have on the hundreds of ordinary parents who by their sacrifices – and make no mistake, these are real sacrifices - are already saving the states a great deal of money. To tax such people would, as I have said, be grossly unfair and could, in the long run, be counter productive for the Education Department and also the States.

Yours sincerely



Mark Bisson

*c.c. Senator Terry Le Sueur, Senator Mike Vibert, Deputy John Le Fondré, Deputy Ben Fox, Deputy Carolyn Labey, Deputy Bob Hill BEM, Deputy Patrick Ryan, Deputy Andrew Lewis*