

**WRITTEN QUESTION TO THE MINISTER FOR ECONOMIC DEVELOPMENT
BY SENATOR S.C. FERGUSON
ANSWER TO BE TABLED ON TUESDAY 29th JANUARY 2013**

Question

Would the Minister explain how the charge now made on parcels being sent to the UK by the Jersey Post Office is made up – is it effectively UK VAT? What is the procedure to forward this to the UK, and to whom is it payable?

What plans are there to improve the collection of GST on incoming parcels, given that ParcelForce parcels are not all checked?

Answer

This matter falls outside my direct remit, but I will endeavour to answer the Senator's queries.

As the Senator correctly identifies, the charge made on parcels (over and above standard postage rates) is the UK VAT payable on such parcels. This is collected by Jersey Post as a prepayment service in order to minimise delays for local customers posting to the UK. In addition, this also prevents the addition of a VAT collection charge of £8 which is levied by the Royal Mail if it is necessary to collect the tax due from the recipient. The VAT collected by Jersey Post is remitted to HMRC on a monthly basis. The costs of providing this service are currently absorbed by Jersey Post. Further details are available on the Jersey Post website.

With regard to the collection of GST on incoming parcels, I am informed that Customs Officers attend the Post Office on a daily basis to examine ParcelForce parcels. This led to the collection of £37,000 in GST in 2012.

Should the Senator wish to have any further information on this matter, she should contact the Customs and Immigration Service.