

STATES OF JERSEY



DRAFT CUSTOMS AND EXCISE (AMENDMENT No. 5) (JERSEY) LAW 200- (P.31/2008): SECOND AMENDMENTS

**Lodged au Greffe on 18th March 2008
by the Minister for Treasury and Resources**

STATES GREFFE

DRAFT CUSTOMS AND EXCISE (AMENDMENT No. 5) (JERSEY) LAW 200- (P.31/2008): SECOND
AMENDMENTS

1 PAGE 12, ARTICLE 3 –

For the words “1st May” substitute the words “6th May”.

MINISTER FOR TREASURY AND RESOURCES

REPORT

The Minister for Treasury and Resources is to bring legislation before the States Assembly to allow for a replacement for Vehicle Registration Duty, to commence at the same time as the introduction of GST.

The Draft Customs and Excise (Amendment No. 5) (Jersey) Law 200- will amend the Customs and Excise (Jersey) Law 1999 so as to substitute paragraph 8 of Part 2 of Schedule 1 to that Law. Paragraph 8 sets out the rate of excise duty payable upon the registration of a motor vehicle. The substituted paragraph contains a new provision for the rate of duty to be determined according to a vehicle's established CO₂ emissions.

For "light passenger vehicles" (vehicles designed and constructed for the carriage of passengers and comprising no more than 8 seats in addition to the driver's seat), registered on or after 1st March 2001, the duty liability will be calculated with reference to the vehicles established CO₂ emission data; for all other vehicles or vehicles without established CO₂ emission data the duty liability will be calculated with reference to engine size.

The new duty will be called Vehicle Emission Duty or VED.

Although the States has agreed (on 7th November 2007) to the introduction of the Goods and Services Tax (Jersey) Law 2007 from 1st May 2008, several retailers have expressed the view that the introduction in the middle of a week may cause difficulties.

Mindful of this, and recognising that 5th May 2008 is a public holiday, the Minister for Treasury and Resources is now proposing that the Goods and Services Tax (Jersey) Law 2007 should come into force on 6th May. This will allow the retailers the weekend in which to implement any changes and to erect any relevant signage.

This amendment will change the commencement date of the Draft Customs and Excise (Amendment No. 5) (Jersey) Law 200- to 6th May 2008 and will allow VED to commence at the same time as the introduction of GST.

There are no financial or manpower implications for the States arising from this amendment.