

**WRITTEN QUESTION TO THE MINISTER FOR TREASURY AND RESOURCES  
BY DEPUTY R.S. KOVACS OF ST. SAVIOUR  
QUESTION SUBMITTED ON MONDAY 9th SEPTEMBER 2024  
ANSWER TO BE TABLED ON MONDAY 16th SEPTEMBER 2024**

**Question**

“Further to the reduction in the GST *de minimis* level from £135 to £60 for overseas consumer purchasers that do not have GST charged at point of purchase, will the Minister provide information on –

- (a) the total GST collected, broken down by month, from 1st July 2023 to date;
- (b) the amount of time spent analysing the possible impact of reducing the GST *de minimis* level prior to implementation;
- (c) the cost to develop the Customs and Excise System for the Administration of Revenue (CAESAR) in preparation for the reduction in the *de minimis* level;
- (d) the amount paid to UK or local marketing and research companies for work done in relation to (b) and (c); and
- (e) the number and cost of additional staff recruited to administer the reduced *de minimis* level from 1st July 2023 to date?”

**Answer**

- 1) The mandatory registration of offshore retailers for GST has increased the amount of GST being remitted directly to the Treasury and also enabled a reduction in the GST *de minimis* Level from £135 to £60 from 1 July 2023. Registered business (including registered offshore retailers) charge GST on all of their sales, regardless of value. The *de minimis* level now only applies to importations from unregistered offshore retailers (ie those with Jersey turnover of less than £300,000 and exists to help Customs officers clear lower-value private importations quickly and efficiently.)
- 2) The total GST collected from July 2023 to August 2024 is summarised below. Note that these amounts refer to the GST collected by the Government of Jersey during this period; figures will therefore differ from those included in the annual accounts.

Month	GST collected (£'000)
July 2023	8,194
August 2023	10,205
September 2023	8,899
October 2023	11,125
November 2023	10,306
December 2023	9,084
January 2024	14,589
February 2024	4,780
March 2024	8,192
April 2024	6,964,
May 2024	6,151
June 2024	7,848
July 2024	9,548
August 2024	9,299

Figures rounded to the nearest £1,000.

- 3) The GST de minimis was reduced as part of the package of changes to collect GST at source from online retailers. Prior to this change, the previous de minimis of £135 applied to sales from all offshore retailers. As such, it is not possible to isolate the time spent analysing the impact of reducing the de minimis; this work was done as part of a larger assessment of the impact of this change.
- 4) Similarly, the changes introduced to CAESAR and increase in staff in July 2023 related to both the reduction in the de minimis level and the collection of GST at source from online retailers. Customs used the opportunity to enhance CAESAR for users at the same time. The majority of the CAESAR development work related to both the user interface upgrade and to automate the collection of GST at source for online retailers.

It is not possible to isolate system and staff costs associated solely with the de minimis reduction.

The total cost of updates to CAESAR in preparation for this package of changes was £190,850.

- 5) £9,150 was paid to a customer-research organisation for customer insights in respect of interface upgrades required for CAESAR.
- 6) A total of four additional staff were initially employed as a result of the changes from June 2023, one in Customer and Local Services and three at Jersey Customs & Immigration Services. Since June 2024, this has reduced to three staff

The total cost of additional staff from June 2023 to August 2024 is £232,736.

Early analysis suggests that the first full year's additional GST receipts from the mandatory registration of online retailers may exceed £4m. This arises from the registration of offshore retailers and the consequent reduction in the number of importations to which the de minimis level could apply. The majority of goods bought from these large offshore retailers now attract GST in the same way as goods bought from Jersey retailers, fulfilling a long-standing commitment of successive governments since GST was introduced.