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Sent by email

6 September 2021

Dear Senator Steve Pallett,

Corporate Services Scrutiny Panel: Goods and Services Tax - Personal Importation Review

Before responding to your specific question, I would like to repeat our three main comments:

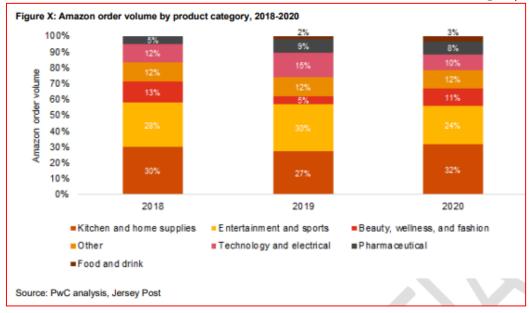
- The end to end systems and processes must be agreed and in place before the start of any significant lowering of the de-minimus rate to minimise disruption, maximise take and gain greatest consumer acceptance;
- The cost impact on the logistics industry should not be underestimated. With over 3
 million parcels with no pre-advice, let alone those above any new threshold, that would
 mean from Jersey Post alone some 10,000 a day, six days a week, being held and needing
 potential clearance;
- The sooner a decision is announced publicly the longer the industry has to prepare.

You asked specifically for further clarification on our statement "good value essential items along with items not readily available in the local marketplace". Our reference is to "good value" essential items i.e. those things that are expensive here on the Island. This would include food, medical supplies, spare parts, pet related goods etc. Whilst we do not collect data in an easily sortable format, Price Waterhouse in 2020 were able to draw some conclusions from data provided by Jersey Post that gave an estimate of the type of goods brought into Jersey by Amazon¹.

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¹ Although based on Jersey Post data, this table is taken from a report prepared by Price Waterhouse for the Government of Jersey.





We are more than happy to respond to any questions you may have.

Yours sincerely

Tim Brown

Chief Executive Officer