

2.10 Deputy S. Power of the Minister for Treasury and Resources regarding the appointment of 10 additional staff for the processing of the new Goods and Services Tax:

In the view of the statement made within the debate of the draft Goods and Services Law, at the cost of hiring 10 additional staff for the processing of the new Goods and Services Tax would be £1 million, would the Minister confirm that this remains an accurate estimate and give details as to how these 10 posts will be split between the Treasury and Customs and Excise Departments?

Senator T.A. Le Sueur (The Minister for Treasury and Resources):

The estimate of an additional 10 staff required to operate the new Goods and Services Tax (GST) was provided by Crown agents in its final report headed, *Design of Prototype Goods and Services Tax* published in January 2005. The figure quoted of £1 million is the anticipated annual operational cost of G.S.T., which includes administration, information technology systems and staffing. The majority of additional staffing is likely to be within the Income Tax Department. The estimated 10 additional staff numbers are very much dependent on the adoption of the following 3 criteria: first a simple broad-based G.S.T. system; secondly that current Income Tax Department compliance resources are deployed for G.S.T. and direct taxes; and thirdly, that modern information technology systems should be in place. Now that the Law has been approved by the States, the G.S.T. Director and the Director of Customs and Excise are working with the project team and Crown agents to undertake a reassessment of the staffing requirements for both the Income Tax Department and Customs Service. The result of this review will be available in due course. However, at this stage I have no reason to question or doubt the accuracy of the current estimate.