

Corporate Services Scrutiny Panel

22nd meeting, dated 5th October 2006

Present	Deputy P J D Ryan, Chairman Senator J. Perchard Connétable D Murphy Deputy J. Gallichan
Apologies	Connétable J L S Gallichan
In attendance	Mr M Haden, Scrutiny Officer

Ref Back	Agenda matter	Action
1	<p>Report on impact of GST on the sale of domestic housing</p> <p>The Panel met with the GST Sub Panel to receive the report on the impact of GST on the sale of domestic housing. (Reference Minutes of 10th Meeting of the Sub Panel)</p>	
2	<p>Presentation of the Interim Goods and Services Tax Report</p> <p>The Panel received a draft version of the Interim Report on GST. It was advised that the Sub Panel had reached the following principal conclusions</p> <ol style="list-style-type: none"> 1. that zero ratings would not significantly ease the burden of the tax on low income families. 2. that the administrative and compliance costs of zero rating food had been overstated 3. that the issues with regard to a range of social issues, such as education, childcare, residential care in these areas should be addressed in principle outside the GST system by means of additional financial support from the States where appropriate. 4. that the position of the Treasury with regard to zero rating housing maintenance and repair was inconsistent with its position of zero rating of food. 5. that members were entitled to take a philosophical and moral viewpoint on taxing essential items. 6. that, rather than making specific recommendations in the report regarding zero ratings the Sub Panel had agreed to leave States members to consider the evidence and make up their own mind on whether zero ratings would be appropriate. <p>The Panel agreed to support the report on this basis, subject to receiving a final copy of the report on which it could make comment as necessary.</p> <p>The Panel was informed that the timetable for the publication of the Interim Report, scheduled for 10th October, was most likely to slip in view of the additional research and evidence which had just been received. It noted further that the Chairman would be out of the Island from 11th October until 18th October inclusive.</p> <p>It was agreed that the final version of the Interim report, including</p>	

the key findings and recommendations should be drafted by the Chairman and sent to members for their consideration and comment.

It was agreed that the final approval of the report and recommendations could be given by means of a telephone meeting.

Signed

Date

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Chairman, Corporate Services Panel

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