

2.3 Deputy S. Power of St. Brelade of the Minister for Treasury and Resources regarding whether a Goods and Services Tax would be charged on the sale of duty-free goods at the airport:

Would the Minister confirm whether a goods and services tax will be charged on the sale of duty-free goods on either outbound or inbound flights at the airport?

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

I am not sure if I understand the question properly, but certainly the sale of duty-free goods on the actual flights to and from Jersey takes place outside territorial waters, and so G.S.T. (Goods and Services Tax) is not relevant. If the question relates specifically to goods sold at the airport duty-free shop, then the draft Goods and Services Tax Law allows that the supply of goods shall be zero-rated if the supply would involve their export from Jersey. I understand that the airport's duty-free shop is currently only permitted to sell duty-free goods to departing passengers, and therefore these goods could and would be zero-rated for Goods and Services Tax.