

STATES OF JERSEY



DRAFT GOODS AND SERVICES TAX (MISCELLANEOUS AMENDMENTS No. 2) (JERSEY) REGULATIONS 201-

**Lodged au Greffe on 27th September 2011
by the Minister for Treasury and Resources**

STATES GREFFE



Jersey

DRAFT GOODS AND SERVICES TAX (MISCELLANEOUS AMENDMENTS No. 2) (JERSEY) REGULATIONS 201-

REPORT

These Draft Regulations give effect to proposals described in the Draft Budget Statement 2012.

Financial and manpower implications

The financial and manpower implications are clearly identified in Part 10 of the Draft Budget Statement 2012.

Explanatory Note

These Regulations amend –

- (a) Schedule 5 (Exempt supplies) and Schedule 6 (Zero-rated supplies) to the Goods and Services Tax (Jersey) Law 2007 (the “GST Law”); and
- (b) the fee for banking businesses set out in the Goods and Services Tax (International Services Entities) (Jersey) Regulations 2008 (the “ISE Regulations”).

Regulation 1 amends Schedule 5 to the GST Law to include an exemption from goods and services tax (“GST”) for fees paid for services supplied at States nursery schools or classes. Under the Education (Nursery Fees) (Jersey) Regulations 2011, the Minister for Education, Sport and Culture may now charge for attendance at those schools or classes. Any fee charged by the Minister in this context will, after the amendment comes into force, be treated as exempt for GST purposes in the same way as fees relating to other schools or classes specified in Schedule 5.

Regulation 2(a), (b) and (d) amend Schedule 6 to the GST Law to change the definition of “aircraft”. This is in the context of supplies of aircraft, and certain supplies of services in relation to aircraft, that attract zero-rating for GST purposes. The class of aircraft will now be limited to those that are –

- (a) used by an airline operating chiefly on international routes (including routes into and out of Jersey); or
- (b) at least 8 tonnes in weight and designed for commercial use.

At present, the class of aircraft is specified in terms of aircraft that weigh over 3 tonnes or, though weighing 3 tonnes or less, are being operated for valuable consideration.

Regulation 2(c) changes an exclusion relating to pleasure boats in Schedule 6 of the GST Law because the current exclusion refers to legislation (the Boats and Surf-Riding (Control) (Jersey) Regulations 1969) that is expected to be recast in the near future and because the reference is not strictly necessary to the operation of the concession under the GST Law.

Regulation 2(e) deletes an interpretation provision in Schedule 6 of the GST Law because it is no longer needed.

Regulation 3 makes a correction to the number of a verb in Regulation 3(1) of the ISE Regulations.

Regulation 4 amends the ISE Regulations to increase from £30,000 to £50,000 the fee for the listing under the GST Law of an international services entity (“ISE”) that is registered under the Banking Business (Jersey) Law 1991 in respect of one or more deposit-taking businesses. Just as under the existing ISE Regulations, the fee is multiplied by the number of registrations held by such an ISE.

Regulation 5 sets out the name of the Regulations and provides for them to come into force on 1st January 2012.



Jersey

**DRAFT GOODS AND SERVICES TAX
(MISCELLANEOUS AMENDMENTS No. 2)
(JERSEY) REGULATIONS 201-**

Arrangement

Regulation

PART 1	7
<hr/>	
AMENDMENT OF GOODS AND SERVICES TAX (JERSEY) LAW 2007	7
1 Schedule 5 to Goods and Services Tax (Jersey) Law 2007 amended	7
2 Schedule 6 to Goods and Services Tax (Jersey) Law 2007 amended	7
PART 2	8
<hr/>	
AMENDMENT OF GOODS AND SERVICES TAX (INTERNATIONAL SERVICES ENTITIES) (JERSEY) REGULATIONS 2008	8
3 Regulation 3 of Goods and Services Tax (International Services Entities) (Jersey) Regulations 2008 amended	8
4 Regulation 4 of Goods and Services Tax (International Services Entities) (Jersey) Regulations 2008 amended	8
PART 3	8
<hr/>	
CLOSING	8
5 Citation and commencement	8



Jersey

**DRAFT GOODS AND SERVICES TAX
(MISCELLANEOUS AMENDMENTS No. 2)
(JERSEY) REGULATIONS 201-**

Made [date to be inserted]

Coming into force [date to be inserted]

THE STATES, in pursuance of Articles 59 and 100 of the Goods and Services Tax (Jersey) Law 2007¹, have made the following Regulations –

PART 1

AMENDMENT OF GOODS AND SERVICES TAX (JERSEY) LAW 2007

1 Schedule 5 to Goods and Services Tax (Jersey) Law 2007 amended

After paragraph 7(1) of Schedule 5 to the Goods and Services Tax (Jersey) Law 2007² the following sub-paragraph shall be inserted –

“(1A) For the purposes of this Law, the supply of a service, being the education of children below compulsory school age in a nursery school, or nursery class, established and maintained by the Minister shall be exempt.”.

2 Schedule 6 to Goods and Services Tax (Jersey) Law 2007 amended

In Schedule 6 to the Goods and Services Tax (Jersey) Law 2007 –

(a) in paragraph 1A, for the definitions of “aircraft” and “authorized weight” the following definitions shall be substituted –

“ ‘aircraft’ means an aircraft –

(a) that is used by an airline operating for reward chiefly on international routes; or

(b) that –

(i) is of a weight of not less than 8,000 kilograms, and

(ii) is neither designed nor adapted for use for recreation or pleasure;

-
- ‘airline’ means an undertaking that provides services for the carriage by air of passengers or cargo (or both);”;
- (b) in paragraph 1A, after the definition of “grant” the following definition shall be inserted –
- “ ‘international route’ includes (but is not limited to) a route between Jersey and any place outside Jersey;”;
- (c) in paragraph 1A, for the definition of “ship” the following definition shall be substituted –
- “ ‘ship’ means a vessel other than a vessel that is designed or adapted for use for recreation or pleasure;”;
- (d) in paragraph 1A, the definition of “valuable consideration” shall be deleted;
- (e) paragraph 5(4) shall be repealed.

PART 2

AMENDMENT OF GOODS AND SERVICES TAX (INTERNATIONAL SERVICES ENTITIES) (JERSEY) REGULATIONS 2008

3 Regulation 3 of Goods and Services Tax (International Services Entities) (Jersey) Regulations 2008 amended

In Regulation 3(1) of the Goods and Services Tax (International Services Entities) (Jersey) Regulations 2008³ for the words “as applies to the entity.” the words “as apply to the entity.” shall be substituted.

4 Regulation 4 of Goods and Services Tax (International Services Entities) (Jersey) Regulations 2008 amended

In Regulation 4(1)(b) of the Goods and Services Tax (International Services Entities) (Jersey) Regulations 2008 for the amount “£30,000” the amount “£50,000” shall be substituted.

PART 3

CLOSING

5 Citation and commencement

- (1) These Regulations may be cited as the Goods and Services Tax (Miscellaneous Amendments No. 2) (Jersey) Regulations 201-.
- (2) These Regulations shall come into force on 1st January 2012.

-
- ¹ *chapter 24.700*
² *chapter 24.700*
³ *chapter 24.700.25*