

2019.10.08

13 Deputy C.S. Alves of St. Helier of the Minister for Treasury and Resources regarding the charging of G.S.T. by online retailers based outside of Jersey: (OQ.248/2019)

Is the Minister aware of any instances in which online retailers, based outside of Jersey, have charged G.S.T. (Goods and Services Tax) on goods priced below the *de minimis* threshold; and, if so, what action does she propose to take to prevent this?

Deputy S.J. Pinel of St. Clement (The Minister for Treasury and Resources):

The Comptroller of Tax has informed me that a small number of offshore retailers have business structures, which require them to charge G.S.T. in Jersey and to pay that G.S.T. over to the Jersey Treasury. This is quite legal and we should applaud any such businesses, which are making a contribution to our Exchequer, to help us deliver our public services. As I have said before, in due course we expect that all offshore retailers will be adopting procedures to charge Jersey G.S.T. on supplies of goods to Jersey-resident consumers and to pay that over to the Jersey Treasury. I expect that this will happen after larger jurisdictions, especially the U.K. and E.U. member states, enact laws to charge V.A.T. (Value Added Tax) according to the consumer's jurisdiction of residence over the next few years.

4.13.1 Deputy C.S. Alves:

Is the Minister able to publish a list of those online retailers as I am sure, for the public, some members of the public have challenged it, as they are not completely aware whether it was legal for the retailer to do that?

[11:15]

Deputy S.J. Pinel:

It is a twofold question. The G.S.T. register, as such, is not in the public domain, but essentially if somebody is charging G.S.T. over here, they have an agent, or representative, in Jersey for their offshore online business that intermediates in the supply of goods and the goods are liable to the G.S.T. and the *de minimis* threshold does not apply, as the goods are essentially imported by the intermediary, not the consumer.

The Bailiff:

Final supplementary?

Deputy C.S. Alves:

No, thank you.