

## JERSEY CHAMBER OF COMMERCE

Official Submission - Corporate Service Scrutiny Panel 2017 Jersey Budget

Jersey's Chamber of Commerce is deeply concerned by elements of the 2017 Budget proposals.

The suggested increase on alcohol impots (72p on a litre of spirits, 8p on a bottle of wine and 3p on a pint of beer) are proposals that will once again have negative impacts on the islands fragile hospitality and tourism sectors.

Just months after the MTFP Addition Waste charges were adopted by the assembly (a new tax for businesses that will mirror water charges), hoteliers and publicans are once again going to see their bottom lines eroded by government proposals.

For years the Treasury Department have justified their increase on alcohol impots, in order to tackle alcohol related issues in Jersey. However, consumption of spirits has continued to rise, so clearly, the government's tax and educational health strategy hasn't worked.

Upping the impot duty on alcohol is an easy tax tap for Treasury to turn but in doing so they're squeezing the life out of a sector that's weakened by the value of an uncertain pound and is only just feeling the financial benefits of support from Visit Jersey.

The Jersey Chamber of Commerce would like to see government coming up with innovative revenue raising proposals, rather than their apparent default position of tax first, deal with the fall-out and details later.

END.