

**THE STATES OF DELIBERATION**  
**of the**  
**ISLAND OF GUERNSEY**

**17<sup>th</sup> October 2023**

**Proposition No. P.2023/101**

**Policy & Resources Committee**

**Funding & Investment Plan**

**AMENDMENT**

Proposed by: Deputy Gavin A St Pier  
Seconded by: Deputy Simon PJ Vermeulen

To insert a new proposition as follows:

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- A. To agree that in order for the public finances to be placed on a sustainable footing, a wholesale, root-and-branch review of the tax system is required, to include consideration of all alternative sources of public revenue raising.
- B. To agree that a Tax Reform Committee ('TRC') should be established as a States' Investigation & Advisory Committee comprising:
- i) Five members elected by the States at the November 2023 States' meeting;
  - and
  - ii) Two Non-States' Members nominated by the TRC and approved by the States.
- And that the TRC shall elect one of the States' Members to act as chair.
- C. To direct the TRC to report back by 30<sup>th</sup> June 2026 with proposals and recommendations for tax reform that will ensure a tax system fit for the 21<sup>st</sup> century, taking into account:
- i) An ageing population with a declining workforce as a proportion of the whole;
  - ii) The need for intergenerational fairness;

- iii) The need for everyone to contribute towards the provision of public services enjoyed by all fairly according to their ability to do so;
- iv) The need for the burden on business to remain internationally competitive.

D. To direct the Policy & Resources Committee to reprioritise and make the necessary funding and resources available to the TRC to discharge their mandates.”

#### **Rule 4(1) Information**

- a. The proposition contributes to the States’ objectives and policy plans by delivering on the action in the Government Work Plan to agree a sustainable taxation policy.
- b. There has been consultation with various States Members.
- c. The proposition has been submitted to His Majesty’s Procureur for advice on any legal or constitutional implications.
- d. There are no additional funding costs associated with the review.

#### **Explanatory note**

The proposer and seconder believe that, rather than just adding to the current taxation system, a root and branch review is required looking beyond the requirement for sustainable finances and that this can only be done through the work of a special committee charged with that task.