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MINUTES OF A SPECIAL MEETING OF THE ELEVENTH ANGUILLA
EXECUTIVE COUNCIL HELD ON MONDAY 4TH JUNE 2018

PRESENT: His Excellency the Governor, Mr Timothy Foy, OBE

The Honourable Victor Banks, Chief Minister and Minister of Finance,
Economic Development, Commerce, Tourism and Information Technology

The Honourable Deputy Governor, Mr Perin Bradley

The Honourable Cora Richardson-Hodge, Minister of Home Affairs and Education

The Honourable Acting Attorney General, Mr Ivor Greene

Mrs Jewelle Fleming, Clerk to Executive Council

IN ATTENDANCE: Dr Aidan Harrigan, PS, FIN
Mr Kiel Connor, Comptroller, Inland Revenue
Mrs Shantelle Richardson, Director, Economic Planning
Mr Stephen Turnbull, Financial Specialist

ABSENT: The Honourable Evans Rogers, Minister of Health and Social Development, Lands
and Physical Planning

The Honourable Curtis Richardson, Minister of Infrastructure, Communications,
Utilities, Housing, Agriculture, Fisheries and Environment

The Honourable Attorney General, Mr John McKendrick QC

EX MIN 18/289 **EX MEM 18/154 VAT/GST REFORM**

The following persons remained in attendance:-

Dr Aidan Harrigan, PS, FIN
Mr Kiel Connor, Comptroller, Inland Revenue
Mrs Shantelle Richardson, Director, Economic Planning
Mr Stephen Turnbull, Financial Specialist

Further to EX MIN 18/268 of 24 May 2018, Council:-

- (i) was updated on the progress made in securing the Policy Based Loan. The policy conditions associated with the grant of approval were presented, including the implementation of GST;
- (ii) was aware that the commitment to implement GST was made prior, noting that the Medium Term Economic and Fiscal Plan 2016 – 2018 approved GST as a major reform;
- (iii) approved GST as an essential component of Tax Reform and agreed to phased implementation, focusing on:

Phase 1 – a revenue neutral reconfiguration of Customs Duties and Customs Service Charges into an Interim Goods Tax by 1st January 2019.

Phase 2 – introduction of a partial Services Tax covering hotel accommodation, electricity, communications and wholesalers by 1st January 2021.

Phase 3 – expansion of the Services Tax to include all other services by 1st January 2023.

- (iv) agreed that the UKG should be approached to fund key elements of the initiative to include: (a) a resident long-term GST Advisor; (b) the IT requirements including modernization of SIGTAS or its replacement and reprioritisation of the IT projects to 1a status; and
- (v) agreed that legislative amendments proposed by CARTAC relating to strengthening of the compliance function would be prepared by the Attorney General's Chambers and returned to Ex Co for approval. It was acknowledged that these would be forwarded to Legislative Council for first reading during June 2018.

Action: PS, FIN; PS, EDICTIT; PAS, FIN; CIR; DEP; BD; COC; DIR, DITES; CL, HOA; ACC GEN; HON AG; MINS OF GOV'T
