

# Final Report

Select Committee Established to Consider

Petitions of the Concerned Citizens on A Bill for Goods and Services Tax, 2021

July 23, 2021



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## Introduction and Background

1. On March 23<sup>rd</sup>, 2021 the Anguilla House of Assembly received two petitions from the Concerned Citizens of Anguilla. In accordance with the Legislative Assembly Procedure Rules, the Assembly resolved to establish a Select Committee to consider concerns expressed in the petitions. The concerns expressed in the petitions can be summarized as follows:
  - a. *“Demanded that the first reading of the Bill is removed from the agenda of the House of Assembly meeting on Tuesday 23<sup>rd</sup> March 2021”*
  - b. *“Objected in the strongest terms to the First reading of the Good and Services Tax Bill in the House of Assembly on Tuesday 23<sup>rd</sup> March 2021 or any attempt at the passage of the flawed and incomplete Good and Services Act **AND IN PARTICULAR OBJECT** to **its passing** during a pandemic when Anguilla’s economy has flat-lined;”*

The requests were framed within the context that:

- a. “the passing of the GST Legislation when there is no economy is unconscionable and uncaring”
- b. Anguillians are already dealing with the effects of a pandemic that has shuttered the tourism industry and left many unemployed and are still in the process of recovering from Hurricane Irma.

The petitions are included for reference in Appendix 1.

2. The Assembly resolved that:

*“The committee is to be comprised of five Members of the House supported by two “specialist advisers” agreed to by the Committee on recommendation from the petitioners. The Committee shall be established by Friday 23<sup>rd</sup> April, 2021 and the names of the Members and advisors to the Committee circulated to all concerned.”*

A copy of the resolution establishing the Committee is attached as Appendix 2.

The Committee is comprised of the following persons: Hon. Member for Valley North, Mr. Merrick Richardson (Chairperson), Hon. Single Island Wide Electoral District Member, Mrs. Quincia Gumbs- Marie, Hon. Single Island Wide Electoral District Member, Mr. Kenneth Hodge, Hon. Single Island Wide Electoral District Member, Mr. Kyle Hodge, and the Hon. Member for Valley South, Ms. Dee-Ann Kentish-Rogers.

3. Unfortunately, the Parliamentary Opposition decided not to serve on the Committee. This proved to be a limitation to the Committee’s work as discussed in paragraph 13. Likewise, the organisers of the petitions opted not to engage in the process. This was also a limitation to the work of the Committee and is discussed in paragraph 12. In the absence of recommendations from the organisers of the petitions, for persons to serve as expert advisors, and recognizing the value of having such persons support its work, the committee invited Dr. Wycliffe Fahie, Mr. David Carty and National Youth Ambassador, Ms. Glenneva Hodge to assist the Committee in that capacity.
4. Dr. Wycliffe Fahie is a doctor of economics and has significant experience in finance and taxation; Mr. David Carty was the Speaker of the Ninth Anguilla House of Assembly and served a total of eleven years as a legislator; and Ms. Glenneva Hodge served in her capacity as a Member of the National Youth Ambassador Corps and

youth representative. It is important to note that advisors to the Committee were not remunerated for their work.

5. The Committee commenced its work on 12<sup>th</sup> May, 2021 and concluded on 23<sup>rd</sup> July, 2021, the scheduled date for the report to be laid before the House. To guide its work, the Committee agreed on four broad objectives. These were:
  - a) To better understand the context surrounding the implementation of the Goods and Services Tax;
  - b) To assess the impact of the Goods and Services Tax on various sectors of the economy and the population on a whole;
  - c) To analyse the impact of Covid-19 on the economy, in particular as it relates to the formulation and implementation of Goods and Services Tax;
  - d) To produce an informed report including recommendations to the Government of Anguilla as it relates to the concerns of the petitioners.
  
6. The Committee met at a minimum of once weekly during the period to undertake its aforementioned programme of work. The meetings focused on the review of literature; establishing lines of inquiry to guide the conduct of public hearings; the submission of requests for written evidence; the planning and execution of public hearings; the review of evidence given orally and in writing; the identification of issues, recommendations and limitations; and, the review and approval of this report. In total the Committee met on sixteen (16) occasions.
  
7. The Committee reviewed a myriad of documents related to the subject at hand. These include but are not limited to:
  - a. A Bill for Goods and Services Tax Act, 2021;
  - b. The Government of Anguilla GST White Paper;
  - c. Government of Anguilla 2021 Budget Address, Analysis and Estimates of Recurrent Revenue, Expenditure and Capital;

- d. Fiscal Responsibility Act, 2013;
  - e. Government of Anguilla Medium Term and Economic Fiscal Plan 2018-2020;
  - f. Anguilla 44, A Vision for Prosperity: Goddard, March, 2021;
  - g. IMF Working Paper; Tax Administration Reforms in the Caribbean – Challenges, Achievements and Next Steps: Stephanie Schlotterbeck: April, 2017;
  - h. Alternatives to Goods and Services Tax, Goddard, July, 2021;
  - i. Reforming the system of indirect taxation: Anguilla Mission Report 2016, Caribbean Regional Technical Assistance Centre, 2016;
  - j. Anguilla Covid-19 Emergency Financial Aid Programme Memorandum of Understanding Between the UK Government and the Government of Anguilla, June, 2020.
8. The Committee issued a general request to the public for written submissions but did not receive any. The Committee also requested and received written evidence from the Ministry of Finance and the Department of Inland Revenue.
9. The lines of Inquiry focused on the following:
- a. Understanding the GST proposal and assessing persons understanding of the same;
  - b. Examining the rationale for Government's implementation of a Goods and Services Tax;
  - c. Assessing the impact of Covid-19 on the economy and on the assumptions upon which the GST model was originally developed;
  - d. Consideration of alternative GST models and of alternate revenue raising measures;
  - e. The Implications of implementing and not implementing GST;
  - f. The cost of implementing and administering GST to the Government of Anguilla;
  - g. The expected Revenue from the GST;
  - h. The anticipated direct and indirect impact of GST on the business sector;
  - i. The ongoing impact of Covid-19 on the economy;

j. The timing and implementation schedule for GST.

10. The Committee received oral evidence from the following persons based on the following schedule:

Name	Date	
Permanent Secretary Finance, Mrs. Kathleen Rogers	11 <sup>th</sup> June, 2021	In camera
Permanent Secretary Finance (Ag) Ms. Marisa Harding Hodge	30 <sup>th</sup> June, 2021	Public
Comptroller of Inland Revenue (Ag.) Mr. Lonnie Hobson		
Comptroller of Customs, Mr. Kiel Connor		
Goods and Services Tax Advisor, Mr. Peter Harries General Manager, Digicel Anguilla, Ms. Anne Parles	1 <sup>st</sup> July, 2021	Public
Representative of Anguilla Chamber of Commerce and Industry, Mr. Rolf Masshardt		
Chairman of Anguilla Financial Services Association, Mr. Steve Garlic		
Deputy Chairman of Anguilla Financial Services Association, Mr. Graham Crabtree		
Representative of the Anguilla Hotel and Tourism Association, Mr. Warren Buddle		
President of the Anguilla Bar Association, Ms. Merline Barrett	2 <sup>nd</sup> July, 2021	Public
Vice President of the Anguilla Bar Association, Ms. Eustella Fontane		
Chief Operating Officer of Massai Complex, Group of Companies, Mr. Elias Mkoba		
Director of Orchard Romney Beck, Mr. Gareth Orchard	2 <sup>nd</sup> July, 2021	Public
Mr. Myron Connor		
Principal, Blake Academy, Mr. Andrew Blake		
Mr. Patrick Mardenborough		
Director Social Security, Mr. Timothy Hodge	2 <sup>nd</sup> July, 2021	Public
Managing Director, D-3 Enterprises, Mr. Clement Ruan		
Principal of Clientell Consulting LLC, Ms. Melinda Goddard	5 <sup>th</sup> July, 2021	Public

## Limitations

11. The submission of the petitions and the formation of the Select Committee was the first of its kind in Anguilla's forty-five (45) year parliamentary history and a watershed in Anguilla's democracy. History and parliamentary practice demand that we set a high standard for the sake of good governance, transparency and accountability. It was a learning experience for the Members, Advisors, Committee Staff and the People of Anguilla in general. While there is much to be celebrated, the Committee recognizes that there are a number of areas that can be improved to create a roadmap for good practice in the future. This section highlighting limitations to the Committee's work is important for the record, so that going forward we can learn from the process. The areas listed below are particularly relevant as it relates to the support provided to the committee:

- a. It is necessary to establish a more efficient system for the generation of transcripts of public hearings; the current system relies on the work of Court Reporters who are otherwise engaged in their substantive posts and who, in addition to Committee transcripts, produce transcripts for the Assembly when in plenary.
- b. There is a need to outline clear processes in the House of Assembly Procedure Rules that set a requirement for Government to respond to Committee reports and the timeframe for the response.
- c. The Assembly needs to engage with the public to ensure that the public understands the Assembly and how it works, including the role of Committees.

12. The inclination of the organisers of the petitions not to engage with the process was unfortunate. The committee would have preferred to produce a more holistic report capturing both citizens *and* the organisers of the petitions. While the organisers did not participate, it is important to note that some petitioners gave evidence to the committee as witnesses. The resolution establishing the Committee required that



representatives of the Concerned Citizens sit as expert advisors on the Committee. This would have added tremendous value to the work of the Committee. The organisers refusal was based on the premise that the primary concern of the petitions was to prevent the First reading of the Bill, which progressed nonetheless. The Assembly in establishing the Committee, felt that the petitions expressed several other concerns that were worth addressing. These were the further progression of the Bill, the impact of the Bill on Anguillians, and the timing of the Bill and its implementation.

13. The parliamentary opposition opted not to engage in the process. House Committees should generally reflect the balance of the Assembly. In an ideal situation, the Committee would have been comprised of three Government Members and two Opposition Members. Without the parliamentary opposition, the public had difficulty distinguishing the work of the Committee (Legislature) from the work of the Government (Executive), as the Committee was primarily comprised of Government parliamentarians. The participation of the parliamentary opposition would have given the composition of the committee further balance. The elective absence of the Parliamentary Opposition may have undermined the public's perception of the Committee's objectivity. Government Members on the Committee also expressed feelings of conflict related to their roles on the executive and their membership on the Committee. It is regrettable that the parliamentary opposition did not participate in the work of the Select Committee. In small assemblies, it is imperative that all Parliamentarians engage when the need arises to ensure that the Assembly can efficiently carry out its mandate to the people who established it.
14. Some segments of the public held the opinion that the passage of the Bill was a "*fait accompli*" which if proven correct has implications for the work of the Committee. The Committee, concerned about this, wrote to the Premier requesting that, any further readings of the bill be delayed until the Committee is able to deliver its report. The Committee's letter to the Premier is included in this report as *Appendix 3*. This request was frustrated due to the GOA's commitments to the Foreign, Commonwealth and Development Office (FCDO) and the Caribbean Development Bank (CDB).

15. The Committee noted that there was an unwillingness of many potential witnesses to give evidence. This could have been due to the novelty of the Select Committee in Anguilla and or their fear of speaking out in a small community. This raises questions about the confidence of the people in the Assembly itself and in the governance processes of our democracy. Some cited their concern that, speaking out for or against the proposed tax may lead to recriminations to their businesses.
16. At the time of the hearings, the threshold and the rate were not known. Many witnesses expressed an inability to engage in meaningful discussion about the impact of the GST without this information. Government subsequently announced the threshold and the rates to be 300,000 XCD and 13% respectively and indicated its intention to have the primary legislation amended to include the same.
17. Due to the enormity of the task, the Committee felt that it needed more time, than the mandated three months, to undertake a more thorough examination of the concerns expressed by the petitioners.
18. The time issue was further complicated by the implementation of restrictions on movement and public gatherings as a result of a Covid-19 cluster detected in the community. Restrictions on movement and public gatherings were implemented on April 22<sup>nd</sup>; de-escalation of those measures, to a point that allowed the Committee to meet safely, was not until May 14<sup>th</sup>. The initial resolution establishing the Committee was agreed by the Assembly on March 23<sup>rd</sup>, it was amended on April 20<sup>th</sup> after receiving advice from the Honourable Attorney General regarding the language of the resolution and its implications. The Attorney General was concerned that the wording of the Resolution gave membership of the Committee to the Advisors and that such an act was contrary to good parliamentary practice.
19. The limited time and delayed start was further compounded by the inflexibility of Government's timeline for the passage of the Bill. The Government of Anguilla (GoA)

has commitments to the United Kingdom's Foreign, Commonwealth and Development Office (FCDO) and the Caribbean Development Bank (CDB) which require the enactment of the Bill for Goods and Services Tax by the end of July, 2021.

20. Recognising this particular limitation and the potential conflict with good practice that would arise if the Committee's Report was laid before the Assembly and the Bill was progressed within quick succession, the Committee wrote to the Hon Speaker on the matter and requested that its concerns be expressed to Hon Premier and Her Excellency the Governor. The letter to the Hon Speaker is included in this report as Appendix 4.

## **The Issues identified**

21. The following is a summary of the issues identified by the Committee based on the evidence provided oral and written.
22. Most of the witnesses with the exception of Public Officers and the GST Consultant were almost unanimous in their opposition to GST for various reasons. It is important that the Committee acknowledge this.
23. The Committee acknowledges the presentation of arguments by the Ministry of Finance on the need for reform of the tax system in Anguilla and the implementation of a broad based tax measure to ensure that the GoA can meet its obligations. The witnesses interviewed by the Committee, while acknowledging the need for government to meet its obligations, were not convinced that the current proposal for GST is the best solution for tax reform and for meeting Government's obligations. They cited the complexity of the proposal, the burden of compliance, the many details left for secondary legislation and the need for government to consider other options as reasons for their opposition.
24. The passage of the Bill is tied to obligations held by the Government of Anguilla to the Caribbean Development Bank (CDB) and commitments given to the United Kingdom Government, as part of the Anguilla Covid-19 Emergency Financial Aid Programme, which was signed on June 11<sup>th</sup>, 2020. The GoA, in its Memorandum of Understanding with the United Kingdom Government, committed to maintain progress on the implementation of the Goods and Services Tax. Additionally, the Government of Anguilla negotiated a Policy based Loan with the CDB. Government would have committed to a schedule for the implementation of a GST as a precondition for the release of funds. Twenty (20) million dollars of those funds are scheduled for payment in 2021. These funds formed a key part of revenue assumptions in the 2021 revenue estimates of 244,251,690 XCD. Revenue from the CDB loan is critical to the GoA's

budget, as revenue collection continues to be hamstrung by the global Covid-19 pandemic.

25. The Government of Anguilla is in a precarious Fiscal Position particularly as it relates to its obligations under the Fiscal Responsibility Act and the Banking Resolution Obligations Act. The committee notes the Report of the Public Accounts Committee on the Government of Anguilla Fiscal Standing and Obligations published in October 2019 and urges the Government of Anguilla to revisit and embrace its recommendations.
26. The availability of sufficient data to base the GST assumptions was identified as an issue. With the Passage of Hurricane Irma in 2017, the COVID-19 Pandemic and their ongoing impacts on the economy, the data upon which the assumptions may have been made has become even more unreliable. No detailed studies have been conducted that would have assessed the impact of Hurricane Irma and Covid-19 on the economy.
27. The petitioners are concerned that the timing of the GST is poor. Considering the impact of Hurricane Irma and Covid-19; shrinking Government revenues; the number of persons that have applied for Social security unemployment benefits post Irma and during the Covid-19 pandemic. Their arguments have some merit. Witnesses appearing before the Committee were concerned that the implementation of GST may further compound the hardship that is being faced by Angullians.
28. The committee notes that the GST and any tax measure in general is tied to addressing gaps related to the cost of government services and in Anguilla's case, debt servicing. An obvious fix may appear to be, to reduce the cost of public services; the implications of doing this though, must be examined carefully so as to mitigate any unintended consequences.

29. Concerns were raised about whether the Inland Revenue Department (IRD) is positioned to administer the GST, particularly as it relates to refunds, collections, registration of taxpayers, audit, among other things and whether the associated cost of readying the IRD is good value for money. It was noted that the mandated budgetary reduction to 2019 levels as a part of the Covid-19 Financial Aid Programme between the UK Government and the Government of Anguilla would have undoubtedly had an impact on IRD readiness.
30. There are too many important elements of the GST left for secondary legislation. These include among other things the threshold and the rate. Witnesses felt that this relegated too many things to the discretion of the Minister and that it undermines the public's desire for transparency in Government. At the time of the hearings, the threshold and the rate had not been confirmed. Witnesses were concerned that without this important information, it was difficult to undertake a proper analysis of the impact of the GST.
31. Witnesses were concerned that additional costs to business, particularly in accounting, may be incurred by the implementation of GST. Concern was also expressed that without a thorough understanding of GST, many businesses may be unwittingly criminalized. They were concerned that GST will change their way of doing business and that it is culturally intrusive. There was a presumption that the IRD will have a heavy hand in the enforcement of severe and culturally offensive penalties in the legislation.
32. There is a perception that the implementation of GST may cause a cascading effect as it relates to prices at the counter and that businesses may pass on any additional costs real or imagined to the consumer. Witnesses were concerned about moving forward with GST without price control measures being in place.
33. The public does not have a clear understanding of the proposal and the details of GST. Based on the evidence given and public commentary surrounding the hearings,

it is apparent that there is a significant knowledge gap. The Committee notes that the process it engaged in was a learning experience for Members, and though the focus of the process was not on the education of the public, the Committee hopes that the process also served to assist the public in gaining a better understanding of the GST proposal.

34. Witnesses would have consistently said no to GST and maintained that it was not an ideal time for the levy of a GST. At the the same time they acknowledged the need for Government to be able to meet its obligations. The committee noted from the hearings, numerous recommendations on alternatives to GST including but not limited to:

- a. Increase the tax on cigarettes,
- b. Increase customs duty,
- c. Increase duty on alcohol,
- d. Find alternative taxes that people actually want to pay,
- e. Seek to increase foreign direct investment,
- f. Focus on balancing the budget,
- g. Implement a sales tax,
- h. Tax Western Union and MoneyGram transactions,
- i. Promote population growth,
- j. Diversify the economy,
- k. Collect taxes that are already outstanding,
- l. Repeal and replace GST with Balanced Budget Legislation.

The final day of the public hearings, was dedicated to a presentation by Mrs. Melinda Goddard of Clientell Consulting, on alternatives to GST. While the Committee did not set out to identify alternatives, it believes that if the wishes of the people of Anguilla are to be respected, the search for alternatives to GST and the timing for the implementation of the alternatives, must be an integral part of the Government of Anguilla's tax reform agenda.

## The Recommendations

35. Two opinion streams were clear throughout the Committee's work; Government feels that it must move forward with GST and the people felt that Government should find an alternative and implement it at a "better time". The recommendations of the Committee are structured around these two opinions as well as a general set of recommendations.
36. The Committee recommends that if the Government of Anguilla does not progress with the implementation of GST it must:
- a. **Re-examine the proposal for GST.** Government must seek to find an alternative that is simpler, equitable, more efficient and less intrusive to replace the model being progressed. This must be part of a broader fiscal policy. The objective of this broader fiscal policy should be to ensure the stability of Anguilla's finances and to enable the government of Anguilla to meet its current and future financial obligations while at the same time supporting the ability of Anguillians and Anguillian businesses to meet their own needs and aspirations.
  - b. **Revisit its own budget and urgently undertake the implementation of meaningful budgetary cuts.** During this difficult period, the GoA must demonstrate its own commitment to the principle of shared sacrifice. The Committee is of the opinion that it is unfair and indeed destabilising to expect a frail and weakened private sector to bear the full burden of the Government's shortfall on its own. This applies if it does and if it does not.
37. If the Government of Anguilla progresses with the implementation of GST it must:
- a. **Address the data gap.** Government must examine the assumptions upon which the current GST model was developed to verify their validity post Irma and amid a devastating health pandemic. It must test those assumptions to verify their strength



in the face of future shock of a similar or more extreme form. This must be done before implementation of GST or any other alternative.

- b. **Implement a robust education plan:** Priority must be placed on ensuring that there is a clear understanding, by all concerned, of the proposal. A clear strategy for ongoing taxpayer education must be developed and implemented by the Inland Revenue Department. This will address the concerns about compliance and unintentional criminilisation.
- c. **Consider the impact on the people of Anguilla.** The Committee recommends the commissioning of a socio-cultural impact assessment, to analyse the impact of the proposed GST or any other alternative measure on the people of Anguilla. The Committee notes that it is Government's policy to conduct environmental impact assessments before granting approval for large developments, which may potentially affect the natural environment. These assessments normally contain a social impact component. The Committee feels strongly that a similar approach should be taken with major policy decisions, such as tax reform.
- d. **Ensure IRD readiness.** The IRD must be positioned to administer the GST as intended. The GoA should conduct an audit of IRD to assess its readiness and as a matter of priority, ensure that any recommendations of this audit are followed through.

**38. Revisit the Report of the Public Accounts Committee Inquiry into Government's Financial Standing and Obligations published October 31<sup>st</sup>, 2019.** The GoA should revisit the recommendations of the PAC and prioritise the implementation of the relevant recommendations.

**39. The Anguilla House of Assembly should extend the life of the Select Committee** and widen its mandate to include the consideration of alternatives to GST; to examine

parts of the legislation that leave people and the business community particularly vulnerable and to propose amendments to the Assembly on the same.

40. **The Anguilla House of Assembly must engage in further outreach** to ensure that its constituents understand how the Assembly and its Committees work. This is critical if the Assembly is to build the confidence and trust of its constituents. The Committee endorses the recommendation of the CPA Benchmark Assessment:

*“RECOMMENDATION 18*

*A range of outreach activities, including integrating civic education into the school curriculum could be explored that works to increase public engagement with the House but that importantly, instils the fundamental importance of the institution of parliament to democracy in Anguilla.”*

41. **The House Services Department must seek to further develop its capacity to provide the administrative and technical support required for House committees to function.** The work of Committees is critical to the Assembly. Appropriate support will ensure that Committees the Assembly establishes, are supported to a level that allows them to achieve their mandate and respond to the dynamic nature of the legislative environment. In particular, the Committee recommends that the House Services Department establish a more efficient system for the generation of transcripts of public hearings. The current system relies on the work of Court Reporters who are otherwise engaged in their substantive posts and who, in addition to Committee transcripts, produce transcripts for the Assembly when in plenary.



Hon Merrick Richardson

Chairperson

## Appendix 1 – Petitions of the Concerned Citizens

### ***CONCERNED CITIZENS OF ANGUILLA***

#### **WE THE PEOPLE**

**OBJECT** in the strongest terms to the First Reading of the Goods and Services Tax Bill in the House of Assembly on Tuesday, 23<sup>rd</sup> March 2021 or any attempt at the passage of the flawed and incomplete Goods and Services Act **AND IN PARTICULAR OBJECT** to its passing during a pandemic when Anguilla's economy has flat-lined;

**DEMAND** that the voices of our People whose signatures appear below be **RESPECTED** both by the Government of Anguilla and by the British Government and that the First Reading of the Bill is removed from the agenda for the House of Assembly Meeting on Tuesday, 23<sup>rd</sup> March 2021;

**WE THE PEOPLE ASSERT THAT THE PASSING OF THE GST** Legislation when there is no economy is unconscionable and uncaring.

**WE HERETO SET OUR SIGNATURES BELOW:**

## ***CONCERNED CITIZENS OF ANGUILLA***

### **WE THE PEOPLE**

**NOTE** THAT THERE HAS BEEN IN THE MIDST OF THE COVID PANDEMIC A SERIES OF INCREASED TAXATION THAT HAVE BEEN LEVELLED ON THE PEOPLE OF ANGUILLA INCLUDING INCREASED TAXES AT THE HOSPITAL, ELECTRICITY, WATER, AND THE PORTS ALL OF WHICH HAVE NEGATIVELY IMPACTED THE LIVELIHOODS OF ANGUILLIANS ESPECIALLY SINCE THE PANDEMIC HAS LEFT A SIGNIFICANT PERCENTAGE OF THE POPULATION UNEMPLOYED, MANY OF WHOM HAVE NOT RECOVERED SINCE THE DESTRUCTIVE HURRICANE IRMA OF 2017 AND WHO HAVE NO IMMEDIATE PROSPECT OF EMPLOYMENT IN OUR SINGLE DRIVEN TOURISM ECONOMY

**SAY NO TO THE FIRST READING OF GST AND ITS IMPLEMENTATION AT THIS TIME!**

**SAY WE CANNOT ACCEPT FURTHER TAXES SINCE WE ALREADY HAVE INCREASED HOSPITAL FEES, INCREASED WATER AND ELECTRICITY COSTS, INCREASED PORT FEES AND CUSTOMS DUTIES AND NO JOBS. THE GST TAX MUST NOT BE INTRODUCED DURING A PANDEMIC. IT WILL DESTROY US AS A PEOPLE AND OUR ECONOMY.**

**OPPOSE THE GST TAX AT THIS TIME!**

**WE THE PEOPLE ASSERT THAT THE PASSING OF THE GST LEGISLATION WHEN THERE IS NO ECONOMY IS UNCONSCIONABLE AND UNCARING.**

**WE HERETO SET OUR SIGNATURES BELOW:**



## THE ANGUILLA HOUSE OF ASSEMBLY

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### RESOLUTION

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#### MOTION 7/2021 -1/12HOA

#### AMENDMENT OF MOTION 6/2021 -1/12HOA ESTABLISHMENT OF SELECT COMMITTEE TO CONSIDER PETITIONS OF CONCERNED CITIZENS

**WHEREAS** at the Eighteenth Meeting of the First Session of the Twelfth Anguilla House of Assembly, the Assembly resolved to establish a Select Committee to consider the petitions of the “Concerned Citizens” regarding the progression of the Bill for Goods and Services Tax Act and;

**WHEREAS** the language of the resolution does not accurately convey the intent of the motion nor the requirements of the Rules regarding membership of the Select Committee and; the language therein may imply that membership of the committee includes non-members of the Assembly and;

**HAVING CONSIDERED** advice tendered by the Honourable Attorney General on the matter.

**BE IT HEREBY RESOLVED** that Motion 6/2021–1/12HOA be amended as follows:

1. By deleting the following:

“The Committee is to be comprised of at least four members of the House along with two Members of the public agreed to by the Committee on recommendation from the petitioners.

The Committee shall be established by Tuesday 30 March and the names of the Members of the Committee circulated to all concerned.”

and replacing it with:

“The committee is to be comprised of five members of the House supported by two “specialist advisers” agreed to by the Committee on recommendation from the petitioners.

The Committee shall be established by Friday 23<sup>rd</sup> April, 2021 and the names of the Members of and advisors to the Committee circulated to all concerned.”

Barbara Webster-Bourne  
*Speaker*

Passed by Resolution of the House of Assembly this 20<sup>th</sup> day of **April, 2021**

Lenox J. Proctor  
*Clerk, House of Assembly*

## Appendix 3: Letter to Premier

### Select Committee Petitions on Goods and Services Tax Act The Anguilla House of Assembly



Atlin Noraldo Harrigan O.B.E. Parliamentary Building  
P.O. Box 60  
The Valley, Anguilla

11<sup>th</sup> June, 2021

Hon. Premier of Anguilla and Minister of Finance  
Dr. Ellis Lorenzo Webster  
The Secretariat  
The Valley  
ANGUILLA

Dear Dr. Webster,

On March 23<sup>rd</sup>, 2021 the Anguilla House of Assembly established a Select Committee to consider concerns expressed in two petitions brought to the Assembly on behalf of the Concerned Citizens. The petitions among other things, have requested that the Assembly does not pass the bill for Goods and Services Tax Act, 2021.

The Committee has agreed on a Work Programme that spans approximately three months. The Work Programme is based on four objectives, namely:

1. To better understand the context surrounding the implementation of Goods and Services Tax.
2. To assess the impact of the Goods and Services Tax on various sectors of the economy and the population on a whole.
3. To analyse the impact of Covid-19 on the economy, in particular as it relates to the formulation and implementation of Goods and Services Tax.
4. To produce an informed report including recommendations to the Government of Anguilla as it relates to the concerns of the petitioners.

Based on this Work Programme, the Committee has committed to report its findings to the Assembly by July 27<sup>th</sup> 2021.

Mindful of the commitments that the Government of Anguilla would have made to the UK Government, as well as the mandate given to the Committee by the Assembly to:

*“Consider the requests made in this petition and deliver a report to this Honourable House within three months.”*

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<http://www.gov.ai>

[www.facebook.com/HoAAnguilla](http://www.facebook.com/HoAAnguilla)

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11<sup>th</sup> June, 2021

We humbly ask that any further readings of the bill be placed on hold until the Committee has delivered its findings to the Assembly.

Regards,



Merrick Richardson  
Chairperson

cc: Hon Speaker of the House of Assembly  
Members of Select Committee



## Appendix 4 – Letter to Speaker

### Select Committee Petitions on Goods and Services Tax Act The Anguilla House of Assembly



Atlin Noraldo Harrigan O.B.E. Parliamentary Building  
P.O. Box 60  
The Valley, Anguilla

30<sup>th</sup> June 2021

Hon Mrs. Barbara Webster-Bourne  
Speaker of the House of Assembly  
Office of the Speaker  
Anguilla House of Assembly  
The Valley  
ANGUILLA

Dear Madam Speaker,

On Friday 25<sup>th</sup> June 2021, the Select Committee established to examine the concerns expressed in two petitions made to the Assembly by the "Concerned Citizens" reported to the Assembly the details of its Work Programme. The resolution establishing the Committee, dated 23<sup>rd</sup> March 2021, gave the Committee three months to accomplish its work and to report its findings to the Assembly. Due to the one-month restriction on movement and gatherings implemented in response to Covid-19, the committee will not be able to deliver its mandate within the initial scheduled timeframe and has rescheduled the delivery of its report to the Assembly for **July 27<sup>th</sup> 2021**.

The Committee understands that it is the intention of Government to move for the second and third readings of the Bill for Goods and Services Tax, 2021 by the end of July. This creates a situation whereby the Bill will be progressed immediately after the delivery of the Report of the Committee. It is the position of the Committee that this does not allow adequate time for Members of the Assembly, Government and other stakeholders to consider its findings.

Rule 73 of the Legislative (Procedure) Assembly Rules obliges the Assembly to refer to the Practice of the House of Commons of the Parliament of Great Britain and Northern Ireland in all cases not provided for in the Rules or Constitution. The practice of the House of Commons is that Government responds to reports of the Select Committees within two months. It is also the practice of the House of Commons that Bills are not progressed while they are under consideration by a Committee of the House. While two months may not be practical, considering the urgency of the situation, a period of two weeks to one month may be more appropriate.

This Select Committee is the first of its kind in Anguilla's parliamentary history. It is very important that we get it right if we are to build the confidence of the people in their Assembly and its processes. It would not reflect well on the work of the Committee nor on good governance, if the second and third readings of the Bill progressed immediately

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following the delivery of the Committee's report without due consideration given to the same. Additionally, we are concerned that such a move may be interpreted as blatant disregard for the concerns of the petitioners and the work of the Committee; this may be used as an excuse to ferment civil unrest targeted at the Assembly.

We are aware of the urgency and the implications surrounding this matter and the committee is proceeding in an expeditious manner to ensure that it completes its work on the agreed date. The principles of good governance demand that the work of the committee and by extension its role as conduit to the voice of the people of Anguilla must be respected. It is easy to stand on principle when things are easy, but standing on principle when times are hard is the true test of integrity.

In an era where good governance is constantly under attack, the work of this committee represents an opportunity to deepen the democratic process in Anguilla in a substantive and meaningful way. The Committee trusts that these considerations weigh heavily enough to justify an amendment to the current schedule.

The committee is requesting that, through your office, its concerns are expressed to Her Excellency the Governor; and to the Honourable Premier and Leader of Government Business.

Respectfully,



Merrick Richardson  
Chairperson

**cc:** Members of Select Committee

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