P.2026/49 Amdt 19

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

**15th July 2026**

**Proposition No. 2026/49**

**Policy & Resources Committee**

**Tax Reform 2026**

# AMENDMENT

Proposed by: Deputy D Goy
Seconded by: Deputy A Matthews

At the end of Proposition 1 insert the words ", subject to excluding the following:

"a) the introduction of a goods and services tax;
b) the changes to social security contributions;
c) the introduction of new, and changes to, transport taxes".

**Rule 4(1) Information**

a. The proposition contributes to the Staes' objectives and policy plans by ensuring Guernsey's tax system remains fair and just.

b. There has been no consultation with the Policy & Resources Committee.

c. The proposition has been submitted to His Majesty's Procureur for advice on any legal or constitutional implications.

d. The financial implications of carrying out this amendment would be to reduce the potential revenue raised by the States.

e. Drafting advice has been sought from the States Greffier.

**Explanatory note**

This amendment seeks to modify the Policy & Resources Committee's Tax Reform package by removing three of its most regressive and broad-based measures: the introduction of a

Goods and Services Tax (GST), the proposed increases to Social Security contributions, and the introduction of new or revised transport taxes.

There is no dispute that Guernsey faces significant long-term structural and fiscal challenges. However, addressing those challenges through blunt, broad-based measures such as a consumption tax, higher Social Security contributions, and transport taxes that indiscriminately affect the vast majority of vehicle owners places an unacceptable financial burden on middle-income households and ordinary working families.

These measures would immediately reduce the disposable income of ordinary families, add to inflationary pressures, and increase the cost of living, while failing to address the underlying issue of structural under-contribution by those with the greatest economic capacity.

Sound fiscal stewardship requires the States to address existing gaps in the tax system and ensure that those with the greatest economic capacity make a proportionate contribution before asking ordinary islanders to bear substantial new costs.

By removing these three elements, this amendment rejects a high-tax approach for the general public. Instead, it affirms that any future revenue-raising measures should prioritise fairness, structural integrity, and proportionate contribution based on genuine economic capacity.