

Channel Islands' VAT abuse - good news but not good eno...

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The Budget says:

The Government will reduce the Low Value Consignment Relief (LVCR) threshold from £18 to £15 from November 2011. In addition, the Government will explore options with the European Commission to limit the scope of the relief so that it can no longer be exploited for a purpose it was not intended for. The Government will also revisit the level of the LVCR in Budget 2012, if discussions with the European Commission do not produce a workable solution to the problem of exploitation of the relief.

That's good news.

But it's not good enough. This allows vast amounts of abuse to continue - on almost all music for example.

Unless the government is intent on stopping the round tripping of goods in the next year then this is token gesturism.

I sincerely hope that is not true.