

Channel Island's VAT abused to be ended?

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[From the BBC today:](#)

A debate in the House of Lords gained cross-party support to close a VAT loophole which costs the UK government £130m each year in lost tax.

The peer behind the motion, Lord Ralph Lucas, branded the industry a "smuggling enterprise".

The Commercial Secretary to the Treasury, Lord Sassoon, said changes to the loophole would be announced in the budget later this month.

More than 1,000 people work in the industry in the Channel Islands.

Many more jobs have been lost in the UK High Street.

And [as the Guardian reports:](#)

Treasury minister Lord Sassoon told the Lords: "We are committed to tackling [tax avoidance](#) and, in that context, we hope to be in a position to announce possible changes to the operation of LVCR [low-value consignment relief] in the budget".

It looks like Richard Allen's tireless campaign to end this abuse might be achieving its goal.

I sincerely hope so.

It will be another nail in the coffin of the Jersey and Guernsey tax havens.