

# Channel Islands' VAT abuse continues

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From the [Channel Online TV](#):

*Online greeting card company Funkypigeon could soon become the latest fulfilment business to set up in Guernsey.*

*The business is recruiting on the island, but they will not yet discuss why they want to make the move over the Channel.*

*One reason could be that rules on Low Value Consignment Relief or LVCR mean their goods would be exempt from VAT, but that is not something the States encourage.*

Three things are clear:

- a) Osborne's announcements clearly aren't having an impact.
- b) The 'not encouraging' stance of the States is toothless.
- c) Radical action to stop this abuse is now needed.

Will Osborne deliver? Who knows?