

Tax abuse costs people everywhere their jobs, their fut...

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As [International Tax Review](#) has reported:

Online retailer Play.com has shut down its once profitable Jersey business, which thrived because of the low value consignment relief (LVCR) VAT loophole. The move is a blow to the Channel Islands' economy, but has been welcomed by UK businesses undercut by their offshore rivals.

Play.com will no longer sell directly to customers, becoming more of a marketplace as it makes all of its 147 staff in Jersey redundant and consolidates its operations in Cambridge.

"Moving forward we are intending to focus exclusively on our successful marketplace, which is our main business area, and to phase out the direct-retail part of our business," a spokesman for the company said.

I think this is a little disingenuous. LVCR closed in April last year. It was blatant and aggressive tax avoidance. It undermined the UK economy, distorted competition, reduced UK tax take, destroyed UK jobs and denuded the UK High Street of shops. It harmed the music industry. And all to make those willing to get round the law better off. And now that it has gone the appeal of Jersey - which I and others like Richard Allen at RAVAS always said was completely artificial and solely tax based - has gone.

So be it. I'm sorry for those who have lost their jobs. I am more sorry for the harm caused before LVCR was stopped. Tax abuse costs people everywhere their jobs, their futures and their public services. It's time that was appreciated. This case proves it.