

This leaflet is one of a series produced by the States of Jersey Income Tax Office to explain various aspects of Jersey's new Goods and Services Tax (GST).

Whilst care has been taken in its preparation, readers are advised to consult the Goods and Services Tax (Jersey) Law 2007 and the GST Regulations for authoritative text. In cases of conflicting interpretation, the legislation takes precedence.

How can I get further help?

The Comptroller Income Tax, who is the official responsible for the administration of GST in Jersey, welcomes direct approaches from the business community and the general public. A dedicated GST Help Desk has therefore been established to deal with GST enquiries. Help Desk officers can provide general advice and guidance, or arrange for your enquiry to be answered by a GST specialist. They can be contacted by telephone on 440555 during office hours, by fax on 737978, by e-mail jsytax@jerseymail.co.uk or you can write to:

The GST Help Desk,
GST Department,
States of Jersey Income Tax Office,
Cyril Le Marquand House,
P.O. Box 56,
The Parade,
St Helier,
Jersey.

GST information material is available also on the States website www.gov.je

You do not need to be registered, or liable to be registered, to take advantage of this service.

JERSEY'S GOODS AND SERVICES TAX (GST) BURIAL AND CREMATION OF THE DEAD



Introduction

In response to submissions made during public consultation on Jersey's Goods and Services Tax (GST), the States has decided to provide for an exemption on funeral expenses in order to lessen the tax burden on the bereaved at a time of emotional distress.

The exemption is made by a Regulation amending Schedule 5, under Article 48 of the Goods and Services Tax (Jersey) Law 2007 and will apply to certain costs associated with the burial or cremation of the dead, including burial at sea.

Under normal circumstances, GST is charged to consumers at a rate of three per cent on goods and services provided for use or benefit in the Island. Exemption provides relief from payment of the tax.

Persons making only exempt supplies are not required to register for GST and may not charge GST on their goods and services. However, unlike GST-registered persons, they are not able to reclaim any GST they incur on their business expenses.

What costs will be exempt?

The Regulation covers:

- the disposal of the remains of the dead;
- the making of arrangements for, or in connection with, the disposal of the remains of the dead; and
- the services of one undertaker to another in connection with a specific funeral.

The following goods and services will be exempt from GST when provided by an undertaker or funeral director as part of a funeral package relating to the disposal of the remains of the dead:

- the supply of a coffin;
- the cover and fittings for a coffin;
- the casket, or urn;
- embalming;
- the digging, preparation and refilling of graves;
- the transport of the deceased to the burial ground or crematorium;
- the shroud or robe;
- use of a chapel of rest;
- provision of bearers;
- transport of mourners in the undertaker's or funeral director's limousines; and
- bell tolling and music at the funeral.

The following services provided by undertakers and funeral directors will be exempt in cases where the body has been released from the mortuary to a bereaved family to arrange the funeral:

- embalming;
- use of a chapel of rest;
- the digging, preparation and refilling of graves;
- burial or cremation; and
- the interment of ashes.

Exemption under these circumstances will apply, regardless of whether the service is provided direct to the bereaved, or to a third party, such as another undertaker, or funeral director.

What costs will not be exempt?

The provisions for exemption, as outlined above, apply only to the disposal of the remains of humans. The burial or disposal of animals is standard rated for the purposes of GST.

Some services, such as the provision of commemorative flowers and headstones are also not covered by exemptions and are liable to be charged at the standard rate of GST when supplied by a GST-registered business.

How can I find out more about GST?

Copies of the Goods and Services Tax (Jersey) Law, 2007 and the GST Regulations are available for inspection at the States Bookshop, the Customer Service Centre at Cyril Le Marquand House in The Parade, St Helier, the Public Library and can be viewed and downloaded from the States website www.gov.je.

The States of Jersey Income Tax Office is also publishing a series of information leaflets to assist the business community and the general public. Among those that might be of particular interest are:

- A guide to Jersey's GST Law
- A guide to the GST Regulations
- An introduction to Jersey's GST for businesses
- GST and the Consumer
- GST: Books and records to be kept
- GST: Visits by Tax officers
- A quick guide to Jersey's GST

These can be obtained from the Customer Service Centre at Cyril Le Marquand House, or viewed on the States website.