STATES OF JERSEY

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GOODS AND SERVICES TAX: EXEMPT OR ZERO-RATED ITEMS (P.86/2006) - COMMENTS

Presented to the States 16th October 2006 by the Minister for Treasury and Resources

SUMMARY

States Members are being asked for a third time to change their view about how our new Goods and Services Tax (GST) should be applied and how it can best be designed to suit Jersey's needs. On the two previous occasions, Members overwhelmingly made their views clear – they favoured a simple tax. They are now being asked, once more, to reconsider.

This summary sets out the main points in response to the renewed proposal for exemptions which are considered in more detail in the attached paper:

- It is easy to suppose that by excluding essential everyday items such as food and children's clothes, we will significantly reduce the extra financial burden on people who are less well off. In fact, the evidence is clear that by accepting the proposed list of exemptions now before Members we will provide little or no benefit to the people we seek to help.
- It has always been intended that GST will be part of a progressive package of measures. This means that higher earners will carry a bigger share of the overall tax burden. This package of measures includes a comprehensive system of Income Support which will enable us to channel financial support to those who need it most.

  This Income Support scheme will fully and effectively insulate those on low incomes from the effect of GST.
- If the tax rate is kept at 3% it will be the lowest in the world. If all the exclusions were accepted then to achieve the same target yield of £45 million the rate will have to be increased to 4%.
- The proposed exclusions would double the cost of administering the scheme (from £1m to £2m) and double the number of civil servants required (from 10 to 20). The exclusions would also significantly increase the administrative burden on business, which is likely to be passed on to consumers through increased prices.
- The list of eight exclusions appears very much to replicate the UK VAT system which was introduced in April 1973. The UK system is widely regarded as one of the most complicated and worst systems of GST/VAT in the world.
- The proposed exclusions would complicate what the States intended and indeed approved the modern "simple" form of a GST system. This simple system was overwhelmingly accepted by the States following a period of public consultation in 2004. That States decision reflected the feedback from the public in the consultative process.
- It is not just Jersey that has reached this conclusion. All countries currently considering the implementation of a GST/VAT, and going through the same process, have arrived at the same preferred "simple" option. For example, Hong Kong, Malaysia, Bahamas and Dubai are at different stages on the way to GST, but all have discounted the UK/European style system in favour of the New Zealand/Singapore "simple" model, which is now generally regarded as best practice.

- Finally, bringing in GST in a small jurisdiction such as Jersey is a very major change with huge implications for the whole community – especially for local businesses. A simple, broad-based GST will be easier for everyone to use. This is not a decision which is incapable of subsequent revision. If the States in future finds that the system is not working as it would wish, then that will be the time to contemplate change or exclusions. The fatal, but well-meaning mistake would be to believe that we could simply introduce a tax on items in the future which today might be excluded, without incurring significant public opposition.
- All the reasons for the rejection of such exceptions on previous occasions remain equally valid today, and Members should reconfirm their previous decisions and reject this Proposition.

REPORT

Background

In 2004 the States agreed major changes to Jersey's tax structure - a reduction in the general rate of tax on corporate profits, from the current 20 per cent rate to a rate of zero per cent for most companies, but with a higher (and yet internationally competitive) rate of ten per cent for financial services providers.

These changes, known as "zero/ten," are vital to secure the economic future for the Island. They will enable European Union demands for non-discriminatory company taxes to be met, whilst combating competition from other business centres to attract the highly mobile and economically important financial services industry away from the Island.

However, the overall effect of "zero/ten" will be to reduce Jersey's future annual tax revenue by approximately £80-£100 million. The main impact of this will be felt in 2010 and the full effect by 2012.

In order to fill this anticipated 'revenue gap' the States agreed a package of measures that included:

- restrictions on States spending
- an economic growth plan
- an Income Tax Instalment System
- legislation to ensure that shareholders in zero per cent companies would ultimately pay personal Income Tax on their share of profits
- a phasing out of certain Income Tax allowances for higher income groups
- the introduction of a Goods and Services Tax (GST), and
- a revised Income Support system

The overall effect of this package, because of the Income Support scheme and the phasing out of income tax allowances for those on higher incomes, is progressive.

Previous Attempts to Propose Exclusions

Projet 86/2006 is not the first attempt to exclude items from GST coverage. States Members will recall two previous attempts during the past 18 months – one in May 2005 (P.44/2005 Amendment) and the other in September 2005 (P.165/2005). Both proposals were overwhelmingly defeated. It is worth rehearsing why States Members decided so convincingly they wanted a low-rate, broad-based and simple GST.

Why Choose a Simple Goods and Services Tax (GST)?

A **simple** GST is one that has a broad base and a single positive rate. It requires few zero rates (other than for exports and international transport of goods and persons, the supply of residential accommodation); few exemptions (beyond the usual ones for small traders, the financial sector, postal services, etc); and an invoice-based collection and administration system, with as few special schemes as possible.

Being a tax with a single positive rate, the simple GST minimises the costs of compliance for the traders and suppliers. The costs of administration for the States of Jersey and the Income Tax Office (ITO) are also low because of the built-in self-policing character of the tax implicit in the input tax credits only against output taxes.

The simple GST also ensures that the effective burden of the tax on the consumer is exactly the same as the nominal rate of the tax and the customer knows exactly what he is being charged by way of GST. The tax therefore treats all consumers fairly.

A simple GST treats all businesses uniformly, with minimum deviations, and thus minimises the distortions in the allocation of resources in the economy. It also maximises the revenue yield for the government at the lowest possible tax rate.

A **complicated** GST, on the other hand, is one that consists of many more zero ratings, exemptions and special schemes, all of which tend to narrow the tax base, complicate tax administration and make tax compliance cumbersome and costly.

Traders with a mixture of sales of zero-rated, exempt, and taxable supplies have to keep separate accounts for each of these categories of sales, imposing on them a significant additional burden of compliance. Such traders can also easily be tempted to evade taxes on their taxable supplies.

Extensive zero ratings and exemptions generate continuing pressures from taxable sectors for equity and therefore zero ratings, exemptions, or special treatments for them as well.

By virtue of its narrower tax base, the complicated GST also requires a higher rate to yield a given amount of revenue than does a simple broad-based GST - i.e. fewer items attract a higher rate of tax to achieve the same revenue yield.

Many countries have, therefore, attempted to adopt a simple GST, with as few exclusions and exemptions as possible, in order to make the tax a truly broad-based tax on domestic consumption, with no differentiation in the tax rates, other than the introduction of a zero rate for very limited categories of items.

The GSTs of Singapore and New Zealand represent by far the best examples of a simple GST while Value Added Tax (VAT) in the United Kingdom is an example of a complicated GST. The items for exclusion listed in this Proposition are essentially 'lifted' from the UK model.

The main reason for the complications in the United Kingdom system is that it attempts to provide relief to lower income groups by zero rating food and children's clothing - which is known to be an extremely poor instrument of relief, especially when compared with an income support system appropriately tailored to compensate the lower income groups for the burden of GST. Zero rating items such as food and children's clothing is a crude blanket application. Even those on higher incomes, including the very rich would benefit. Exemptions are therefore not effectively targeted to those who need assistance from the effects of GST, those on lower incomes.

An income support system is a superior and far more effective instrument of relief than a system of tax exclusions. It is targeted; it is not susceptible to abuse; and its budgetary cost is transparent and known with a degree of certainty.

A GST based on the United Kingdom model would also be far more cumbersome and costly both in administration and in compliance.

It is therefore recommended that, given the extra costs involved in administration and compliance, the inclusion of such items as food and children's clothes in the tax base of the GST is desirable, subject to an effective income support mechanism, since the resulting effect on the taxpayer will be that he or she will pay, overall, a lower amount of tax.

A broad-based, low-rate GST minimises economic distortions. Since all goods and services are equally affected, customers are less likely to change their spending behaviour.

Impact of further exclusions from GST

Tax base and Revenue Loss

The table 1 below (page 9) provides an estimate of the revenue loss if the proposed exclusions were provided under the GST law. These potential exclusions fall into eight categories and exclusions proposed by way of "zero rating or exemption".

It must be stressed that for most of the items proposed as further exclusions it is difficult to accurately estimate the tax lost. The limited narrative descriptions in the Proposition are open to interpretation and in some cases quite difficult to link to individual lines used in the Jersey Household Expenditure Survey. However, from the outset this exercise provided a graphic reminder of the difficulties likely to be encountered for both taxpayers and the revenue agencies if such exclusions were ever adopted and how a simple GST can easily be made very complicated.

Problems of complexity

The proposal to exclude basic foodstuffs, children's clothing, medical services and products, educational fees, energy and fuel and books and newspapers cannot be described as "simple exemptions". The list of eight exclusions appears to have been heavily influenced by the UK VAT model which is regarded internationally as one of the most complex systems in the world and is even non compliant in terms of the European Union (EU) directives on VAT harmonisation. This analysis has attempted where possible to follow the UK VAT interpretation on liability but the difficulties, even after over 30 years of live tax experience, are striking. For example, what exactly is included in the definition of basic food? Does that mean raw and/or unprocessed foods? In Jersey the words “healthy” and “junk” food have also been mentioned to determine tax liability – but definitions vary massively.

On the face of it basic foodstuffs seems a reasonable exclusion from the tax, however it is universally accepted that they are the most complex type of goods to define. In the U.K. there are more rules, procedures, rulings and staff dedicated to the application of VAT on foodstuffs than any other goods or service. The reasons for this increased complexity are obvious, as the examples below show.

If it is decided that confectionery is not a “basic foodstuff” where should the line be drawn. If sweets are not a basic foodstuff, what about chocolate biscuits? If chocolate biscuits are excluded from the tax, what about cakes? If cakes are also excluded what about ‘Jaffa Cakes’, are they a biscuit or a cake? This is not mere idle speculation, the problem of defining ‘Jaffa Cakes’ was long and protracted in the U.K. and is very likely to be revisited. The latest absurdity is gingerbread men – those with no more that two chocolate spots are zero rated but those with three or more are standard rated.

Catering,including restaurant food, is normally taxed but should takeaways be included? Some food consumed off-premises is eligible for zero rating but then “premises” also needs to be defined. More problems emerge – what to do with food served for immediate consumption from mobile kiosks/vans or at ‘food fairs’ – are these to be taxed or not?

Projet 86/2006 suggests that ‘Junk food’ **should** be included in GST coverage. Whilst the intention to promote healthy eating is laudable, significant problems emerge. How is ‘Junk food’ defined? Presumably ‘unhealthy’ foodstuffs such as fizzy drinks, crisps, sweets, burgers and sausages would be subject to GST. But what about low-calorie fizzy drinks and ‘healthy option’ crisps? And how should ‘organic’ and vegetarian burgers be treated? If 100% beef burgers are taxed, should minced beef also be? The problems of definition will create a minefield of administration, complexity, increased costs and appeals issues. A far better way of promoting healthy eating and lifestyle changes is through a comprehensive education programme rather than using a blunt instrument of GST exclusions.

There are similar difficulties in defining children’s clothing (e.g. will size be the only criterion? – in the U.K. the method of display is also important – to be eligible for zero rating the items must also be “put up for sale” as children’s clothing – this often necessitates a dedicated area of a shop). How should books and newspapers be treated? (e.g. does this include journals, periodicals, leaflets and will ‘top shelf’ magazines be in or out?).

How would domestic fuel and energy be defined? Would purchases of coal from a garage for domestic use be excluded from GST but included for GST coverage if the coal was purchased for ‘business’ use? If so, how would the vendor determine and confirm which purchases of coal were for ‘domestic’ rather than ‘business’ use?

Likewise, medical services/supplies (e.g. will all alternative medicines be excluded? Is sun tan oil a medical product?)

During the consultation period a significant number of submissions called for educational fees (for Church schools) to be outside the scope of GST. However, the effect of doing so would primarily benefit those households with higher incomes. A far more effective way to alleviate the effects of GST applied to school fees for those on lower incomes, if it can be shown that there is such a need, would be to use a mechanism such as educational grants for those families who need support.

Similarly, rather than removing medical products and services from GST application, the prime beneficiaries of which would be those with private health care, a much more effective means of targeting support to those households who need it would be to use the Social Security benefits measures for reimbursing the effects of GST.

In an attempt to give a broad quantification, but based on incomplete definitions and clarification of what exactly is to be included/excluded, it is estimated that the revenue loss, if all of the proposed exclusions were approved, would be over £6 million.[1]

In addition to the level of revenue lost directly from reducing the tax base there are two further issues that must be taken into account when exclusions of this type are being considered. The first is indirect revenue loss as a result of ***increased levels of non-compliance*** which, based on international experience, is an inevitable consequence of a more complex system.

Every type of exclusion in terms of supply (goods and/or services) presents a different challenge but international experience shows that any system with mixed liability goods will present difficulties even at the very start of the supply chain. Under the current system designed for Jersey all imported goods are taxable – this has been welcomed as clean and simple. The only problems likely to be encountered are with valuation. However, as soon as any type of goods are excluded the potential for misdescription (both in error and deliberately) is introduced.

Problems would also occur further down the supply chain in identifying taxed and untaxed goods at the point of supply whether by segregation (on tax invoices) or at the point of consumption (using retail schemes).

The second issue is the ***increased cost of administration*** for both the taxpayer and the tax agencies involved (Customs and Income Tax). It is

[1] *[Note: - the item on Life Assurance has been ignored in terms of revenue shortfall as it is already excluded by way of exemption under the draft law (together with most other forms of insurance).*

possible under a simple system administered by tax agencies deploying modern Information Technology to keep the cost of administration low and within acceptable boundaries for all concerned. On the other hand, exclusions create significant administrative overheads for both business and the tax agencies. In addition, as every exclusion increases the potential for fraud the tax agencies would have to employ additional staff to check compliance.

To reflect the impact on both compliance and administration Table 1 applies a simple rating against each of the proposed exclusions as shown below:

Item for proposed exclusion	Estimated revenue loss (£'m)	Impact on voluntary compliance	Impact on administration
- basic foodstuffs	2.9	H	H
- children's clothing	0.2	H	H
- medical services & products	0.8	M	M
- education fees	0.8	L	L
- child care costs	0.4	L	L
- life assurance policies	0.0	L	L
- books etc	0.4	H	H
- energy and fuel (domestic)	1.0	H	H
Total Tax Loss	**6.5**		

Table 1

Key:
Impact – H (high) – M (Medium) – L (low)

[Note: these estimates ignore the effects of any change in consumer spending patterns that may occur].

From the above table, and taking into account the increased compliance and administration issues, **it is estimated that to achieve the same target annual revenue yield (£45 million) from the reduced tax base (after granting the proposed exclusions) the 3% rate would need to be raised to a rate of 4% or thereabouts.**

Regressivity

A broad based Goods and Services Tax with a 3% rate is very slightly regressive. Table 2 shows the effect on Island households by comparing the expenditure on GST for each quintile. Each quintile has an equal number of households. Those in the first quintile have the lowest income per household whilst those in the fifth quintile have the highest income per household. The table then compares that regressivity with the tax if the proposed exclusions were to be approved.

GST as a percentage of household expenditure by quintile

	Quintile 1	Quintile 2	Quintile 3	Quintile 4	Quintile 5
Broad Based (3% rate)	1.8%	1.7%	1.7%	1.7%	1.6%
Proposed exclusions (3% rate)	1.3%	1.3%	1.3%	1.3%	1.3%

Table 2

Table 2 clearly shows that the regressivity of a broad based GST for comparable households to be slight – it certainly cannot be termed "highly regressive".

The prime benefit claimed for the proposed exclusions is that it makes GST more progressive i.e. the burden falls disproportionately on the better off. The statistical analysis shows that these claims are wrong.

Protecting those on lower incomes

At first sight it might appear desirable to exclude certain essential items such as food to protect those on lower incomes. However, in these circumstances a higher GST rate will be required to offset the reduced tax base and the net benefit to those on lower incomes is minimal.

The chart below explains how much money households might expect to save each year, if any or all of the items proposed items are excluded from a Goods and Services Tax.

Each of the narrow columns relates to a different quintile (or income group). The five quintiles represent five different household income bands - the 1^{st} quintile covers the lowest incomes and the 5^{th} quintile covers the highest income bands.

The chart shows, for instance, that households with the smallest incomes could expect to save about £40 a year, and the highest earning households could expect to save about £120, if food were to be excluded from the tax.

If the proposed exclusions were agreed, however, the rate of GST on all other items would need to increase to 4% to yield the required £45m. In this case, the net effect on lowest income households would be a gain of a little over £20 a year and the households in the highest earning bands could expect to be about £10 a year worse off. In other words, the overall effect for each of the income groups would be insignificant.

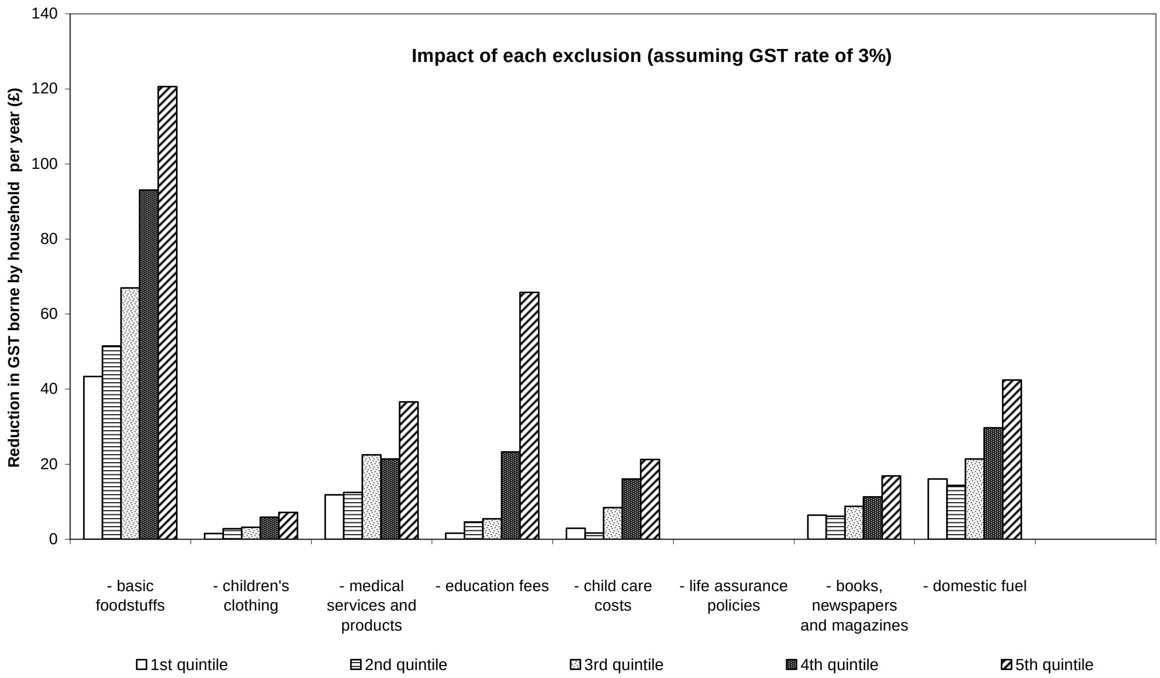

Chart 1

Exclusion Creep

Between the previous attempts to introduce exclusions and the current set of proposals for zero-rating or exemptions, the number of items proposed for exclusion from GST has increased from four to eight. Once a start is made to exclude items because they are an essential spend of the less well off, or because they are a virtuous activity such as education or health, there will be no real defence to continued exclusion creep. If electricity and domestic oil are excluded then why not also petrol? If excluding children's clothes then why not equally essential adult clothes? And lightbulbs? And beds and chairs? And toothpaste and soap? If 'health' products are excluded, why not also fitness centres?

These are just some of the challenges that will arise. Far from being "simple exemptions", more intricate and convoluted examples could not have been chosen. This is not hypothetical, it is based on well-documented live operational activities and experiences of GST/VAT administrations elsewhere in the world.

Appeals

The added complexity would ensure many more rulings having to be made, requests for extra-statutory concessions, and appeals before independent Commissioners of Appeal – which would all take research, time and care to prepare. There would have to be more control visits by Income Tax auditors to traders' premises to ensure the increasingly complex GST regime is being accounted for correctly. Any discovery of under declaration would lead to an assessment notice, and possibly penalties, which again would have to be subject to appeal. This would all lead to a spiral of control visits/compliance/

rulings/appeals which would be time consuming and contentious. This would in turn also make the tax less acceptable to consumers and businesses, and could lead to further policing costs.

Delays at the quayside

Excluding the proposed items from GST will almost certainly lead to the delay of traffic of incoming goods at the port. Imported consignments with mixed descriptions would need to be processed to check and assess what goods are correctly applied, or excluded, to GST. This will undoubtedly require additional staffing and lead to a delay in the processing of incoming goods. This could lead to possible stockpiling of goods at the quayside, a concern of which the Jersey Chamber of Commerce has indicated must be avoided.

Other countries

It is true that some countries have a number of exclusions or reduced rates in their GST or VAT, but it is generally accepted that the most successful application of these taxes is in countries that have a simple broad-based tax with a single rate and a high threshold. In fact, the countries generally held up as a good model for a GST are New Zealand and Singapore, where exclusions have been kept to a minimum.

It is also interesting to note that the exclusions listed in the P86/2006 are generally subject to positive rates in most of the E.U. member states.[2]

Analysis of Annex 1 reveals that most EU jurisdictions (22 out of 25 jurisdictions listed) apply VAT, to some extent (full rate, standard rate or reduced rate), to foodstuffs. With the exception of Eire and the UK all the countries listed apply VAT to children's clothing. VAT is applied to books and newspapers across all jurisdictions except the UK. Only medical and dental care are widely treated across the EU as exempt from VAT.

Further exclusions will complicate what was intended as being the modern "simple" variation of a GST system. The simple system was the unanimous choice following a period of public consultation conducted by Crown Agents in late 2004. It is not just Jersey that has reached this conclusion. Any country currently going through the same process and considering the implementation of a GST/VAT arrives at the same preferred option. For example, Hong Kong, Malaysia, Bahamas and Dubai are at different stages on the GST roadmap but have all discounted the UK/European style system in favour of the New Zealand /Singapore simple model.

[2] *A table showing the lowest rates applied to foodstuffs, children's clothing, medical services/products, books/newspapers and energy in the E.U. member states (and Singapore and New Zealand) is annexed to this comment.*

Staffing

Extra staff and more money for administration would definitely be required if the proposed exclusions were to succeed.

The complexity of a GST/VAT style tax is a direct consequence of the amount of positive rates applied and the number of exempted and/or zero rated items. The more there are the more complex it becomes for the States and business to administer and the more opportunity for avoidance. This leads directly to increased costs of collection/payment, compliance and regulation.

Administration costs for a broad-based GST have been estimated at £1m per annum. It is estimated that a move to a GST with the proposed exclusions would cost £2 million per annum. In other words, the administrative costs would double.

It is also estimated that 10 extra staff would be needed by the Income Tax and Customs Departments for the broad-based GST. The proposed changes would move this requirement to approximately 20 additional staff between the two Departments, perhaps even as many as 30 should there be significant non-compliance.

Fairness of Taxes

It should be remembered that the fiscal strategy was developed in accordance with a number of criteria including "fairness". Fairness had two aspects to it: progressivity and inclusion. Progressivity was the principle that everyone should contribute to the tax take in accordance with their ability to pay. This is the principle that some are seeking to address through exclusions. But the principle of inclusion also needs to be taken into account, which is, that as many people as possible should contribute to the cost of public services and benefits to avoid the issue of "moral hazard" whereby people always demand more public services if they are not making any contribution to the cost. In Jersey a quarter of the population currently pay little or no tax. This is extremely low compared to almost every other developed country. Accordingly, one of the prime reasons for implementing a broad-based GST at a very low rate is to spread the tax burden more fairly.

Consultation Submissions

It is worth noting that apart from submissions regarding GST on school fees, there was an absence of requests for exclusion for basic foodstuffs, children's clothing, books and newspapers and fuel and energy. Indeed, many submissions, including the Jersey Chamber of Commerce, requested that the GST model must be kept as simple and broad-based as possible with few exclusions.[3]

[3] See "A Summary of Responses to Public Consultations on: The GST Law; The GST Regulations; The Treatment of the Financial Services Industry Under GST" Crown Agents, October 2006

Conclusion

The Fiscal Strategy should be taken as a package. The individual elements of taxation, economic growth and, crucially, Income Support have been designed to complement each other. Overall they produce a progressive effect.

It is common, and perhaps understandable, that the inexperienced eye will view GST/VAT types of taxes as inherently and 'highly regressive'. However, as this report demonstrates the broad-based tax generally is proportional.

In summary - the States has already decided it wants a broad-based GST at 3% on two separate occasions. The States made this decision in the full knowledge that a broad based GST would be, at worst, slightly regressive. There were good reasons for this:-

- GST was always intended to be part of a tax package with the progressive elements being '20% means 20%' and Income Support
- A broad-based GST would enable a low 3% rate
- Exclusions do not make the package significantly more progressive
- The GST rate would need to rise to 4% if exclusions were to be approved in order to raise the required £45m in taxation revenue
- Exclusions significantly increase the complexity of the tax and hence the proportion of the tax that is spent on administration, plus adding to business overheads which, ultimately, the public will end up paying for through increased prices.

Recommendation

The Minister for Treasury and Resources therefore urges States Members, for the reasons given above, to emphatically reject all of the proposals for exclusions from GST outlined in Projet 86/2006.

Annex 1   EU VAT Rates (also Singapore and New Zealand)

	Austria	Belgium	Cyprus	Czech Republic	Denmark	Estonia	Finland	France	Germany	Greece	Holland	Hungary	Ireland	Italy
Full Rate	20	21	15	19	25	18	22	19.6	16	18	19	25	21	20
Foodstuffs	10	6	0	5	25	18	17	5.5	7	8	6	15	0	4
Children's Clothing	20	21	15	19	25	18	22	19.6	16	18	19	25	0	20
Pharmaceutical Products	20	6	0	5	25	5	8	2.1	16	8	6	5	0	10
Medical and Dental Care	Exempt	Exempt	Exempt	Exempt	Exempt	Exempt	Exempt	Exempt	Exempt	Exempt	Exempt	Exempt	Exempt	Exempt
Books	10	6	5	5	25	5	8	5.5	7	4	6	5	0	4
Newspapers	10	0	5	5	0	5	0	2.1	7	4	6	15	13.5	4
Energy (Gas and Electricity)	20	21	5	19	25	18	22	19.6	16	9	19	15	13.5	10

	Latvia	Lux'bourg	Lithuania	Malta	Poland	Portugal	Slovakia	Slovenia	Spain	Sweden	UK	Singa pore	New Zealand
Full Rate	18	15	18	18	22	19	19	20	16	25	17.5	5	12.5
Foodstuffs	18	3	5	0	3	5	19	8.5	4	12	0	5	12.5
Children's Clothing	18	3	18	18	22	19	19	20	16	25	0	5	12.5
Pharmaceutical Products	5	3	5	0	7	5	19	8.5	4	25	0	5	12.5
Medical and Dental Care	Exempt	Exempt	Exempt	Exempt	7	Exempt	Exempt	Exempt	Exempt	Exempt	Exempt	5	12.5
Books	5	3	5	5	0	5	19	8.5	4	6	0	5	12.5
Newspapers	5	3	5	5	7	5	19	8.5	4	6	0	5	12.5
Energy (Gas and Electricity)	18	6	18	5	22	5	19	20	16	25	0	5	12.5

Note: Where there is more than one rate for any group than the lowest application rate is shown.

Sources: European Commission (DOC/1803/2006) and New Zealand and Singapore Government web-sites.