

STATEMENT BY THE GSLP/LIBERAL OPPOSITION
146/2008 2 December 2008

The Opposition welcome the news that the Court of First Instance of the European Communities will finally be delivering its judgement in the Gibraltar State Aid Case on 18th December 2008. We note that the announcement from the Government comes a day after the Opposition had called for this information to be made available in a question filed for next week at the next meeting of the Gibraltar Parliament.

The Government press release now also finally sets out a date for implementation of the new low tax regime, something which had been lost in the confusion which Mr Caruana had managed to create with his contradictory statements in London and Gibraltar in October.

Dealing with the parts of the Government press release which are a gratuitous attack on the Opposition, Shadow Minister for Financial Services, Fabian Picardo, said:

*“What is important now for all of Gibraltar and for the finance centre in particular, is that the ruling from the Court of Justice should, as we all hope, make clear that Gibraltar is not a region of UK as regards tax and therefore enjoys the same flexibility in taxation as any other member state. It is also important that, **AT LAST**, Peter Caruana has made up his mind on the date on which to implement the new low tax regime. That decision has been too long in coming and the confusion Mr Caruana created with his contradictory statements in London and Gibraltar last month was unforgiveable. In any event, it is just logically unsustainable for Mr Caruana to say that our policy of implementing a new low rate of tax, as set out on our 2007 election manifesto, would have been anything other than in the best interests of Gibraltar, despite there not being a ruling from the Court of Justice. In fact this exactly what the Government itself had said it would be doing when it made announcements in the past months to the effect that it would be introducing the relevant tax rates by setting up a timetable (confusing as it was) of when it would be introducing the tax rates, with no reference to whether or not the Court of Justice might have ruled by then.”*

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ENDS.