

POLICY NOTE

THE SCOTTISH LANDFILL TAX (STANDARD RATE AND LOWER RATE) ORDER 2016

SSI 2016 No. 94

The instrument above was made in exercise of the powers conferred by section 13(2) and (5) of the Landfill Tax (Scotland) Act 2014 (LT(S)A 2014). The making of this order is subject to the provisional affirmative procedure.

Policy Objectives

The LT(S)A 2014 provides for a Scottish Landfill Tax (SLfT) which will take effect on 1 April 2015. Sections 13(2) and (5) of the LT(S)A 2014 provide a power allowing the rates of tax to be set.

Scottish landfill tax is chargeable by weight and the two rates will be uprated from 1 April 2016:

- the standard rate is £84.40 per tonne; and
- the lower rate is £2.65 per tonne.

A list of material qualifying for the lower rate and conditions that have to be met are provided for in the Scottish Landfill Tax (Qualifying Material) Order 2016.

The Scottish Government considers that these rates will provide appropriate financial incentives to support delivery of its waste policies.

Consultation

There is no statutory requirement to consult on this Order. The Scottish Government's proposed SLfT rates from 1 April 2016 were published in the Draft Budget 2016-17 in December 2015.

Impact Assessments

A Business and Regulatory Impact Assessment ("BRIA")¹ has been published for the regulations and orders associated with the LT(S)A 2014. An Equality Impact Assessment ("EQIA") was published² previously in December 2014. The order will have no impact on equality issues. A strategic environmental screening exercise has

¹ 'Scottish Landfill Tax Final Business and Regulatory Impact Assessment', published 14 December 2014, available at: <http://www.scotland.gov.uk/Publications/2014/12/6274>

² 'Scottish Landfill Tax – Equality Impact Assessment Results', published 17 December 2014, available at: <http://www.scotland.gov.uk/Publications/2014/12/7976>

also been conducted and LT(S)A 2014 statutory secondary instruments will have no negative impact on the environment³.

Financial Implications

The Scottish Government estimates that Scottish Landfill Tax will generate revenue of around £133 million in 2016-17. This is a full-year estimate. This forecast has been independently reviewed and endorsed as reasonable by the Scottish Fiscal Commission.⁴

Scottish Government
Financial Strategy Directorate
Fiscal Responsibility Division

³Scottish Environmental Screening Exercise results available at:
<http://www.scotland.gov.uk/Topics/Environment/environmental-assessment/sea/SEAG>

⁴ 'Report on The on Draft Budget 2016/17, published December 2015, available at:
http://www.fiscal.scot/media/media_437935_en.pdf