

POLICY NOTE

THE SCOTTISH LANDFILL TAX (ADMINISTRATION) AMENDMENT REGULATIONS 2017

SSI 2017/139

The instrument above was made in exercise of the powers conferred by sections 18, 19, 20 and 25 of the Landfill Tax (Scotland) Act 2014 (LT(S)A 2014). These regulations are subject to the negative procedure.

Policy Objectives

The regulations amend the 'Scottish Landfill Tax (Administration) Regulations 2015' for tax maintenance purposes, bringing references and provisions in the landfill tax regulations in line with other UK and Scottish legislation. They also provide clarity on what constitutes spend for bodies approved to distribute funds through the landfill tax communities fund and correct the definition of "transfer station".

Article 3 corrects punctuation in regulation 2(1) - updating the definition of "transfer station" to mean a waste storage or treatment facility which sends more than 2,500 tonnes of waste per annum offsite for the purpose of landfill, replacing the previous wording of 2.500 tonnes.

Article 4 brings references to insolvency and bankruptcy in the regulations up to date with current UK and Scottish incapacity and bankruptcy legislation including 'The Bankruptcy (Scotland) Act 2016' and into line with the 'Land and Buildings Transaction Tax (Scotland) Act 2014' and with drafting in the Air Departure Tax Bill.

Articles 5, 6 and 7 make amendments to the landfill community fund provisions in order to provide additional clarity on what constitutes an approved bodies spend. Under the rules of the scheme approved bodies distribute contributions to projects who spend these funds on activities prescribed in the regulations and that form part of the approved bodies objects. The regulations make amendments in order to make this arrangement clearer.

Article 8 aligns accountancy rules associated with small approved bodies with normal statutory accounting practice as set out in the, '*Companies Act 2006*'. Where required larger bodies will still be required to provide independently audited accounts if they are already required to produce these by law.

Article 9 brings the term "designated officer" used in the 'Revenue Scotland Tax Powers Act 2014' into regulation 38(1)(a) of the regulations in order to provide consistency across the Scottish Tax system.

Consultation

There is no statutory requirement to consult on this Order. The regulations relate to the legislative maintenance of the tax and do not change its scope, tax policy or tax payers' interactions with Revenue Scotland. The Scottish Government has consulted with Revenue Scotland in drafting these regulations and with SEPA as regulator of the Landfill Communities Fund.

Impact Assessments

These regulations do not change the scope of Scottish Landfill Tax. A Business and Regulatory Impact Assessment ("BRIA")¹ has been previously published for the regulations and orders associated with the LT(S)A 2014.

An Equality Impact Assessment ("EQIA") was published² in December 2014. This order will have no impact on equality issues. A strategic environmental screening exercise was also conducted at this time for statutory secondary instruments associated with the LT(S)A 2014, as this instrument does not change tax policy or the scope of the Scottish Landfill Tax they will also have no negative impact on the environment³.

Scottish Government
Financial Strategy Directorate
Fiscal Responsibility Division

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>

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