

## **POLICY NOTE**

### **SCOTTISH LANDFILL TAX (STANDARD RATE AND LOWER RATE) ORDER 2017**

#### **SSI 2017/23**

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 updated from 1 April 2017:

- the standard rate is £86.10 per tonne; and
- the lower rate is per £2.70 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 Materials) Order 2016.

The Scottish Government considers that these rates will provide appropriate financial incentives to support delivery of its waste policies, namely reducing generally the amount of material being sent to landfill, but especially non-qualifying material which is particularly harmful from an environmental point of view.

#### **Consultation**

There is no statutory requirement to consult on this Order. The Scottish Government's proposed SLfT rates from 1 April 2017 were published in the Draft Budget 2017-18 in December 2016<sup>1</sup>.

#### **Impact Assessments**

A Business and Regulatory Impact Assessment ("BRIA")<sup>2</sup> has been published for the regulations and orders associated with the LT(S)A 2014. An Equality Impact Assessment ("EQIA") was published<sup>3</sup> previously in December 2014.

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<sup>1</sup> <http://www.gov.scot/Publications/2016/12/6610/4>

<sup>2</sup> 'Scottish Landfill Tax Final Business and Regulatory Impact Assessment', published 14 December 2014, available at: <http://www.scotland.gov.uk/Publications/2014/12/6274>

<sup>3</sup> 'Scottish Landfill Tax – Equality Impact Assessment Results', published 17 December 2014, available at: <http://www.scotland.gov.uk/Publications/2014/12/7976>

The order will have no impact on equality issues. A strategic environmental screening exercise was also conducted and LT(S)A 2014 statutory secondary instruments will have no negative impact on the environment<sup>4</sup>.

### **Financial Implications**

The Scottish Government estimates that Scottish Landfill Tax will generate revenue of around £149 million in 2017-18. This is a full-year estimate. This forecast has been independently reviewed and endorsed as reasonable by the Scottish Fiscal Commission<sup>5</sup>.

Scottish Government  
Financial Strategy Directorate  
Fiscal Responsibility Division

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<sup>4</sup>Scottish Environmental Screening Exercise results available at:  
<http://www.scotland.gov.uk/Topics/Environment/environmental-assessment/sea/SEAG>

<sup>5</sup> Report on The on Draft Budget 2017/18, published December 2016, available at:  
[http://fiscal.scot/media/media\\_505786\\_en.pdf](http://fiscal.scot/media/media_505786_en.pdf)