

## **POLICY NOTE**

### **THE SCOTTISH LANDFILL TAX (STANDARD RATE AND LOWER RATE) ORDER 2018**

#### **SSI 2018/87**

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 2018:

- the standard rate is £88.95 per tonne; and
- the lower rate is per £2.80 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 the amount of material being sent to landfill, 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 2018 were published in the Draft Budget 2017-18 in December 2017<sup>1</sup>.

#### **Impact Assessments**

A Business and Regulatory Impact Assessment ("BRIA")<sup>2</sup> was published looking at different rates and bands associated with the LT(S)A 2014. An Equality Impact Assessment ("EQIA") on landfill tax was also published<sup>3</sup> previously in December 2014 and landfill tax rates and bands orders will have no negative impact on equality issues.

---

<sup>1</sup> <https://beta.gov.scot/publications/scottish-budget-draft-budget-2018-19/pages/3/>

<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>

A strategic environmental screening exercise was also conducted and LT(S)A 2014 statutory secondary instruments raising landfill tax rates 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 £106 million in 2018-19. This is a full-year estimate. This forecast has been independently produced by the Scottish Fiscal Commission<sup>5</sup>.

Scottish Government  
Financial Strategy Directorate  
Fiscal Responsibility Division

---

<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 2018/19, published December 2017, available at:

<http://www.fiscalcommission.scot/publications/scotlands-economic-and-fiscal-forecasts/>