



# Finance Act 1996

## 1996 CHAPTER 8

### PART III

#### LANDFILL TAX

##### *Credit*

#### **51 Credit: general.**

- (1) Regulations may provide that where—
- (a) a person has paid or is liable to pay tax [<sup>F1</sup>in respect of the disposal of material at a landfill site], and
  - (b) prescribed conditions are fulfilled,
- the person shall be entitled to credit of such an amount as is found in accordance with prescribed rules.
- (2) Regulations may make provision as to the manner in which a person is to benefit from credit, and in particular may make provision—
- (a) that a person shall be entitled to credit by reference to accounting periods;
  - (b) that a person shall be entitled to deduct an amount equal to his total credit for an accounting period from the total amount of tax due from him for the period;
  - (c) that if no tax is due from a person for an accounting period but he is entitled to credit for the period, the amount of the credit shall be paid to him by the Commissioners;
  - (d) that if the amount of credit to which a person is entitled for an accounting period exceeds the amount of tax due from him for the period, an amount equal to the excess shall be paid to him by the Commissioners;
  - (e) for the whole or part of any credit to be held over to be credited for a subsequent accounting period;
  - (f) as to the manner in which a person who has ceased to be registrable is to benefit from credit.

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*Changes to legislation: There are currently no known outstanding effects for the Finance Act 1996, Cross Heading: Credit. (See end of Document for details)*

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- (3) Regulations under subsection (2)(c) or (d) above may provide that where at the end of an accounting period an amount is due to a person who has failed to submit returns for an earlier period as required by this Part, the Commissioners may withhold payment of the amount until he has complied with that requirement.
- (4) Regulations under subsection (2)(e) above may provide for credit to be held over either on the person's application or in accordance with directions given by the Commissioners from time to time; and the regulations may allow directions to be given generally or with regard to particular cases.
- (5) Regulations may provide that—
- (a) no benefit shall be conferred in respect of credit except on a claim made in such manner and at such time as may be determined by or under regulations;
  - (b) payment in respect of credit shall be made subject to such conditions (if any) as the Commissioners think fit to impose, including conditions as to repayment in specified circumstances;
  - (c) deduction in respect of credit shall be made subject to such conditions (if any) as the Commissioners think fit to impose, including conditions as to the payment to the Commissioners, in specified circumstances, of an amount representing the whole or part of the amount deducted.
- (6) Regulations may require a claim by a person to be made in a return required by provision made under section 49 above.
- (7) Nothing in section 52 or 53 below shall be taken to derogate from the power to make regulations under this section (whether with regard to bad debts, the environment or any other matter).

#### Textual Amendments

- F1** Words in s. 51(1)(a) inserted (with effect in accordance with s. 42(2), Sch. 12 para. 29(1) of the amending Act) by [Finance Act 2018 \(c. 3\)](#), [Sch. 12 para. 11](#)

## 52 Bad debts.

- (1) Regulations may be made under section 51 above with a view to securing that a person is entitled to credit if—
- (a) he carries out a taxable activity [<sup>F2</sup>at a landfill site] as a result of which he becomes entitled to a debt which turns out to be bad (in whole or in part), and
  - (b) such other conditions as may be prescribed are fulfilled.
- (2) The regulations may include provision under section 51(5)(b) or (c) above requiring repayment or payment if it turns out that it was not justified to regard a debt as bad (or to regard it as bad to the extent that it was so regarded).
- (3) The regulations may include provision for determining whether, and to what extent, a debt is to be taken to be bad.

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### Textual Amendments

- F2** Words in s. 52(1)(a) inserted (with effect in accordance with s. 42(2), Sch. 12 para. 29(1) of the amending Act) by [Finance Act 2018 \(c. 3\)](#), [Sch. 12 para. 12](#)

## 53 Bodies concerned with the environment.

- (1) Regulations may be made under section 51 above with a view to securing that a person is entitled to credit if—
  - (a) he pays a sum to a body whose objects are or include the protection of the environment, and
  - (b) such other conditions as may be prescribed are fulfilled.
- (2) The regulations may in particular prescribe conditions—
  - (a) requiring bodies to which sums are paid (environmental bodies) to be approved by another body (the regulatory body);
  - (b) requiring the regulatory body to be approved by the Commissioners;
  - (c) requiring sums to be paid with the intention that they be expended on such matters connected with the protection of the environment as may be prescribed.
- (3) The regulations may include provision under section 51(5)(b) or (c) above requiring repayment or payment if—
  - (a) a sum is not in fact expended on matters prescribed under subsection (2)(c) above, or
  - (b) a prescribed condition turns out not to have been fulfilled.
- (4) The regulations may include—
  - (a) provision for determining the amount of credit (including provision for limiting it);
  - (b) provision that matters connected with the protection of the environment include such matters as overheads (including administration) of environmental bodies and the regulatory body;
  - (c) provision as to the matters by reference to which an environmental body or the regulatory body can be, and remain, approved (including matters relating to the functions and activities of any such body);
  - [<sup>F3</sup>(ca) provision for an environmental body to be and remain approved only if it complies with conditions imposed from time to time by the regulatory body or for the regulatory body to be and remain approved only if it complies with conditions imposed from time to time by the Commissioners (including provision for the variation or revocation of such conditions);]
  - (d) provision allowing [<sup>F4</sup>the withdrawal of approval of an environmental body by the Commissioners or by the regulatory body, and the withdrawal of approval of the regulatory body by the Commissioners,] (whether prospectively or retrospectively);
  - (e) provision that, if approval of the regulatory body is withdrawn, another body may be approved in its place or its functions may be performed by the Commissioners;
  - (f) provision allowing the Commissioners to disclose to the regulatory body information which relates to the tax affairs of persons carrying out taxable

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activities and which is relevant to the credit scheme established by the regulations.

**Textual Amendments**

- F3** S. 53(4)(ca) inserted (retrospective to 22.3.2007) by [Finance Act 2007 \(c. 11\), s. 24\(1\)\(2\)](#)
- F4** Words in [s. 53\(4\)\(d\)](#) substituted (retrospective to 19.3.2008) by [Finance Act 2008 \(c. 9\), s. 151\(2\)\(4\)](#)

**Changes to legislation:**

There are currently no known outstanding effects for the Finance Act 1996, Cross Heading:  
Credit.