

---

SCOTTISH STATUTORY INSTRUMENTS

---

**2015 No. 3**

**The Scottish Landfill Tax (Administration) Regulations 2015**

**PART 6**

**Credit: bad debts**

**Writing off debts**

**25.**—(1) This regulation shall apply for the purpose of determining whether, and to what extent, the consideration is to be taken to have been written off as a bad debt.

(2) The whole or any part of the consideration for a taxable activity shall be taken to have been written off as a bad debt where—

- (a) the customer has become insolvent—
  - (i) through sequestration or bankruptcy or entering into any accommodation with the customer's creditors; or
  - (ii) by going into insolvent winding up or by entering administration;
- (b) the claimant because of the insolvency of the customer has to any extent not been able to recover the consideration;
- (c) the claimant has written it off in accounts as a bad debt; and
- (d) the claimant has made an entry in relation to that activity in the landfill tax bad debt account in accordance with regulation 22 (and this shall apply regardless of whether a claim can be made in relation to that activity at that time).

(3) Where the claimant owes an amount of money to the customer which can be set off, the consideration written off in the landfill tax bad debt account shall be reduced by the amount so owed.

(4) Where the claimant holds in relation to the customer an enforceable security, the consideration written off in the landfill tax bad debt account shall be reduced by the value of the security.