

WALES ACT 2014

EXPLANATORY NOTES

COMMENTARY ON SECTIONS (AND SCHEDULES)

Part 2: Finance

Section 18: Welsh tax on disposals to landfill

169. Currently landfill tax is charged on the disposal of waste to landfill in England and Wales or Northern Ireland (landfill in Scotland is excluded by the Scotland Act 2012, although at the passing of the Wales Act those amendments have not yet come into effect). Sections 18 and 19 together provide the mechanism for bringing to an end the collection and management of landfill tax in Wales and allowing the Assembly to bring in its own tax on disposals of waste to landfill.
170. **Section 18** introduces new Chapter 4 into Part 4A of GOWA 2006, which sets out the scope of the Welsh Government's power to introduce a tax on disposals to landfill made in Wales. Section 19 disapplies landfill tax by excluding disposals in Wales from the landfill tax charge from a date to be appointed by HM Treasury.
171. **Subsection (1)** introduces Chapter 4 (section 116N) of new Part 4A of GOWA 2006. Section 116N(1) provides that a tax charged on disposals to landfill made in Wales is a devolved tax and section 116N(2) explains when a disposal is a disposal to landfill.
172. **Subsection (2)** ensures that the devolved tax cannot be charged on disposals to which landfill tax applies, and thereby links the commencement of the devolved tax to the disapplication of landfill tax in Wales under section 19.