



# Finance Act 2021

## 2021 CHAPTER 26

### PART 2

#### PLASTIC PACKAGING TAX

##### *Miscellaneous*

### **73 Prevention of artificial separation of business activities: effect of directions**

- (1) For the purposes of this Part, where a direction is made under section 72—
- (a) the persons named in the direction are to be treated as a single taxable person carrying on the activities of a business described in the direction;
  - (b) the taxable person is liable to be registered under this Part with effect from—
    - (i) the date of the direction, or
    - (ii) such later date as may be specified in the direction;
  - (c) the taxable person is to be registrable in such name as—
    - (i) the persons named in the direction may jointly nominate in writing to the Commissioners not later than 14 days after the date of the direction, or
    - (ii) if no such name is nominated, in such name as may be specified in the direction;
  - (d) any production or import of chargeable plastic packaging components by or on behalf of one of the constituent members in the course of the activities of the taxable person is to be treated as production by or import on behalf of that person;
  - (e) each of the constituent members is to be jointly and severally liable for any plastic packaging tax due from the taxable person;
  - (f) any failure by the taxable person to comply with any requirement imposed by or under this Part is to be treated as a failure by each of the constituent members severally;
  - (g) subject to the preceding paragraphs, for the purposes of this Part the constituent members are to be treated as a partnership carrying on the business

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*Changes to legislation: There are currently no known outstanding effects for the Finance Act 2021, Section 73. (See end of Document for details)*

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of the taxable person and any question as to the scope of the activities of that business at any time are to be determined accordingly.

- (2) Subsection (3) applies where—
- (a) it appears to the Commissioners that any person (P) who is one of the constituent members should no longer be regarded as such for the purposes of subsection (1)(e) and (f), and
  - (b) the Commissioners give notice to that effect.
- (3) P is not liable by virtue of subsection (1)(e) and (f) for anything done after the date specified in that notice (and accordingly on that date P is to be treated as having ceased to be a member of the partnership referred to in subsection (1)(g)).
- (4) In subsections (1) and (2), the “constituent members” means, in relation to a business specified in a direction under section 72, the persons named in the direction, together with any person named in a supplementary direction relating to that business (together being the persons who are to be treated as the taxable person).

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**Modifications etc. (not altering text)**

- C1** Pt. 2 modified (1.4.2022) by [The Plastic Packaging Tax \(Descriptions of Products\) Regulations 2021 \(S.I. 2021/1417\)](#), regs. 1, **3-5**
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**Commencement Information**

- I1** S. 73 in force at 10.12.2021 for specified purposes by [S.I. 2021/1409](#), **reg. 3**
- I2** S. 73 in force at 1.4.2022 in so far as not already in force by [S.I. 2021/1409](#), **reg. 4**

**Changes to legislation:**

There are currently no known outstanding effects for the Finance Act 2021, Section 73.