



Finance Act 2021

2021 CHAPTER 26

PART 2

PLASTIC PACKAGING TAX

Offences and penalties

77 Fraudulent evasion

- (1) A person commits an offence if the person is knowingly concerned in, or in the taking of steps with a view to, the fraudulent evasion (by that person or another person) of plastic packaging tax.
- (2) The reference in subsection (1) to the evasion of plastic packaging tax includes reference to obtaining, in circumstances where there is no entitlement to it—
 - (a) a tax credit;
 - (b) a repayment of plastic packaging tax.
- (3) A person guilty of an offence under this section is liable—
 - (a) on summary conviction in England and Wales—
 - (i) to imprisonment for a term not exceeding [^{F1}the general limit in a magistrates' court],
 - (ii) to a fine not exceeding £20,000 or (if greater) three times the total of the amounts of plastic packaging tax that were, or were intended to be, evaded, or
 - (iii) to both;
 - (b) on summary conviction in Scotland—
 - (i) to imprisonment for a term not exceeding 12 months,
 - (ii) to a fine not exceeding the statutory maximum or (if greater) three times the total of the amounts of plastic packaging tax that were, or were intended to be, evaded, or
 - (iii) to both;

Changes to legislation: There are currently no known outstanding effects for the Finance Act 2021, Section 77. (See end of Document for details)

- (c) on summary conviction in Northern Ireland—
 - (i) to imprisonment for a term not exceeding 6 months,
 - (ii) to a fine not exceeding the statutory maximum or (if greater) three times the total of the amounts of plastic packaging tax that were, or were intended to be, evaded, or
 - (iii) to both;
 - (d) on conviction on indictment—
 - (i) to imprisonment for a term not exceeding [^{F2}14] years,
 - (ii) to a fine, or
 - (iii) to both.
- (4) For the purposes of subsection (3), the amounts of plastic packing tax that were, or were intended to be, evaded are to be taken as including—
- (a) the amount of any tax credit, and
 - (b) the amount of any repayment of plastic packaging tax,
- which was, or was intended to be, obtained in circumstances when there was no entitlement to it.
- (5) In determining for the purposes of subsection (3) the amounts of plastic packaging tax that were, or were intended to be, evaded, no account is to be taken of the extent to which any liability to tax of a person would be, or would have been, reduced by the amount of any tax credit or repayment of plastic packaging tax to which the person was, or would have been, entitled.
- (6) In relation to an offence committed before [^{F3}2 May 2022], the reference in subsection (3)(a)(i) to [^{F4}the general limit in a magistrates' court] is to be read as a reference to 6 months.

Textual Amendments

- F1** Words in s. 77(3)(a)(i) substituted (7.2.2023 at 12.00 p.m.) by [The Judicial Review and Courts Act 2022 \(Magistrates' Court Sentencing Powers\) Regulations 2023 \(S.I. 2023/149\)](#), regs. 1(2), 2(1), **Sch. Pt. 1** table
- F2** Word in s. 77(3)(d)(i) substituted (22.2.2024) by [Finance Act 2024 \(c. 3\)](#), s. **32(1)** (with s. 32(6))
- F3** Words in s. 77(6) substituted (28.4.2022) by [The Criminal Justice Act 2003 \(Commencement No. 33\) and Sentencing Act 2020 \(Commencement No. 2\) Regulations 2022 \(S.I. 2022/500\)](#), regs. 1(2), 5(1), **Sch. Pt. 1**
- F4** Words in s. 77(6) substituted (7.2.2023 at 12.00 p.m.) by [The Judicial Review and Courts Act 2022 \(Magistrates' Court Sentencing Powers\) Regulations 2023 \(S.I. 2023/149\)](#), regs. 1(2), 2(1), **Sch. Pt. 1** table

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**

Commencement Information

- I1** [S. 77](#) in force at 10.12.2021 for specified purposes by [S.I. 2021/1409](#), **reg. 3**
- I2** [S. 77](#) 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 77.