STATUTORY INSTRUMENTS

2018 No. 243

LANDFILL TAX, ENGLAND AND WALES
LANDFILL TAX, NORTHERN IRELAND

The Landfill Tax (Wales) (Consequential and Transitional Provisions) Order 2018

Made - - - -	*26th February 2018*
Laid before the House of Commons - - - -	*27th February 2018*
Coming into force - -	*1st April 2018*

The Treasury, in exercise of the powers conferred by section 28 of the Wales Act 2014(**1**), make the following Order.

Citation, commencement and interpretation

1.—(1) This Order may be cited as the Landfill Tax (Wales) (Consequential and Transitional Provisions) Order 2018 and comes into force on 1st April 2018.

(2) Article 2 of this Order has effect in relation to any payment made to an approved body that is accounted for in a return for an accounting period which begins on or after 1st April 2018.

(3) In this Order—

(a) the following expressions have the same meaning as they do in the sections mentioned of the Finance Act 1996(**2**)—

"accounting period" (section 49);

"regulatory body" (section 53(2));

(b) the following expressions have the same meaning as they do in the regulations mentioned of LFTR 1996—

"approved body" (regulation 34(1));

"qualifying contribution" (regulation 32);

(**1**) 2014 c. 29.

(**2**) 1996 c. 8. Landfill tax ceases to be charged on disposals made in Wales by virtue of section 19(3) of the Wales Act 2014, which takes effect on 1st April 2018, as the day appointed for commencement of that section by the Wales Act 2014, Sections 16 and 19 (Disapplication of UK Stamp Duty Land Tax and UK Landfill Tax) (Appointed Date) Order 2018 (2018/214 (C. 21)). This has the effect that, from 1st April 2018, landfill tax is only chargeable in respect of taxable disposals made in England and Northern Ireland.

"running costs" (regulation 30(1));

(c) "LFTR 1996" means the Landfill Tax Regulations 1996(**3**).

Amendments to LFTR 1996

2.—(1) LFTR 1996 is amended as follows.

(2) In regulation 33 of LFTR 1996—

(a) in paragraph (11), omit ",Wales, ";

(b) in paragraph (12)(b), omit ", Wales" and, after "Northern Ireland,", insert "and a proportion is located in another part of the United Kingdom,"; and

(c) in paragraph (12)(c), omit ", Wales," and, after "Northern Ireland,", insert "and a proportion is located in another part of the United Kingdom,".

Transitional provisions: credit- bodies concerned with the environment

3.—(1) Paragraph (2) applies in relation to a payment made to an approved body—

(a) which is accounted for in a return for an accounting period which begins on or before 31st March 2018 and is a qualifying contribution; but

(b) which, were it to be have been accounted for in a return for an accounting period which begins on or after 1st April 2018, by virtue of article 2 would not be a qualifying contribution.

(2) The payment ceases to be a qualifying contribution unless—

(a) the payment is spent by an approved body on or before 31st March 2020;

(b) the payment is retained by an approved body in order that it may be spent on the approved body's residual costs, if the retention is approved by the regulatory body; or

(c) subject to paragraph (3), the payment is retained by an approved body in order that it may be spent on the approved body's running costs which are not residual costs ("other running costs").

(3) Where a payment is retained as described in paragraph (2)(c), the amount of that payment must not cause to be exceeded the proportion of the approved body's running costs that, on a just and equitable basis, are attributable to that body carrying out its approved objects in England and Northern Ireland.

(4) For the purposes of paragraph (2)(a), in regulation 36(1) of LFTR 1996 (repayment of credit), reference to a qualifying contribution being spent or not spent includes the payment being spent or retained (or not spent or retained) as provided by paragraph (2).

(5) For the purposes of paragraph (2)(c), in regulation 33(8) of LFTR 1996 (paying running costs as an approved object) reference to "running costs" is to be treated as if it were a reference to "other running costs".

(6) In paragraph (2)(c), "residual costs" means sums set aside by an approved body for its running costs (including contractual or statutory costs) where those are incidental to, or consequential on, the cessation of its operations.

(**3**) S.I. 1996/1527, amended by S.I. 2015/599, S.I. 2016/376. There are other amending instruments, but none is relevant.