

SL(6)587 – The Landfill Disposals Tax (Tax Rates) (Wales) (Amendment) Regulations 2025

Background and Purpose

The Landfill Disposals Tax (Wales) Act 2017 (the “**LDT Act**”) establishes and sets out the framework and operational arrangements for landfill disposals tax (“**LDT**”), which replaced UK landfill tax in Wales.

These Regulations prescribe the standard rate, lower rate and unauthorised disposals rate for LDT, which will apply to taxable disposals made on or after 1 April 2025.

The rates from 1 April 2025 are as follows:

- The standard rate is **£126.15** per tonne (increased from £103.70 per tonne),
- The lower rate is **£6.30** per tonne (increased from £3.30 per tonne), and
- The unauthorised disposals rate is **£189.25** per tonne (increased from £155.55 per tonne).

Taxable disposals made on or after 1 April 2024 but before 1 April 2025 will remain subject to rates set by the Landfill Disposals Tax (Tax Rates) (Amendment) and Tax Collection and Management (Wales) Act 2016 (Miscellaneous Amendments) (Wales) Regulations 2024.

Procedure

Made Affirmative.

The Regulations were made by the Welsh Ministers before they were laid before the Senedd. The Senedd must approve the Regulations within 28 days (excluding any days when the Senedd is: (i) dissolved, or (ii) in recess for more than four days) of the date they were made for them to continue to have effect.

Technical Scrutiny

No points are identified for reporting under Standing Order 21.2 in respect of this instrument.

Merits Scrutiny

The following 2 points are identified for reporting under Standing Order 21.3 in respect of this instrument.

- 1. Standing Order 21.3(i) - that it imposes a charge on the Welsh Consolidated Fund or contains provisions requiring payments to be made to that Fund or any part of the government or to any local or public authority in consideration of any licence or consent or of any services to be rendered, or prescribes the amount of any such charge or payment.**



Section 25 of the Tax Collection and Management (Wales) Act 2016 provides that the Welsh Revenue Authority (the “**WRA**”) must pay amounts collected in the exercise of its functions into the Welsh Consolidated Fund.

The WRA is responsible for the collection and management of LDT. These Regulations prescribe the three rates of LDT in Wales.

2. Standing Order 21.3(ii) - that it is of political or legal importance or gives rise to issues of public policy likely to be of interest to the Senedd.

The Explanatory Memorandum¹ to these Regulations notes the following:

“To date, LDT rates in Wales have matched those of the Landfill Tax (Lft) in England and Northern Ireland ...The Regulations propose to maintain the existing approach in relation to the standard rate of LDT, which will continue to align with the standard rate of Lft... Following the conclusion of the independent review of the LDT Act², and a public consultation on the lower rate of LDT, the Regulations propose an increase to the lower rate above that for Lft.

...Raising the lower rate to £6.30 represents a significant increase, and despite the fact that the lower rate is relatively price inelastic, is likely to reduce the amount of lower rate waste going to landfill. This option increase revenues in 2025-26 by £1m as the additional revenue from the higher tax rate is expected to more than offset the impact of the reduction in waste landfilled.

Welsh Government response

A Welsh Government response is not required.

Legal Advisers

Legislation, Justice and Constitution Committee

26 February 2025

¹ Explanatory Memorandum, paragraphs 4.6, 4.8, 4.10 and 8.3

² [Independent review: Land Disposals Tax \(Wales\) Act 2017 | GOV.WALES](#)

