



Peredur Owen Griffiths MS  
Chair, Finance Committee  
Senedd Cymru  
Cardiff Bay  
Cardiff  
CF99 1SN

21 August 2025

Dear Peredur,

## WELSH RATES OF INCOME TAX OUTTURN STATISTICS 2023-24

HM Revenue and Customs published annual outturn statistics for the Welsh rates of income tax in 2023-24 on 10 July 2025. The Committee will wish to be aware that the impact of these outturns on the Welsh Government budget by way of reconciliation has now been jointly agreed with HM Treasury. This is detailed in a joint technical note which was published on 21 August 2025.

The outturn statistics show that the Welsh rates of income tax (WRIT) in 2023-24 generated £2,968 million, up £350 million or 13.4% on 2022-23. The equivalent 10 pence in the pound Income Tax revenue for England and Northern Ireland also increased in 2023-24 resulting in a Block Grant Adjustment (BGA) of £2,782m. This means the net budgetary impact of WRIT was +£187m in 2023-24.

WRIT outturn was £173 million (6%) higher than forecast by the Office for Budget Responsibility in Autumn 2022 and used in the Welsh Government's 2023-24 Budget. The outturn for England and Northern Ireland was also higher than used in the associated BGA in the 2023-24 Budget, as a result the BGA was £49 million higher.

The difference between the income tax revenues and block grant adjustments used in the Welsh Government's 2023-24 Budget and the final outturn is +£124 million. This will be applied to the 2026-27 budget as a reconciliation amount.

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Rydym yn croesawu derbyn gohebiaeth yn Gymraeg. Byddwn yn ateb gohebiaeth a dderbynnir yn Gymraeg yn Gymraeg ac ni fydd gohebu yn Gymraeg yn arwain at oedi.

We welcome receiving correspondence in Welsh. Any correspondence received in Welsh will be answered in Welsh and corresponding in Welsh will not lead to a delay in responding.

The outturn statistics can be found here:

[Welsh Income Tax Outturn Statistics — 2023 to 2024 - GOV.UK](#)

The joint technical note can be found here:

<https://www.gov.wales/welsh-rates-of-income-tax-reconciliation-2023-to-2024-joint-technical-note-by-wg-and-hmt>

Yours sincerely,

A handwritten signature in grey ink that reads "Mark Drakeford". The signature is written in a cursive, slightly slanted style.

**Mark Drakeford AS/MS**

Ysgrifennydd y Cabinet dros Gyllid a'r Gymraeg  
Cabinet Secretary for Finance and Welsh Language