

Mark Drakeford AM/AC
Ysgrifennydd y Cabinet dros Gyllid
Cabinet Secretary for Finance



Llywodraeth Cymru
Welsh Government

Ein cyf/Our ref MD/1119/18

Simon Thomas AM
Chair
Finance Committee
National Assembly for Wales
Cardiff Bay
CF99 1NA
Simon.Thomas@assembly.wales

29 March 2018

Dear Simon,

I am writing to update you about the latest progress in the Welsh Government's plans to propose a new tax to the UK Government to test the Wales Act 2014 mechanism.

In February, during a National Assembly statement on new tax ideas, I said I would be writing to the UK Government to confirm the Welsh Government would be proposing a vacant land tax, thereby testing the mechanism in the Wales Act, which enables the proposal – and potential transfer – of tax powers in areas of devolved responsibility.

Earlier today, I wrote to the Financial Secretary to the Treasury, the Rt Hon Mel Stride MP, to formally begin this process. I am committed to keep the committee and AMs informed about the progress and have today issued a written statement, which is enclosed.

This is a new and exciting process, which will take some time to complete. I look forward to developing an open and transparent approach to tax policy as part of this process. To help explain what will be involved, I have published a summary of the stages here:

<http://gov.wales/docs/caecd/publications/180213-developing-infographic-en.pdf>

I will continue to keep the Finance Committee informed as this work develops.

Best wishes,

Mark Drakeford AM/AC
Ysgrifennydd y Cabinet dros Gyllid
Cabinet Secretary for Finance

Bae Caerdydd • Cardiff Bay
Caerdydd • Cardiff
CF99 1NA

Canolfan Cyswllt Cyntaf / First Point of Contact Centre:
0300 0604400

Gohebiaeth.Mark.Drakeford@llyw.cymru
Correspondence.Mark.Drakeford@gov.wales

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.