

SL(6)703 – The Tax Collection and Management (Visitor Levy Costs) (Wales) Regulations 2026

Background and Purpose

Section 24A of the Tax Collection and Management (Wales) Act 2016 (the “2016 Act”) requires the Welsh Revenue Authority (“WRA”) to keep an account of visitor levy proceeds collected for each principal council that has introduced the visitor levy in its area. The WRA must then pay the proceeds to the relevant council after the WRA has deducted the costs of exercising its visitor levy functions for that area.

These Regulations limit the permitted deduction to 10% of the proceeds of the visitor levy. The Regulations also include a mechanism whereby the deduction is further limited if it would result in the WRA deducting sums exceeding its total visitor levy operating costs.

Procedure

Draft Affirmative.

The Welsh Ministers have laid a draft of the Regulations before the Senedd. The Welsh Ministers cannot make the Regulations unless the Senedd approves the draft Regulations.

Technical Scrutiny

The following point is identified for reporting under Standing Order 21.2 in respect of this instrument.

1. Standing Order 21.2(v) – that for any particular reason its form or meaning needs further explanation.

In these Regulations, the term “visitor levy” has been used on several occasions but has not been defined. It is a defined term in section 192(2) of the 2016 Act, where it has been given the same meaning as in Part 3 of the Visitor Accommodation (Register and Levy) Etc. (Wales) Act 2025.

The Legislation (Wales) Act 2019 does not contain a provision corresponding to section 11 of the Interpretation Act 1978, which provides that expressions used in subordinate legislation have the meaning which they bear in the Act under which the subordinate legislation is made.

The Welsh Government is therefore asked to clarify why no definition of ‘visitor levy’ appears in these Regulations.



Merits Scrutiny

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

- 2. 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.**

Under section 25(3) of the 2016 Act, the WRA must pay into the Welsh Consolidated Fund amounts deducted, in respect of its costs, from proceeds of the visitor levy. These Regulations prescribe limits on the amount of those deductions.

- 3. 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.**

Paragraph 3.1 of the Explanatory Memorandum to these Regulations draws the attention of the Committee to the following statement:

“This instrument has been prepared outside the new software for Welsh statutory instruments; it may be the case that minor formatting improvements need to be made during the registration process if this legislation is approved by the Senedd and made by the Welsh Ministers.”

Welsh Government response

A Welsh Government response to the technical reporting point is required.

Legal Advisers

Legislation, Justice and Constitution Committee

12 January 2026

