Government Response: ***The Tax Collection and Management (Visitor Levy Costs) (Wales) Regulations 2026***

Technical Scrutiny point 1: The Welsh Government notes the reporting point, however, does not agree with it.

These regulations are made under section 24(A)(5)(a) and (b) of the Tax Collection and Management (Wales) 2016 ("the 2016 Act"). Their purpose is to limit the amount that the Welsh Revenue Authority ("the WRA") can deduct from the proceeds of the visitor levy in respect of its costs and disbursements.

Regulations made under section 24A(5) of the 2016 Act are only relevant when a principal council has introduced the visitor levy in its area. A principal council can only do that under Part 3 of the Visitor Accommodation (Register and Levy) Etc. (Wales) Act 2025 ("the 2025 Act"). Similarly, costs and disbursements can only be deducted (and that deduction limited by regulations under section 24A(5) of the 2016 Act) if the WRA is collecting the visitor levy on behalf of a principal council that has introduced it under Part 3 of the 2025 Act.

As is noted in the Legislation, Justice and Constitution Committee report, the term visitor levy is defined in section 192(2) of the 2016 Act and is given the same meaning as in Part 3 of the 2025 Act.

What this means is that the references to *visitor levy* in these Regulations can only mean a visitor levy introduced by a principal council under Part 3 of the 2025 Act because the term in this context can have no other meaning.

Paragraph 4.2(2) of Writing Laws for Wales states that that "*A definition should not be included unless it will aid clarity or certainty. If a term is intended to have its ordinary dictionary meaning in an Act, or if it is obvious from the context what the term is referring to, there should be no need for a definition….".*

The term *visitor levy* was not defined in the Regulations on the basis that it was obvious from the context to what the term was referring and the Welsh Government maintains that position.