

TATA STEEL



Committee Clerk
Finance Committee
National Assembly for Wales
Cardiff Bay
CF99 1NA

11 January 2017

Dear Sir

Consultation on the Landfill Disposals Tax (Wales) Bill

Tata Steel UK Limited (TSUK) is a steel manufacturer and operates two landfill sites in Wales at Port Talbot and Shotton.

We would like to respond on the following points from Annexe 1 in the consultation document:

7. The definition of 'taxable disposal' and 'qualifying materials'

Under section 6 of the Bill regarding disposal of material as waste, the Bill states "(2) an intention to discard material may be inferred from the circumstances of its disposal, and in particular from the fact (where it is the case) that the material is deposited in a landfill disposal area."

It is clear that the Bill is seeking to minimise unpaid taxes due on incorrectly or wrongly disposed of material and inhibit rogue operations. We have the following queries relating to the above quoted legislation:

- (a) How will the Welsh Government (WG) define 'inferring that the intention is to discard'?
- (b) How will the WG relate this back to current relevant UK & EU legislation around waste management and disposal?
- (c) What will NRW's role be in terms of regulating and/or being involved with the implementation and/or enforcement of this in practice?
- (d) What will the WG/Welsh Revenue Authority's (WRA) role be in terms of regulating and/or being involved with the implementation and/or enforcement of this in practice?
- (e) What is the intended process for the implementation and/or enforcement of this in practice?

Group Taxation

Financial Headquarters, Port Talbot Works, Port Talbot, SA13 2NG
T: +44 (0)1639 603138 abigail.porter@tatasteel.com

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Under section 8, landfill site activities to be treated as taxable disposals describes many of the activities mentioned under the current UK legislation - 2009 Landfill Tax (Prescribed Landfill Site Activities) Order. Does this mean permanent construction (i.e. roads/engineering) will continue to be non-taxable?

Regarding qualifying materials, under section 15 of the Bill for a material to qualify for the lower rate of tax it must be listed as qualifying in regulations. When will the regulations be available and will they follow the Qualifying Materials Order 2011 currently being used under UK legislation?

Under section 17 of the Bill regarding qualifying fines, when will the regulations surrounding this be released and will the tests mentioned be the same as the loss on ignition testing under the UK legislation?

12. The inclusion of unauthorised disposals of waste at places other than authorised landfill sites

We believe there should be clarification in the Bill or an exemption included for waste streams that are stored to be diverted from landfill and moved up the waste hierarchy (as outlined in Article 4 of the Waste Framework Directive). This is to ensure the most sustainable solution is found for waste, which is better aligned with the objectives of the Welsh Government's overarching waste strategy document for Wales: Towards Zero Waste (June 2010).

Without an exemption, some of the opportunity waste streams might fall under the definition of an unauthorised disposal, which we don't believe is the intended impact of the Bill.

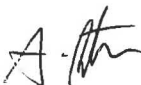
There is also another potential inadvertent consequence where scientific innovations to move waste streams up the waste hierarchy by private companies might become redundant. This could lead to job and revenue losses to the Welsh economy and missed opportunities to lessen the impact of waste streams on the environment.

16. Establishing the Landfill Communities Scheme as a grant scheme rather than a tax credit and developing it outside of the Bill

Both Shotton and Port Talbot have participated in the current Landfill Communities Fund scheme under the UK rules. Will the environmental bodies they have provided funds to via this scheme be able to apply for the new grant scheme that has been proposed?

Please contact me if you require any further information.

Yours faithfully



Abigail Porter, Miss
Tax Adviser, Group Taxation