1. The Bill seeks to continue the main principles of the existing Landfill Tax and as such will offer existing operators certainty and continuity. In the future this legislation provides the powers to introduce new tax rates or change the materials which are subject to tax. It is vital that where this occurs that adequate consultation takes place to ensure that taxes continue to be proportionate to the ability to pay.

2. Landfill Tax has been operating in the UK for over 15 years and has been a driver for local authorities and other organisations to increase recycling and divert waste from landfill to new levels that demonstrate sound waste management practice. Significant changes to the form or structure are therefore not required.

3. The categories outlined in the Landfill Tax (Qualifying Material) Order 2011 adequately cover the materials and therefore this same list is relevant for use going forward.

4. While there are advantages in setting landfill tax rates that will follow closely UK rates i.e. consistency and continuity for National operators, Scottish local authorities will essentially dispose of waste within landfills and therefore operate within a Scottish system. The opportunity therefore exists for the Scottish Government to set different rates in Scotland.

5. While it is recognised that power in the Bill provides the opportunity to establish more than two tax rates and to vary the list of qualifying material, the need to introduce significant changes should only be done through discussion with relevant stakeholders.

6. Ultimately the polluter pays principle should apply and where possible all taxes that apply to waste disposed of responsibly or irresponsibly should be pursued by the tax authority. In current cases where it is not possible to identify those responsible for illegal dumping of waste the local authority will pay the relevant disposal costs including landfill tax. To be in a position to achieve this approach will require adequate resources to focus on the perpetrators and follow this up at a local level with an appropriate joined up approach between Local Authorities, Police, SEPA, etc.

7. The list of activities and materials which are exempt appear to be reasonable and will not affect the overall business of Local Authorities.

8. This Bill provides the Government with an opportunity to consider how the Scottish Landfill Communities Fund operates and is managed and whether the system for Communities accessing funding can be streamlined and improved.
9. It would seem appropriate that Revenue Scotland, in its role as the tax authority for the administration of Scotland’s devolved taxes, will be best placed to have the responsibility for the administration of the tax for landfill.

10. It is not clear what SEPA’s input will be in the administration of the tax. SEPA will have a role to play in the regulation and operation of landfills i.e. what is disposed of, etc. but it is not entirely clear what role it will perform in the administration of tax which essentially should be the responsibility of a financial institution.

11. The Bill itself does not include specific details on how the Scottish Block will be trimmed to remove the UK Landfill Tax element. This will be discussed between the Scottish and UK Ministers however it is crucial that the impact on Scotland can be covered by the additional tax raised in Scotland. It is particularly important to ensure that future estimations of collection of Landfill Tax in Scotland are robust, especially in light of efforts to reduce down landfill, as this will in turn reduce the level of Scottish Tax collectable. The Scottish Government must cover any shortfall in Scottish Funding from the change in tax and ensure that any shortfall in expected yield is not simply passed on to Local Government.

12. As the bandings have yet to be identified for the Scottish Landfill tax it is difficult to establish whether there will be additional costs for councils. The paper states that as the tax already exists, there will be no significant change in net tax costs to local authorities or the wider public sector from this Bill. If this is the case experienced then there should be no issue for councils.