

Finance and Public Administration Committee
5th Meeting 2026 (Session 6)
Tuesday 3 February 2026

Scottish Landfill Tax (Administration) Amendment Regulations 2026

Purpose

1. The Committee is invited to take evidence from the Minister for Public Finance and Scottish Government officials in relation to the following Scottish Statutory Instrument (SSI), which is subject to the negative procedure.
2. More information about the instrument is summarised below:

Title of instrument: [The Scottish Landfill Tax \(Administration\) Amendment Regulations 2026](#)

Laid under: [Landfill Tax \(Scotland\) Act 2014](#)

Laid on: 15/01/2026

Procedure: Negative

Deadline for committee consideration: 16 February 2026 (Advisory deadline for any committee report to be published)

Deadline for Chamber consideration: 23 February 2026 (Statutory 40-day deadline for any decision whether to annul the instrument)

Commencement: 1 April 2026

Procedure

3. Under the negative procedure, an instrument is laid after it is made, and is subject to annulment by resolution of the Parliament for a period of 40 days beginning on the day it is laid.
4. Once laid, the instrument is referred to:
 - the Delegated Powers and Law Reform (DPLR) Committee, for scrutiny on various technical grounds, and
 - the Committee, whose remit includes the subject-matter of the instrument, for scrutiny on policy grounds.
5. Any MSP may propose, by motion, that the lead committee recommend annulment of the instrument. If such a motion is lodged, it must be debated at a meeting of the Committee, and the Committee must then report to the Parliament (by the advisory deadline referred to above).

6. If there is no motion recommending annulment, the lead committee is not required to report on the instrument.

Policy objectives

7. The [Policy Note](#) explains that the instrument “will remove the entitlement to credit on qualifying contributions made to an approved body under the Scottish Landfill Communities Fund (SLCF) scheme. The removal of credit will cease new contributions to the SLCF from 1 April 2026”.
8. The Policy Note goes on to say that under transitional provisions “all contributions made to the SLCF before 1 April 2026 will continue to be treated as qualifying contributions and will be subject to tax credit and attributed to community and environmental projects”. These contributions will be administered by Revenue Scotland and the Scottish Environment Protection Agency “until the eventual wind-up of the scheme”.
9. [The Business and Regulatory Impact Assessment](#) (BRIA) explains that the SLCF was introduced alongside the Scottish Landfill Tax (SLfT) to provide “funding for community or environmental projects in recognition of the dis-amenity of landfill activity”. The SLCF was modelled on the Landfill Communities Fund which previously operated across the UK.
10. According to the BRIA, SLfT revenues have declined from £149 million in 2015-16 to £56 million in 2024-25. It is further noted that the long-term trend of decreasing of SLfT revenues “reflects the success of efforts to encourage diversion of waste from landfill”. Given that SLfT revenues are linked to SLCF funding, contributions to the SLCF “have halved since 2015” and are estimated to amount to £1.4 million in 2026-27.
11. Due to the declining contributions to the SLCF, “the associated costs of administering the fund in future years will breach the legally permitted limits¹”. In light of the declining funding streams, the Scottish Government has considered three options in relation to the SLCF: (i) do nothing, (ii) reform of the SLCF, or (iii) closure of the SLCF with managed wind-down.
12. Under the ‘do nothing’ approach the Scottish Government indicated that “there are no substantive benefits to this option”. The reform of the SLCF was seen as having some benefits which included the continued funding for “grassroot projects”. It was however noted that “even significant changes to credit percentages may not restore long-term viability given the declining landfill tax base”.
13. The BRIA concludes that “based on the analysis of viability, stakeholder feedback, and statutory constraints, the Scottish Government recommends closing the SLCF to new qualifying contributions from 31 March 2026”

¹ The Scottish Landfill Tax (Administration) Regulations 2015

14. [The Scottish Government has consulted](#) on the “future of the Scottish Landfill Communities Fund”. The [Consultation Analysis Report](#) contains the following key findings--

- Several responses highlighted the broader community and environmental consequences of the closure of the SLCF. These were said to include “less support for local infrastructure, environmental accessibility, and community engagement projects”.
- The “most frequent cited concern” was the negative impact on youth-focused and community-led initiatives. It was emphasised that the SLCF has been instrumental in funding “play areas, skate parks, youth clubs, and educational programmes”.
- Respondents “expressed concern that the closure of the SLCF would disproportionately affect communities already experiencing socio-economic disadvantage. Many noted that these areas have historically benefited from SLCF-supported projects, and the loss of funding could exacerbate existing inequalities”.
- There have been “calls for a successor or transitional fund to maintain support for environmental and social projects”.

Impacts

15. The Policy Note states that several impact assessments have been carried out. The impact assessments have not highlighted any unintended consequences.

Delegated Powers and Law Reform Committee consideration

16. The DPLR Committee considered the instrument on 27 January 2026 and reported on it in its [12th Report, 2026](#). The DPLR Committee made no recommendations in relation to the instrument.

Next steps

17. At this point in time, no motion recommending annulment has been lodged. Should a motion recommending annulment be lodged later in the 40-day period, it may be necessary for the Committee to schedule another session on the instrument to discuss that motion.

18. If Members have no points to raise, the Committee should note the instrument (that is, agree that it has no recommendations to make).

Committee Clerking Team
January 2026

POLICY NOTE

**THE SCOTTISH LANDFILL TAX (ADMINISTRATION) AMENDMENT
REGULATIONS 2026**

SSI 2026/8

The Scottish Ministers make the following Regulations in exercise of the powers conferred by sections 18(1) and (2), 20(1) and (4) and 41(1)(b) of the Landfill Tax (Scotland) Act 2014(a) and all other powers enabling them to do so. The instrument is subject to negative procedure.

Summary Box

This instrument is intended to amend the Scottish Landfill Tax (Administration) Regulations 2015, so that entitlement to credit in respect of qualifying contributions by registered persons, as defined in Part 7 of those regulations, ceases from 1 April 2026.

Policy Objectives

This instrument will remove the entitlement to credit on qualifying contributions made to an approved body under the Scottish Landfill Communities Fund (SLCF) scheme. The removal of credit will cease new contributions to the SLCF from 1 April 2026.

The transitional provision recognises that all contributions made to the SLCF before 1 April 2026 will continue to be treated as qualifying contributions and will be subject to tax credit and attributed to community and environmental projects. Revenue Scotland and the Scottish Environment Protection Agency will continue to administer and regulate these contributions until the eventual wind-up of the scheme.

**UN Convention on the Rights of the Child (Incorporation) (Scotland) Act 2024
Compatibility**

The Scottish Ministers have made the following statement regarding children's rights.

In accordance with section 23(2) of the United Nations Convention on the Rights of the Child (Incorporation) (Scotland) Act 2024, the Scottish Ministers certify that, in their view, the Scottish Landfill Tax (Administration) Regulations 2026 are compatible with the UNCRC requirements as defined by section 1(2) of that Act.

EU Alignment Consideration

This instrument is not relevant to the Scottish Government's policy to maintain alignment with the EU.

Consultation

A public consultation opened on 14 March 2025 and ran for 12 weeks with a closing date of 6 June 2025. The consultation paper is available on the Scottish Government website². The material and views gathered through the consultation activities have informed the development of Scottish Landfill Tax policy regarding the future of the Scottish Landfill Communities Fund. Where permission has been given, responses have been published in full on the Scottish Government's consultation hub, Citizen Space³. Key findings from the analysis and the Scottish Government's response are presented in the consultation analysis report available on the Scottish Government website⁴.

Impact Assessments

Equal opportunities - The Equalities Impact Assessment processes were completed while developing the secondary legislation and it was concluded that the instrument will have no direct negative impact on equality issues. This instrument does not relate to or impact on any of the relevant protected characteristics (age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, sex and sexual orientation) either directly or indirectly.

Human rights – This instrument does not infringe on or affect any of the convention rights given domestic effect by the Human Rights Act 1998.

Child rights and wellbeing - The instrument will have no impact on the rights of children under the UNCRC requirements (as incorporated) or on the wellbeing of children.

Fairer Scotland – This instrument has not been assessed as having any impact in relation to inequalities arising from socio-economic disadvantage.

Consumer - There will not be any additional impacts on consumers in Scotland as a result of the provisions in this instrument.

Island communities – This instrument has not been assessed as being likely to have a significantly different effect on an island community compared with the effect on other communities.

Local government – Seven local authorities run twelve landfill sites across Scotland and may contribute to the SLCF. This instrument is not expected to result in additional responsibilities or costs to local authorities.

Sustainable development – The Strategic Environment Assessment processes were completed while developing the secondary legislation and concluded that the instrument will have no impact on sustainable development, and no adverse effects on the environment.

² <https://www.gov.scot/publications/future-scottish-landfill-communities-fund-consultation/>

³ <https://consult.gov.scot/>

⁴ <https://www.gov.scot/publications/>

A partial Business and Regulatory Impact Assessment (“BRIA”) will be published alongside this instrument which assesses the likely costs, benefits and risks that the secondary legislation will have on the public, private, or third sector.

Sustainable development – The instrument will have no impact on sustainable development.

Privacy impacts – No privacy impacts resulting from this legislation have been identified.

Financial Effects

A partial Business and Regulatory Impact Assessment (“BRIA”) will be published alongside this instrument which assesses the likely costs, benefits and risks that the secondary legislation will have on the public, private, or third sector.

Scottish Government
Tax and Revenue Directorate
January 2026