



Llywodraeth Cymru  
Welsh Government

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**WRITTEN STATEMENT  
BY  
THE WELSH GOVERNMENT**

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**TITLE:** Introduction of the Welsh Tax Acts etc. (Power to Modify) Bill

**DATE:** Monday 13 December 2021

**BY:** Rebecca Evans MS, Minister for Finance and Local Government

Today, the Welsh Tax Acts etc. (Power to Modify) Bill and Explanatory Memorandum has been laid before Senedd Cymru (“the Senedd”).

This Bill is intended to provide an additional lever to respond to external events which impact on our devolved taxes, enabling the Welsh Government to protect the revenues used to fund public services.

This single purpose Bill will enable changes to be made to the Welsh Tax Acts by regulations where Welsh Ministers consider that such changes are necessary or appropriate and where they are required to have effect immediately or shortly thereafter. Those changes will be permitted in order to respond to a number of external circumstances:

- i. to ensure the devolved Welsh taxes are not imposed where to do so would be incompatible with any international obligations;
- ii. to protect against tax avoidance in relation to devolved Welsh taxes;
- iii. to respond to changes made by the UK government to 'predecessor' UK taxes (that is, those where there are equivalent devolved taxes) which affect, or may affect, the amount paid into the Welsh Consolidated Fund, and
- iv. to respond to decisions of the courts or tribunals which affect or may affect the operation of the Welsh Tax Acts, or any regulations made under them.

The devolution of taxes in Wales marked an historic moment in Welsh political history. Over three years ago, the Welsh Government introduced two fully devolved taxes, land transaction tax and landfill disposals tax, which have been successfully administered by our first non-Ministerial body, the Welsh Revenue Authority. This Bill provides a valuable tool for protecting devolved taxes, allowing Ministers to ensure they continue to reflect our distinctive circumstances in Wales and are able to respond to external events which may impact on those taxes. I am grateful to the valuable contributions provided by stakeholders and organisations in developing this Bill.

I look forward to working with the Senedd on the provisions of the Bill during scrutiny over the coming months.