**WRITTEN STATEMENT**

**BY**

**THE WELSH GOVERNMENT**

|  |  |
| --- | --- |
| **TITLE** | **Publication of Welsh rates of income tax outturn statistics** |
| **DATE** | **11 July 2024** |
| **BY** | **Rebecca Evans MS, Cabinet Secretary for Finance, Constitution and Cabinet Office** |

HMRC has published the fourth set of annual outturn statistics for the Welsh rates of income tax. The outturn statistics show that the Welsh rates of income tax in 2022-23 raised £2,618m, up by £254m or 11% on 2021-22.

A link to the statistics can be found at:

[Scottish and Welsh Income Tax Outturn Statistics - GOV.UK (www.gov.uk)](https://www.gov.uk/government/collections/scottish-and-welsh-income-tax-outturn-statistics)

The income tax outturn statistics provide both the Welsh rates of income tax revenues and the equivalent income tax revenues for the rest of UK. The outturn figures are used to calculate a final block grant adjustment for 2022-23.

The difference between the outturn and the forecasts used in the 2022-23 Budget will be added to the block grant for 2025-26 as a reconciliation adjustment. While figures have yet to be agreed by the UK Government, the net reconciliation will have a positive impact on the Welsh Government’s funding for 2025-26.

This year’s outturn publication includes small revisions to previous years’ outturn. The Welsh Government and UK Government will publish a jointly agreed statement detailing the treatment of these revisions in previously reconciled years, as well as setting out the detail of the 2022-23 reconciliation. This is intended to ensure full transparency in, and to help improve wider understanding of the Fiscal Framework.