**WRITTEN STATEMENT**

**BY**

**THE WELSH GOVERNMENT**

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| **TITLE** | **Publication of Welsh rates of income tax outturn statistics**  |
| **DATE** | **22 July 2021** |
| **BY** | **Rebecca Evans MS, Minister for Finance and Local Government**  |

[HMRC has today (22 July) published the first ever set of outturn statistics relating to the Welsh rates of income tax (external link)](https://www.gov.uk/government/statistics/welsh-income-tax-outturn-statistics-2019-to-2020), marking another important step in the tax devolution process in Wales.

The outturn for 2019-20 at just over £2 billion, is very similar to forecasts, providing reassurance that the information sources and forecast methodologies used are robust and reliable.

As 2019-20 was the first, transitional year, these provisional outturn statistics have no direct impact on the funding available to the Welsh Government. However, they will set the baseline for forecasts used in future Welsh Government budgets. The next Welsh rates of income tax forecast by the Office for Budget Responsibility is due in the autumn. This will take account of these statistics and will be used in the Welsh Government’s 2022-23 Budget.

The publication also includes information about receipts for 2020-21 from HMRC’s Real Time Information (RTI) system which have also not been released publicly before. This shows that income tax revenues in Wales have held up well relative to rest of the UK over the last year.

This statement is being issued during recess in order to keep members informed. Should members wish me to make a further statement or to answer questions on this when the Senedd returns I would be happy to do so.