# WRITTEN STATEMENT

# BY

# THE WELSH GOVERNMENT

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| **TITLE** | **Public consultation on proposed legislative amendments to provide relief from land transaction tax for Welsh Special Tax Sites** |
| **DATE** | **19 December 2023** |
| **BY** | **Rebecca Evans MS, Minister for Finance and Local Government** |

I am pleased to announce the launch of a [public consultation on the proposed legislative amendments to the Land Transaction Tax and Anti-avoidance of Devolved Taxes (Wales) Act 2017 to provide a relief from land transaction tax (LTT) for qualifying transactions within a designated Welsh special tax site, which would include any future freeports](http://www.gov.wales/land-transaction-tax-special-tax-sites-relief).

In March 2023, the Welsh and UK governments jointly announced the Celtic Freeport and the Anglesey Freeport as the successful bidders to progress to the Outline Business Case (“OBC”) stage for freeport status. The two bidders are progressing their respective business cases.

A Welsh freeport will provide tax and customs duty incentives to new businesses establishing themselves in the freeport area or to existing businesses in the freeport area that expand their operations. The tax incentives include targeted relief from employer national insurance contributions and enhanced capital allowances - both UK government reserved taxes. Tax incentives will also be provided for non-domestic rates (“NDR”) and LTT - both devolved matters for the Welsh Ministers and the Senedd.

The freeport tax incentives, including the proposed LTT relief, are key drivers of the Programme’s impact and have been designed with the intention of helping sites attract private investment and deliver the policy objectives of the Freeports Programme in Wales. It is anticipated the tax reliefs will need to be in place if the business cases are approved and the tax sites are designated, which is currently projected to take place in early 2024.

I therefore encourage all those with an interest to respond to the consultation. The consultation closes on 18 February 2024. After the consultation closes, I will give due consideration to all the responses and issue a report on the consultation. My aim is to lay the draft statutory instrument before the Senedd for approval as soon as possible after the consultation closes, to coincide with the designation of the tax sites for the Welsh Freeports.

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.