



HM Revenue  
& Customs

## Plastic Packaging Tax

Consultation response submission form

Publication date: 11 March 2020

Closing date for comments: 20 May 2020

<b>Subject of this consultation:</b>	The Plastic Packaging Tax which from April 2022 will apply to plastic packaging manufactured in or imported into the UK containing less than 30% recycled plastic.
<b>Scope of this consultation:</b>	At Budget 2020, the government announced key decisions it had taken for the design of Plastic Packaging Tax in light of stakeholder responses to the previous consultation in 2019. This document provides more information on these announced areas, as well as asking for views on areas of the tax design which have been further refined as we move closer to the implementation date.
<b>Who should read this:</b>	The government would like to hear from businesses, individuals, tax advisers, trade and professional bodies and other interested parties.
<b>Duration:</b>	11 March 2020 to 20 May 2020 (10 weeks).
<b>Lead official:</b>	Alex Marsh, HM Revenue and Customs.
<b>How to respond or enquire about this consultation:</b>	Responses or enquiries should be sent by 20 May 2020, by email to <a href="mailto:indirecttaxdesign.team@hmrc.gov.uk">indirecttaxdesign.team@hmrc.gov.uk</a> or by post to: Alex Marsh, 3rd Floor Ralli Quays, Stanley Street, M60 9LA.
<b>Additional ways to be involved:</b>	In order to engage with businesses and individuals who would be affected by the proposals in this consultation, the government will be consulting key stakeholders and interested parties on the proposals through meetings. If you would like to be included in a consultative meeting, please contact us via the email above.
<b>After the consultation:</b>	The government will aim to analyse responses and publish a formal responses document within 12 weeks after the end of the consultation period.
<b>Getting to this stage:</b>	The responses to the government's Call for Evidence on single-use plastic waste in 2018 highlighted that using recycled plastic is often more expensive than using new plastic. At Budget 2018, the government proposed to use a new tax to encourage the use of recycled plastic and has taken the responses from the first consultation, published in 2019, into consideration to develop the proposals presented here.
<b>Previous engagement:</b>	During the first consultation period, the government had meetings with various stakeholders to discuss the impact of the initial proposals. The government also conducted market research to improve understanding of the packaging industry.

## Consultation

This response form is to be used for responding to HMRC's consultation on a Plastic Packaging Tax. The consultation in full can be found on the following link - <https://www.gov.uk/government/consultations/plastic-packaging-tax-policy-design>.

## Confidentiality

Information provided in response to this consultation, including personal information, may be published or disclosed in accordance with the access to information regimes. These are primarily the Freedom of Information Act 2000 (FOIA), the Data Protection Act 2018, General Data Protection Regulation (GDPR) and the Environmental Information Regulations 2004.

If you want the information that you provide to be treated as confidential, please be aware that under FOIA, there is a statutory Code of Practice with which public authorities must comply and which deals with, amongst other things, obligations of confidence. In view of this it would be helpful if you could explain to us why you regard the information you have provided as confidential. If we receive a request for disclosure of the information we will take full account of your explanation, but we cannot give an assurance that confidentiality can be maintained in all circumstances. An automatic confidentiality disclaimer generated by your IT system will not, of itself, be regarded as binding on HM Revenue and Customs.

## Consultation privacy notice

This notice sets out how we will use your personal data, and your rights. It is made under Articles 13 and/or 14 of the General Data Protection Regulation.

## Your data

### The data

We will process the following personal data:

Name  
Email address  
Postal address  
Phone number  
Job title

### Purpose

The purpose for which we are processing your personal data is: The Plastic Packaging Tax Consultation.

### Legal basis of processing

The legal basis for processing your personal data is that the processing is necessary for the exercise of a function of a government department.

### Recipients

Your personal data will be shared by us with HM Treasury.

## **Retention**

Your personal data will be kept by us for six years and will then be deleted.

## **Your rights**

- You have the right to request information about how your personal data are processed, and to request a copy of that personal data.
- You have the right to request that any inaccuracies in your personal data are rectified without delay.
- You have the right to request that any incomplete personal data are completed, including by means of a supplementary statement.
- You have the right to request that your personal data are erased if there is no longer a justification for them to be processed.
- You have the right in certain circumstances (for example, where accuracy is contested) to request that the processing of your personal data is restricted.

## **Complaints**

If you consider that your personal data has been misused or mishandled, you may make a complaint to the Information Commissioner, who is an independent regulator. The Information Commissioner can be contacted at:

Information Commissioner's Office  
Wycliffe House  
Water Lane  
Wilmslow  
Cheshire  
SK9 5AF  
0303 123 1113  
[casework@ico.org.uk](mailto:casework@ico.org.uk)

Any complaint to the Information Commissioner is without prejudice to your right to seek redress through the courts.

## **Contact details**

The data controller for your personal data is HM Revenue and Customs. The contact details for the data controller are:

HMRC  
100 Parliament Street  
Westminster  
London SW1A 2BQ

The contact details for HMRC's Data Protection Officer are:

The Data Protection Officer  
HM Revenue and Customs  
7th Floor, 10 South Colonnade  
Canary Wharf, London E14 4PU  
[advice.dpa@hmrc.gsi.gov.uk](mailto:advice.dpa@hmrc.gsi.gov.uk)

## About you

### Your name

Ruth Edwards

### Your email address

Ruth.edwards@torbay.gov.uk

### Who are you submitting this response on behalf of? (Please only tick one)

Business representative organisation/trade body

In the case of representative bodies please provide information on the number and nature of people you represent

Packaging designer

Packaging manufacturer / converter

Product manufacturer / pack filler

Distributor

Online marketplace

Fulfilment house operator

Retailer

Plastic packaging importer

Plastic packaging exporter

Waste Management Company

Re-processor

Local government

Community group

Non-governmental organisation

Charity or social enterprise

Consultancy

Academic or research

Individual

Other

If you answered 'Other' above, please provide details:

**Please provide the name of the organisation/business you represent (if applicable)**

Torbay Council

**If you are in business, where is your business established?**

- England
- Scotland
- Northern Ireland
- Wales
- Isle of Man
- Other EU - please state
- Non EU - please state

**If you are in business, how many staff do you employ across the UK?**

- Fewer than 10
- 10 - 49
- 50 - 249
- More than 249
- Prefer not to say

**Are you an obligated packaging producer under Producer Responsibility (Packaging Waste) Regulations in the UK?**

No

**If you are a business that manufactures or imports plastic packaging, how many tonnes of plastic packaging do you manufacture or import annually?**

N/A

**Please provide any further information about your organisation or business activities that you think might help us put your answers in context.**

Unitary Local Authority

**Would you like your response to be confidential? Why? (please note the information on confidentiality on page 3)**

No





## Liability for the tax – chapter 4

Businesses who manufacture in the UK, or import plastic packaging into the UK will be liable to pay the tax, subject to relevant exemptions and the small operator threshold explained in chapter 5. This chapter outlines the government's proposals for when the tax will be chargeable and who the chargeable person will be.

**Question 6. Do you agree the proposed charging conditions will ensure that the UK manufacturer of plastic packaging is liable for the tax? If not, please explain why.**

Torbay Council supports LARAC's opinion that the rate of 30% recycled content for plastic packaging may not have the intended outcome of stimulating reprocessing and local markets. If producers are able to source cheaper recyclates from non-UK supplied sources the desired stimulation in local markets and infrastructure would not be achieved. If Circular Economy principles are to be supported materials collected within the UK should be prioritised for inclusion in new packaging and should be considered as an additional condition to trigger the tax.

**Question 7. Do you foresee any issues for specific packaging components due to the proposed approach of disregarding further ancillary processes for the purposes of the tax? Please explain what these issues are.**

No comment

**Question 8. Do you have any observations on the proposed treatment of imports of plastic packaging, particularly linking the tax point to "first commercial exploitation" i.e. when it is controlled, moved, stored, is subject to an agreement to sell, or otherwise used in the UK in the course or furtherance of business?**

The first point of 'commercial exploitation' seems reasonable.

**Question 9. Do you agree the "consignee" on import documentation is likely to be the taxable person for imports of plastic packaging? In what scenarios might someone else be the person on whose behalf the plastic packaging is commercially exploited?**

No comment

**Question 10. Do you agree that packaging that is damaged after the tax has become due should not be relieved? If not, please explain why you think this packaging should be relieved.**

This approach appears reasonable

**Question 11. Do you foresee any difficulty or added costs with the proposal for the taxable person to incorporate the amount of Plastic Packaging Tax onto the sales invoice, and if so, could this information be provided to customers in any other way?**

No comment

**Question 12. Are the proposals for joint and several liability reasonable? If not, please say why?**

The proposals appear reasonable

**Question 13. Do you envisage any problems with extending joint and several liability to online marketplaces and fulfilment house operators who knew, or had reasonable grounds to suspect that the tax had not been accounted for on sales made through their platform?**

No comment

**Question 14. Will extending joint and several liability to third-party fulfilment house operators and online marketplaces be sufficient to deter overseas sellers from non-compliance with the tax? If not, what other steps should HMRC consider?**

No comment

## Excluding small operators ('de minimis') – chapter 5

The government wants to ensure that the administrative burdens for businesses manufacturing and/or importing small amounts of plastic packaging, and the costs of administering and collecting the tax, are not disproportionate to the environmental harms the tax seeks to address. To achieve this, the government proposed in the previous consultation that only businesses over a minimum threshold, or a 'de minimis', would be in scope of the tax. This chapter sets out more detail on the government's de minimis proposals.

**Question 15. Do you agree with the proposed guidance and tools to help business determine if they are above or below the de minimis? What other help could the government provide?**

No comment

**Question 16. Do you agree with the approach to record keeping for businesses below de minimis? If you disagree, please suggest what alternative approaches would be more appropriate and why.**

No comment

**Question 17. Do you agree with the proposed forward and backward look test to apply the 10 tonne threshold? If you disagree, please suggest what would be more suitable and provide evidence to support your view.**

No comment

## Evidence requirements – chapter 6

This chapter sets out the government’s updated proposals to help businesses fulfil their Plastic Packaging Tax obligations and safeguard the tax from avoidance and evasion.

**Question 18.** Do you agree with the government’s proposal to restrict calculations of recycled plastic content to approved methods? If not, please explain why. What methods other than the proposed mass balance approach should be considered?

No comment

**Question 19.** Where businesses are importing plastic packaging with at least 30% recycled content, will it be feasible for them to obtain the mass balance evidence from overseas manufacturers? What other ways could importers demonstrate the proportion of recycled plastic?

Businesses should also detail where the recycled content was sourced. For local markets to be stimulated, using locally sourced recycle needs to be prioritised/incentivised.

**Question 20.** Do you agree with the government’s proposed method for calculating the weight of the packaging? If not, please explain why and how you would calculate it.

No comment

**Question 21.** Are the types of evidence within the government’s list appropriate for proving recycled plastic content and the other information required by HMRC? Are there any additional sources of evidence which could be used? If so, please provide details.

No comment

**Question 22.** What further due diligence could businesses reasonably conduct to ensure their products meet the relevant specifications for tonnage and recycled plastic?

If possible businesses should be encouraged to source UK supplied recycled plastic packaging to strengthen demand for locally collected plastics which will provide a more secure and reliable material market for plastics for local authorities and their contractors.

## Exports – chapter 7

This chapter sets out the government’s updated approach for exports of plastic packaging. As set out in the government’s initial consultation, UK manufacturers will not be disadvantaged because exported plastic packaging will be relieved from the tax.

**Question 23. Are there any observations or issues you can see with the government’s proposals to provide relief for exported plastic packaging through direct exports, REPs and tax credits? Please provide details of any alternative methods of relieving exports you would recommend.**

Torbay Council would prefer to see packaging that is exported liable to tax. By not taxing exported packaging there is concern there will be insufficient pull through of end markets for reprocessing plastic to achieve the stimulus to maintain viable markets. If viable and economic end markets for plastic recycling are not available local authorities could continue to be challenged with establishing secure long term markets for plastics which they will be obligated to collect as part of the consistency requirements.

**Question 24. Do you agree with the proposed information requirements to evidence the proposed export reliefs? If not, please explain how you could evidence the export.**

No comment

**Question 25. Do you agree with the proposal not to relieve transport packaging used on exports? If not, do you have any suggestions on how transport packaging could be offered relief?**

No comment

## Registrations, returns and enforcement – chapter 8

This chapter sets out the registration and returns requirements for the tax, and the compliance and enforcement regime HMRC will operate to ensure a level playing-field for all.

**Question 26.** Do you consider these registration requirements to be appropriate? If not, please specify why.

No comment

**Question 27.** Do you agree that the group eligibility criteria are appropriate? If not, please specify why.

No comment

**Question 28.** In your view, are businesses eligible to form a group likely to make use of this facility? If so, please estimate the value of savings that may be offered by registering and reporting as a group.

No comment

**Question 29.** Do you agree that these deregistration requirements are appropriate? If not, please specify why.

No comment

**Question 30.** In your view, will the reporting requirements be straightforward to comply with? If not, please provide details of any issues you expect.

No comment

**Question 31.** Do you intend to use a third-party agent to help meet your obligations for the tax or are you an agent expecting to provide this service? Would you expect their responsibilities to include filing your returns?

N/A

**Question 32.** Please provide details of the expected costs to your business of registering for the tax, and any expected one-off and on-going costs of completing, filing and paying the return, excluding any expected tax liability.

N/A

**Question 33.** Do you consider that HMRC's approach to powers and penalties is appropriate? If not, please specify why.

No comment

## Understanding commercial practices – chapter 9

**Question 34.** Unless already covered in your responses to other questions within this document or the previous consultation, please tell us about the plastic packaging manufactured or imported by your business and how you think your business would be impacted by the tax, including additional administrative burdens?

N/A

## Assessment of impacts – chapter 10

**Question 35.** Do you have any comments on the assessment of equality and other impacts in the Tax Impact Assessment?

Stimulation of the UK recycling market is Torbay Council's primary concern regarding the plastic packaging tax and agrees with LARAC's viewpoint that the assumption the tax will create a greater demand for the material and stimulate recycling and reduced residual waste will only apply if businesses source the recycle from UK supplied organisations. If the recycled plastic is sourced from non-UK collected plastics there will be no change and local authorities may continue to be faced with an unstable market for collected material.



## Submitting your response

Your response should be sent by 20 May 2020, by email to [indirecttaxdesign.team@hmrc.gov.uk](mailto:indirecttaxdesign.team@hmrc.gov.uk) or by post to: Alex Marsh, 3rd Floor Ralli Quays, Stanley Street, M60 9LA.

Paper copies of this document or copies in Welsh and alternative formats (large print, audio and Braille) may be obtained free of charge from the above address. This document can also be accessed from [HMRC's GOV.UK pages](#). All responses will be acknowledged, but it will not be possible to give substantive replies to individual representations.

When responding please say if you are a business, individual or representative body. In the case of representative bodies please provide information on the number and nature of people you represent.