

**Customs and Indirect Tax Policy**

Excise and Environmental Taxes

3rd Floor West

Ralli Quays

3 Stanley Street

Salford M60 9LA

To landfill site operators registered for Landfill Tax

**Phone** 0300 0552961**Email** Alan.Jones1@hmrc.gsi.gov.uk**Date** March 2021[www.hmrc.gov.uk](http://www.hmrc.gov.uk)**Our ref****Your ref****LANDFILL TAX BRIEFING - March 2021**

This briefing provides updates on:

- Landfill Tax:
  - Rates
- The Landfill Communities Fund (LCF):
  - Maximum percentage credit for 2021 – 22
  - Environmental body levy

## **1. Landfill Tax**

### **1.1 Rates**

As previously announced at Budget 2020, legislation will be introduced in Finance Bill 2021 to increase the standard and lower rates of Landfill Tax in line with inflation, rounded to the nearest 5 pence, for disposals of materials made, or treated as made, to landfill on or after 1 April 2021.

Budget 2021 announced that the government will legislate at a later Finance Bill to increase the standard and lower rates of Landfill Tax in line with inflation (based on Retail Prices Index (RPI)), rounded to the nearest 5 pence, for disposals of materials made, or treated as made, to landfill on or after 1 April 2022.

The current and future announced rates are as follows:

Material sent to landfill	Rate from <b>1 April 2020</b>	Rate from <b>1 April 2021</b>	Rate from <b>1 April 2022</b>
Standard rated (per tonne)	£94.15	£96.70	£98.60
Lower rated (per tonne)	£3.00	£3.10	£3.15

## **2. The Landfill Communities Fund (LCF)**

### **2.1 Maximum percentage credit in 2021 - 22**

As announced at Budget 2021, the potential value of the LCF for 2021 – 22 will be set at £34.4 million. The percentage credit that landfill site operators may claim against their annual Landfill Tax liability for LCF contributions made to environmental bodies (EBs) will be maintained at 5.3% from 1 April 2021.

### **2.2 Environmental body levy**

The ENTRUST levy for 2021-22 is set at 2.91%. This was published by ENTRUST on their website on Budget Day.

*Alan Jones*

Alan Jones,  
Policy Advisor