

Customs and Indirect Tax Policy

Excise and Environmental Taxes

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To landfill site operators registered for Landfill Tax

Phone 0300 0552961**Email** Alan.Jones1@hmrc.gsi.gov.uk**Date** March 2020www.hmrc.gov.uk**Our ref****Your ref****LANDFILL TAX BRIEFING - March 2020**

This briefing provides updates on:

- Landfill Tax:
 - Rates
- The Landfill Communities Fund (LCF):
 - Maximum percentage credit for 2020 – 21
 - Environmental body levy

1. Landfill Tax

1.1 Rates

As previously announced at Budget 2018, legislation will be introduced in Finance Bill 2020 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 2020.

Budget 2020 announced that the government will legislate in Finance Bill 2020 - 21 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 2021.

The current and future announced rates are as follows:

Material sent to landfill	Rate from 1 April 2019	Rate from 1 April 2020	Rate from 1 April 2021
Standard rated (per tonne)	£91.35	£94.15	£96.70
Lower rated (per tonne)	£2.90	£3.00	£3.10

2. The Landfill Communities Fund (LCF)

2.1 Maximum percentage credit in 2020 - 21

As announced at Budget 2020, the potential value of the LCF for 2020 – 21 will be set at £35 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 2020.

2.2 Environmental body levy

The ENTRUST levy for 2020-21 is set at 2.26%. This was published by ENTRUST on their website on Budget Day.

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