



Llywodraeth Cymru
Welsh Government

STATISTICS

Landfill Disposals Tax statistics: April to June 2022

The quarterly statistical release for Landfill Disposals Tax (LDT) published by the Welsh Revenue Authority (WRA). Data includes the weight of and tax due on waste disposed to landfill.

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Key points

For waste disposed to landfill in the period April to June 2022:

- there were 338 thousand tonnes of authorised disposals. This is a 5% increase compared with the same period in 2021. A large increase in the level of relieved and discounted waste disposed was partially offset by a fall in lower rate disposals.
- these disposals resulted in £12.1 million tax due, similar to the tax due for the same period in 2021
- there is evidence of a seasonal pattern in the data. Shorter days in winter months are potentially a factor in the level of disposals. However, this pattern is further complicated by the impact of coronavirus (COVID-19) in 2020.
- fines material accounted for 36% of the weight of waste disposed at the lower rate. This percentage was lower than the 48% seen in April to June 2021. It is unclear if a seasonal pattern will emerge in this new data, and we will continue to monitor this in future.
- the 5 landfill site operators paying the most tax accounted for 87% of the total tax due
- there are 17 authorised landfill site operators covering 20 sites

More information on these landfill site operators can be found on the Welsh Revenue Authority (WRA) website.

Table 1a below shows percentage changes for the latest quarter against the same period a year earlier. Some percentage increases are large as they are based on small numbers, therefore we advise caution on interpreting any large percentage increases shown.

Table 1a: Weight of waste disposed to landfill, tax due, and percentage change from previous value a year earlier

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[note 1 and 2]

	Apr to Jun 2021	Apr to Jun 2022 [provisional]	% change
Disposed weight ['000 tonnes] [note 3]			
Standard rate	120	118	-1%
Lower rate, of which:	174	129	-26%
Fines material [note 4]	83	47	-43%
Soil and stones [note 5]	65	39	-40%
Concrete, bricks, tiles and ceramics [note 5]	21	18	-12%
Other lower rate [note 5]	5	24	400%
Relieved or discounted [note 6]	29	91	209%
Total [note 7]	323	338	5%
Tax due [£ millions] [note 8]			
Standard rate	11.6	11.7	1%
Lower rate	0.5	0.4	-25%

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	Apr to Jun 2021	Apr to Jun 2022 [provisional]	% change
Total [note 7]	12.1	12.1	0%
Relieved tax amount [note 9]	0.1	0.3	287%

Table 1b: Tax due on waste disposed to landfill [note 1] [note 2]

Tax due [£ millions] [note 8]

	Lower rate	Standard rate	Total [note 7]	Relieved tax amount [note 9]
2018-19	1.5	46.8	48.3	0.9
2019-20	1.3	35.8	37.2	0.2
2020-21	1.6	30.4	32.0	0.3
2021-22 [revised]	1.8	43.3	45.1	0.3

Source: [Landfill Disposals Tax statistics by reporting period, tax rate and measure on StatsWales](#)

Notes:

1. The table does not include any information on unauthorised disposals as no data are yet available.
2. The table excludes a small number of amendments to tax returns which we have received, as the LDT operations team are reviewing these amendments.
3. Weights presented have been rounded to the nearest 1,000 tonnes.
4. Fines are particles of material produced by a mechanical waste treatment process. Landfill site operators must ensure certain criteria are met for the material to be treated as qualifying fines at the lower rate of tax. Please see the glossary for further information.
5. Data for these categories represents non-qualifying fines material, grouped by List of Waste (LoW) code. The groupings used for these three categories is presented in our glossary page.
6. This includes weight of water removed from disposed waste, which is zero rated, and the weight of all waste which is subject to any LDT relief.
7. Totals presented have been calculated based on the unrounded values.
8. Values presented have been rounded to the nearest £0.1 million.
9. This is the reduction in tax due to the applications of reliefs. The amount does not include any element for water discount, which is not taxed.

Statistician's comment

Adam Al-Nuaimi, Head of Data Analysis in the WRA, commented on these statistics:

“ The Landfill Disposals Tax due for April to June 2022 was similar to the same period in 2021, driven mainly by the similar levels of standard rate disposals. However, the overall weight of waste disposed rose marginally from a year earlier. We saw that a large increase in the level of relieved and discounted waste disposed was partially offset by a fall in lower rate disposals. ”

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About these statistics

National Statistics designation

On 16 February 2022, the Office for Statistics Regulation (OSR) designated all WRA statistics to be National Statistics. This means OSR assessed that WRA statistics:

- fully comply with the Code of Practice for Statistics
- meet the highest standards of trustworthiness, quality and value

Introduction of LDT

From April 2018, Landfill Disposals Tax (LDT) replaced Landfill Tax in Wales. We, the Welsh Revenue Authority, collect and manage LDT. The tax is designed and made in Wales and the revenue raised will support Welsh public services.

Like Landfill Tax, LDT is a tax on waste disposed to landfill and is charged by weight. Landfill site operators pay the tax and they pass these costs on to other waste operators through their gate fee.

The purpose of the tax is to:

- reduce the amount of waste going into landfill
- encourage less harmful methods of waste management such as recycling and incineration

Value of LDT statistics

LDT statistics are a valuable source of data on the amount of waste going into

landfill. LDT has an important role in the Welsh Government plan to **achieve net zero emissions**.

Forecasting LDT revenues for Wales in future is an important use of LDT statistics. The Office for Budget Responsibility produce LDT forecasts to coincide with Welsh Government and UK Government budgets.

Data available for LDT

All of the data used in this statistical release is available in a spreadsheet on the **headline statistics page**.

Data is also available on the **StatsWales website**.

Key quality information and glossary pages

Please see the separate **glossary** and **key quality information** pages while reading this statistical release.

- We define relevant terms in the **glossary** as they are used in this release.
- Our **key quality information page** describes how LDT statistics meet the Code of Practice for Statistics and the dimensions of value, trustworthiness and quality.

Revisions to LDT statistics

The quarterly estimates in this release are based on the latest three-month **accounting period** for each landfill site operator. Each LDT return may be verified as part of mitigation and recovery work that the WRA carries out routinely and may therefore be revised in future.

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In the following section, we explain the methods we use to derive the statistics from the data supplied in the returns.

Pre-release access to our statistics

We publish the [list of posts which have pre-release access](#) to our statistics, including for LDT.

Methods used in this release

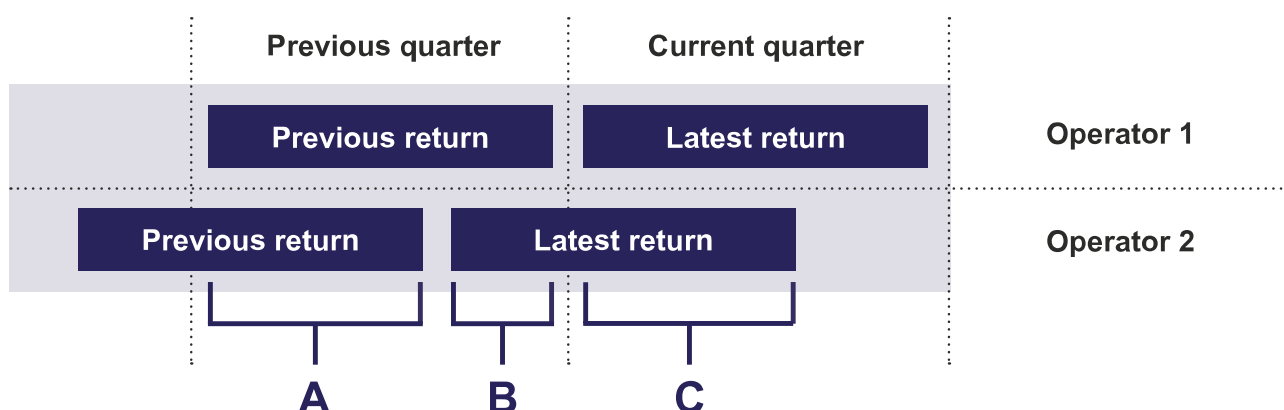
Accounting periods

Most landfill site operators report to the WRA using standard accounting periods. These align with the end of our reporting quarters.

A small number of landfill site operators use different start and end dates for reporting to the WRA. We explain here how we account for this issue when producing estimates for the current and previous reporting quarters.

In the example shown below:

- operator 1 has a standard accounting period
- operator 2 has agreed a different accounting period with the WRA. The start and end points are different to our standard reporting quarters



The diagram shows a timeline of the previous return and latest return for Operators 1 and 2. Letters A, B and C denote parts of the previous and latest return for Operator 2 and how these are used in the calculation.

A + B: two thirds of the previous return and one third of the latest return are used to give estimates for the previous quarter.

C: The portion of the return covering the latest period is uplifted to give estimates for the current quarter. The uplift is pro-rata based on the number of days in the current quarter covered by the return.

Reliefs and discounts

In our [key quality information](#), we describe how we introduced a new tax return from April 2021. In the new return, landfill site operators record any **relieved** waste and any **water discounts** in separate parts of the return. In this release, we combine these 2 categories to present a 'relieved or discounted' category.

In the previous tax return, landfill site operators would initially record relieved waste as lower rate waste then subtract it off in a later part of their return. However, our previous releases would report relieved waste within the 'relieved

or discounted' category but not as part of the lower rate category, so this has not led to a change in the presentation of data over time.

Unauthorised disposals

No data are yet available on **unauthorised disposals**. We will keep this under review. When we have enough data, we will provide more detail on our approach to publishing information about unauthorised disposals.

Customer insolvency

The LDT system allows for a credit to be made against the tax due for customer insolvency. This is when a customer of the landfill site operator has gone out of business and is unable to pay the operator for the waste disposed to landfill.

Previously, a very small amount of credit was claimed by one operator in the reporting quarter July to September 2018. However, the WRA rejected this claim and tax was due on this amount.

A small amount of credit was claimed by one operator for the reporting quarter July to September 2019. The WRA approved this claim. In this statistical release, we have subtracted the amount claimed from the total tax due.

Exempt disposals

Certain disposals of material can be treated as **exempt from LDT** and therefore are not reported to the WRA. We do not collect data on these exempt disposals.

Analysis

Tax rates that apply to Tables 1a and 1b

The Welsh Government has set rates that match those in the rest of the UK for 2018-19 to 2022-23.

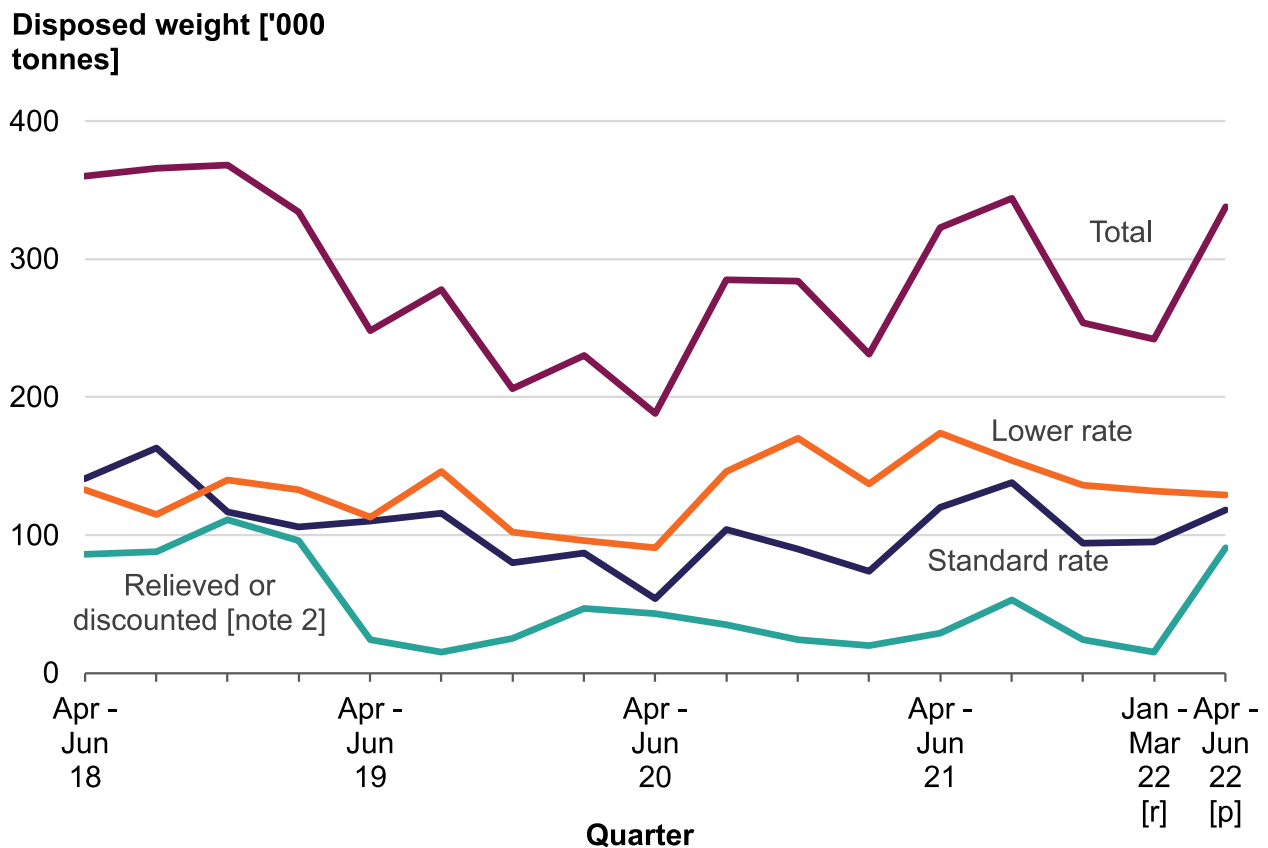
	Standard rate	Lower rate	Unauthorised disposals rate (not in Tables 1a and 1b)
2018-19	£88.95 per tonne	£2.80 per tonne	£133.45 per tonne
2019-20	£91.35 per tonne	£2.90 per tonne	£137.00 per tonne
2020-21	£94.15 per tonne	£3.00 per tonne	£141.20 per tonne
2021-22	£96.70 per tonne	£3.10 per tonne	£145.05 per tonne
2022-23	£98.60 per tonne	£3.15 per tonne	£147.90 per tonne

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Chart 1a: Weight of waste disposed to landfill, by tax rate and quarter [note 1]



The line chart shows trends in the weight of waste disposed to landfill, for standard rate, lower rate, relieved or discounted weight, and total. Quarterly data are presented from April to June 2018, and up to April to June 2022.

Source: [Landfill Disposals Tax statistics by reporting period, tax rate and measure on StatsWales](#)

Notes:

1. This chart does not include any information on unauthorised disposals as no

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data are yet available.

2. This includes weight of water removed from disposed waste, which is zero rated, and the weight of all waste which is subject to any LDT relief.

[p] The values are provisional and will be revised in a future publication.

[r] The values have been revised in this publication.

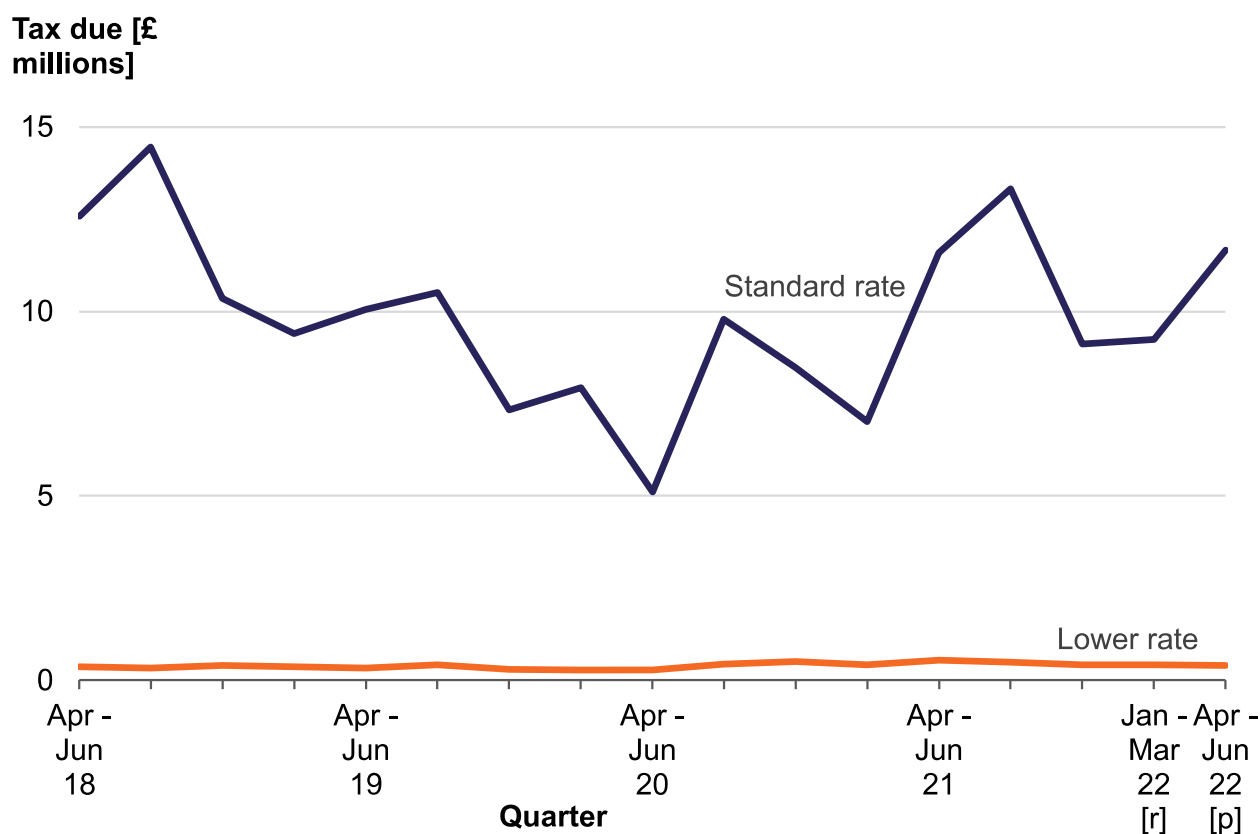
In April to June 2022, there were 338 thousand tonnes of authorised disposals. This is 5% higher than the same period in 2021.

Within this total, there were 118 thousand tonnes of disposals at the standard rate. This is 1% lower than the same period in 2021.

The 129 thousand tonnes disposed at the lower rate was 26% lower than in April to June 2021. Commentary below Chart 1c analyses the categories within lower rate data contributing to this trend.

In April to June 2022, the 91 thousand tonnes of relieved and discounted disposals was just over three times higher than the same period a year earlier, and the third highest quarterly value seen to date. The LDT operations team have reviewed this considerable change and raised no concerns about accuracy of tax returns. The level of relieved and discounted waste has varied greatly over time. It is not possible to forecast whether similar amounts of relieved and discounted waste will be seen in the remaining quarters of the financial year, or if it will return to the previous lower levels seen in the previous 3 years.

Chart 1b: Tax due on waste disposed to landfill, by tax rate and quarter [note 1 and 2]



The line chart shows trends in the tax due on waste disposed to landfill, for waste at the standard rate and lower rate. Quarterly data are presented from April to June 2018 and up to April to June 2022.

Source: [Landfill Disposals Tax statistics by reporting period, tax rate and measure on StatsWales](#)

Notes:

1. This chart does not include any information on unauthorised disposals as no

data are yet available.

2. The chart excludes a small number of amendments to tax returns which we have received, as the LDT operations team are reviewing these amendments.

[p] The values are provisional and will be revised in a future publication.

[r] The values have been revised in this publication.

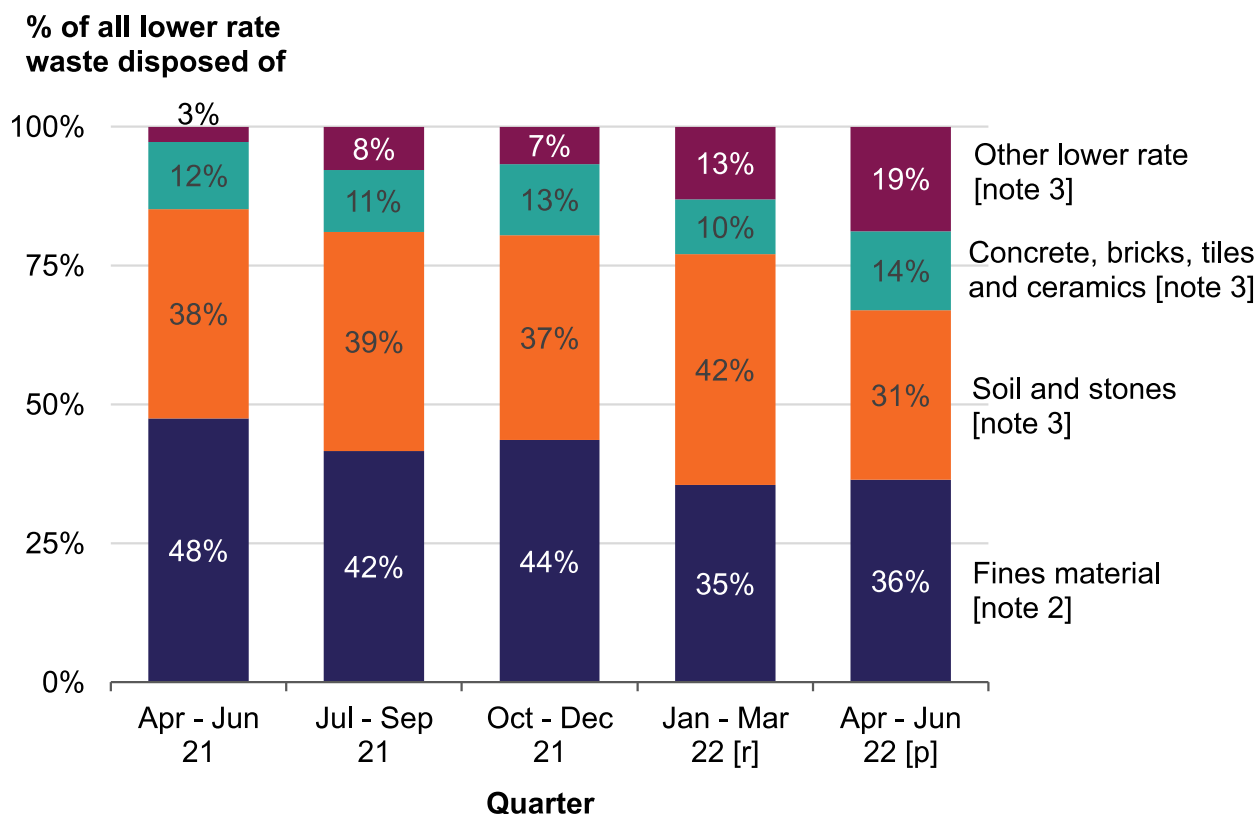
Disposals in April to June 2022 resulted in £12.1 million of tax due. This is similar to the same period in 2021.

There is evidence of a seasonal pattern in the data, with shorter days in winter months potentially a factor in the level of disposals. In future, we may be able to isolate these effects from the more general trends in the data. But we will need several years' worth of data before that is possible, and the impact of coronavirus (COVID-19) is now an added complication.

For April to June 2022, the 5 landfill site operators paying the most tax accounted for 87% of the total tax due. In three-month periods prior to this, the figure has varied between 80% and 90%.

The relieved tax amount is not shown on the chart but has ranged from very little up to £0.3 million each quarter. This value was £0.3 million in April to June 2022.

Chart 1c: Weight of lower rate waste disposed to landfill, by type of waste and quarter [note 1]



The bar chart shows the **breakdown of lower rate weight** into qualifying fines material, with non-qualifying fines material grouped into three categories by List of Waste (LoW) code. Quarterly data are presented for April to June 2021 and up to April to June 2022.

Source: [Landfill Disposals Tax statistics by reporting period, tax rate and measure on StatsWales](#)

Notes:

1. This chart does not include any information on unauthorised disposals as no data are yet available.

2. Fines are particles of material produced by a mechanical waste treatment process. Landfill site operators must ensure certain criteria are met for the material to be treated as qualifying fines at the lower rate of tax. Please see the glossary for further information.

3. Data for these categories represents non-qualifying fines material, grouped by List of Waste (LoW) code. The groupings used for these three categories are presented in our [glossary page](#).

[p] The values are provisional and will be revised in a future publication.

[r] The values have been revised in this publication.

Please note we have applied a statistical correction in deriving the data presented in the above chart. This correction applies to one item of data received from one operator in April to June 2022, where there is an outstanding query on a figure provided in their return. When we publish our next release, we expect to have received an amendment to the relevant tax return. The provisional figures for April to June 2022 presented here will then be revised in that next release.

Table 1a earlier in the release showed that in April to June 2022, 47 thousand tonnes of fines material was disposed at the lower rate of tax. This is 43% lower than the same period a year earlier. There was a similar change in soils and stones disposed at the lower rate of tax: a 40% decrease to 39 thousand tonnes.

Chart 1c shows the percentage of lower rate waste accounted for by fines material fell from 48% in April to June 2021 to 36% in April to June 2022, with some rises and falls in the intervening quarters. The percentage of lower rate waste accounted for by soils and stones varied from 31% in April to June 2022,

to 42% in January to March 2022. The percentage of lower rate disposals classified as 'other' rose from 3% in April to June 2021 to 19% in April to June 2022.

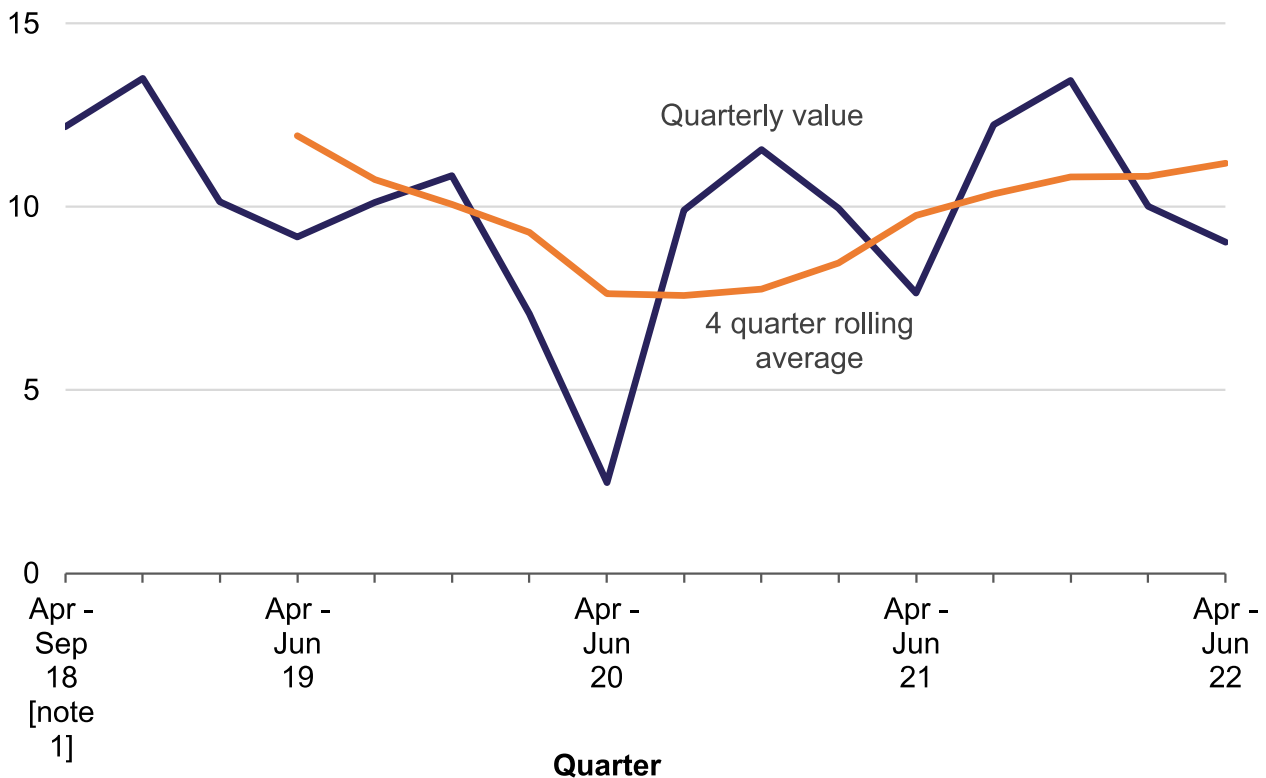
With limited data so far, it is unclear if there will be any seasonal patterns in these percentages. We will continue to monitor this in future releases.

Receipts of LDT

Chart 2 below shows quarterly receipts received for LDT. This is based on the date the payment was received, sometimes referred to as 'on a cash basis'.

Chart 2: Landfill Disposals Tax (LDT) paid to the WRA, by quarter

Value of LDT payments [£ millions]



The line chart shows the trend in quarterly receipts of LDT and a 4 quarter rolling average. Data are presented for the six-month period April to September 2018, and then quarterly up to April to June 2022.

Source: [Landfill Disposals Tax statistics on tax paid, on StatsWales](#)

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1. Figures for April to June 2018 have been combined with figures for July to September 2018. This is due to the small number of landfill operators who had already submitted returns and paid before the end of June 2018 (most of them submitted and paid in July 2018).

In April to June 2022, we received £9.0 million of LDT payments. This is 18% higher than the same period in 2021.

In July to September and October to December, quarterly LDT receipts are generally above the 4 quarter rolling average. In April to June, receipts are generally lower than the 4 quarter rolling average. As described in previous releases, quarterly receipts in 2020-21 were affected by Time to Pay agreements put in place due to coronavirus (COVID-19).

The trends in these data usually differ slightly from the data on tax due. This is because these trends are influenced by the exact accounting periods agreed with the LDT operators and the resulting payment dates. This can lead to payments falling into different quarters to the activity they cover. As a general rule, figures for cash receipts broadly align with the total due for the previous quarter.

Please note that Chart 2 will:

- include very small amounts of penalties and interest paid relating to LDT
- exclude any amounts of unpaid LDT, including penalties and interest. We manage any instances through our debt management processes.

Accounting adjustments made in a financial year different to that when the waste was disposed

In the spreadsheet published on the headline page, Table 3 contains details of adjustments made to reflect waste disposed in one year that was accounted for

in a different year within the WRA financial accounts. This situation can arise when a taxpayer amendment to the disposals is notified by a landfill site operator. In some situations these amendments may be accepted, or lead to an **enquiry**, after which the amendment may be confirmed, rejected or reversed (if it had previously been accepted). All these scenarios might lead to accounting adjustments. The position may be further complicated by an appeal which may lead to a tribunal and a consequent further delay in accounting. Accounting adjustments may be made where there is uncertainty whether tax will eventually be due, ahead of the outcome of any appeal or tribunal being determined.

The net position of these accounting adjustments is reflected in this Table 3. The user might choose to apply these adjustments to the annual amounts for total tax due in Table 1b in this release, if interested in figures on an accounting year basis. To do so, the user should begin with the disposal figure for a given year, subtract off any items from Table 3 with that same disposal year, then add in items where the accounting year is equal to the disposal year. This would allow a user to adjust the data in Table 1b in this release to more closely reflect the amounts recorded in the WRA financial accounts.

Users should note that Table 3 presents negative values for some rows. This represents tax amounts being de-recognised from the WRA financial accounts in a particular accounting year. It is also possible for values in the table to be revised downwards in future. This would be possible if, for example, appeals against tax decisions are successful.

[Accounting adjustments made in a financial year different to that when the waste was disposed \(Open Document Spreadsheet, 14 KB\)](#)

Links to key quality information and glossary pages

The [key quality information](#) page describes how our Landfill Disposals Tax statistics meet the Code of Practice for Statistics and the dimensions of value, trustworthiness and quality.

We define relevant terms in the [glossary](#) as they are used in this release.

Feedback and contact details

We would be grateful for your feedback on these statistics, to help us improve them. Please contact us using the details below.

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