

Taxation (Wales) Bill

Children's Rights Impact Assessment

Lead department	Welsh Revenue Authority / Welsh Government
Proposal	Amendments to WRA information sharing powers in the Tax Collection and Management (Wales) Act 2016, Land Transaction Tax and Anti-avoidance of Devolved Taxes (Wales) Act 2017 and Landfill Disposals Tax (Wales) Act 2017
Legislation type	Primary legislation
Policy stage	Bill introduced October 2026
Status	Completed

Policy objectives

1. This impact assessment assesses the impact of the proposals on children and young people up to the age of 18.
2. The Bill has been informed by eight years of WRA operational experience, industry feedback and UK legislative changes. The proposals aim to clarify, modernise, and future-proof the Welsh Tax Acts to support effective tax collection and improve internal governance.
3. The Taxation (Wales) Bill 2026 makes a series of mainly technical and administrative amendments to the following Welsh Tax Acts:
 - Tax Collection and Management (Wales) Act 2016 (TCMA)
 - Landfill Disposals Tax (Wales) Act 2017 (LDTA)
 - Land Transaction Tax and Anti-avoidance of Devolved Taxes (Wales) Act 2017 (LTTA)
4. The Bill is the next stage following the White Paper consultation held from 5 November 2025 to 26 January 2026. It is intended to ensure that the Acts continue to deliver the outcomes intended by Senedd Cymru, support taxpayer understanding and maintain efficient and fair administration. The Bill does not introduce a new tax or substantively change the underlying policy objectives of existing devolved taxes.
5. We have updated the Children's Rights Impact Assessment (CRIA) to reflect the provisions being taken forward in the Bill following consultation and further policy development. While the proposals are primarily technical and administrative in nature, they have been assessed against the goals of the UN Convention on the Rights of the Child (UNCRC) and its Optional Protocols.
6. Through this assessment, we have identified a number of indirect impacts on children and young people. These relate particularly to how changes in tax administration, information sharing, compliance powers and Land Transaction Tax and Landfill Disposals Tax rules may affect:
 - Household financial stability and housing affordability
 - Environmental health and safety near landfill sites

- Public revenue available for services that support children’s rights and wellbeing
 - The operational capacity of organisations that deliver services to children
7. We will continue to review and refine the CRIA as the Bill progresses, taking account of evidence received during Senedd scrutiny and implementation planning and ensuring that appropriate safeguards are maintained.

Gathering evidence and engaging with children and young people

8. Direct engagement with children and young people has not been undertaken, for the following reasons:
- The proposals are primarily technical and administrative, with no direct policy changes targeting children.
 - The impacts identified are indirect and mediated through adult taxpayers, organisations, or environmental conditions.
 - The White Paper consultation and subsequent policy development focused on legislative mechanics rather than service design or delivery.
9. We nevertheless recognise the importance of participatory engagement where a direct or material impact is identified. During the Bill’s scrutiny and implementation, we will continue to draw on relevant evidence, including:
- relevant UNCRC guidance and General Comments, particularly those relating to Articles 3 (best interests), 16 (privacy), 24 (health), and 27 (standard of living).
 - HMRC and WRA operational data: on taxpayer demographics, relief claims, penalties, and compliance behaviours, including cases involving family-run businesses and charities.
 - StatsWales datasets: Including child poverty rates, housing tenure by household type, and proximity to landfill sites.
 - Welsh Government Children and Young People Wellbeing Monitor: provides data on housing, income, health, education, and environmental conditions affecting children.

Analysing the evidence and assessing the impact

10. The provisions are listed in summary form in Part 1 of this IIA. Further information on the proposed reforms can be found in the Explanatory Memorandum accompanying the Bill.

11. Overall, most proposals are administratively or fiscally focused and are likely to have indirect effects on children and young people rather than direct ones.

- Protection of privacy (Article 16) where protected information is shared under the new statutory gateways, with discretionary disclosure, role-based access, restrictions on onward disclosure and criminal sanctions supporting the safeguards.
- Ensuring that the best interests of the child (Article 3) are considered where repayment and enforcement could indirectly affect household stability.
- Safeguarding children's health and environment (Articles 6 and 24) where landfill-cell taxation and LDT inspection powers may support effective compliance and environmental protection.
- Protecting an adequate standard of living (Article 27) by considering whether repayment, interest and provisions relating to residential property transactions could disproportionately affect families with children.

12. The principal UNCRC impacts that recur across selected proposals are:

UNCRC Articles or Optional Protocol	Enhances (X)	Challenges (X)	Explanation
Article 3 (best interests of the child) Article 4 (implementation of the convention) Article 16 (right to privacy)	X	X	Information sharing provisions The Bill permits the WRA to disclose visitor levy protected information to principal councils for the WRA's own visitor levy functions. The Bill also permits disclosure of protected information to qualifying persons for council tax and non-domestic rates collection and management. Better-targeted public administration may indirectly benefit children through the effective funding and delivery of services (Articles 3 and 4). There is a privacy risk if information relating to children or families is accessed or disclosed improperly (Article 16). The gateways are discretionary, disclosures must be necessary and proportionate, access will be restricted, onward disclosure is only permitted for defined purposes or with WRA's

			written consent, and unauthorized further disclosure is a criminal offence.
Article 4 (implementation of the convention)	X		Application of TCMA 2016 to the Crown for LTT The Bill corrects statutory references and gives the Crown the intended review and appeal rights for information notices. This is a technical provision that supports legal certainty and consistent tax administration. No realistic challenge to children's rights has been identified.
Article 2 (non-discrimination) Article 4 (implementation of the convention) Article 27 (adequate standard of living)	X		Nominees and leases The Bill makes limited amendments so that specified reliefs and computational rules for sale and leaseback arrangements and surrenders and regrants operate by reference to the beneficial owner, while retaining the wider anti-avoidance rule. The provision is mainly commercial but may indirectly support organisations and housing transactions that benefit families with children by preventing additional liabilities arising solely from the use of a bare trustee or nominee.
Article 3 (best interests of the child) Article 27 (adequate standard of living)	X		Reflecting leasehold reform in LTTA The Bill provides that qualifying collective enfranchisement and right-of-first-refusal transactions are not charged at the higher residential rates of LTT. Greater certainty and the removal of unintended higher-rate outcomes may indirectly support housing security and affordability for participating leaseholders and their families.
Article 3 (best interests of the child) Article 27 (adequate standard of living)	X		A to A+B transaction The Bill clarifies that, where a dwelling held by A is transferred into the joint ownership of A and another individual B, A is not treated as a buyer for the higher residential rates analysis. This may indirectly support household and housing stability by preventing higher

			rates arising solely from A's continuing ownership.
Article 3 (best interests of the child) Article 16 (privacy) Article 24 (health/environment)	X		Powers of inspection The Bill gives the WRA an additional route to inspect business premises for LDT purposes, including inspections without the agreement of the occupier or the approval of the tribunal and without prior notice where notice would seriously prejudice tax assessment or collection. Quicker action may help establish facts concerning unauthorised landfill disposals and indirectly support environmental protection and children's health. Business premises do not include premises used solely as a dwelling. Occupiers may refuse entry without penalty unless tribunal approval has been obtained, and the WRA remains subject to public-law duties.
Article 4 (resources) Article 2 (non-discrimination)	X		Information notices to check whether a relief has been withdrawn The Bill gives the WRA a targeted power to request information to check whether an LTT relief has been withdrawn or a specified refund has become repayable after the normal enquiry window. This supports fairness and effective implementation of the tax system. Information requests may engage privacy interests, but the power sits within the existing TCMA framework, including statutory restrictions, tribunal oversight, penalties and appeal rights, and is limited by a defined time period.
Article 3 (best interests of the child) Article 27 (adequate standard of living)	X		Claims for overpayment relief The Bill provides for associated interest to be adjusted when successful overpayment relief is given, requires the WRA to give reasons and review or appeal information when it does not give effect to relevant claims or amendments, and clarifies that late-payment interest reflects the tax

			actually due for each day. These measures improve transparency, certainty and fair treatment and may reduce financial uncertainty for households, including families with children.
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Communicating with Children and Young People

13. As the Bill progresses, we will continue to consider whether targeted engagement with children's representatives or advocacy organisations is proportionate if evidence indicates a more direct or material impact on children and young people.

Monitoring and Review

14. The CRIA will be kept under review during Senedd scrutiny and implementation. Relevant evidence, stakeholder representations, WRA operational experience and any identified data-protection or equality risks will inform updates, guidance, safeguards and post-implementation monitoring.