

PUBLICATION DOCUMENT

Taxation (Wales) Bill

Equality Impact Assessment

Lead department	Welsh Revenue Authority / Welsh Government
Proposal	Amendments to 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

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Equality Impact Assessment Overview

1. The Welsh Government is introducing a Bill to amend aspects of the Welsh Tax Acts. The Welsh Tax Acts comprise the Tax Collection and Management (Wales) Act 2016 (TCMA), the Land Transaction Tax and Anti-avoidance of Devolved Taxes (Wales) Act 2017 and the Landfill Disposals Tax (Wales) Act 2017. Together, these Acts establish and govern Wales' devolved taxes and the powers and functions of the Welsh Revenue Authority (WRA).

The Bill contains a package of measures relating to the governance, administration and technical operation of the Welsh tax system, including decision-making arrangements within the WRA, information-sharing powers, compliance processes and clarifications to existing tax legislation. The measures are intended to improve the clarity, fairness, effectiveness and administration of devolved taxes in Wales. While the Bill is informed by proposals that were consulted on publicly, it does not include all of the measures originally considered through that consultation process.

The WRA and Welsh Government (WG) undertook a public consultation on legislative proposals relating to the Welsh Tax Acts between November 2025 and January 2026. Details of the consultation and its outcomes can be found in the consultation document, [Legislative Proposals](#), and the [Summary of Responses](#). The consultation responses indicated that, although the proposals were largely technical and administrative in nature, their most direct and immediate impact would be on taxpayers and organisations operating within devolved tax regimes, particularly those involved in property transactions (Land Transaction Tax), landfill and waste disposal activities (Landfill Disposals Tax), and the professional advisers, such as tax practitioners, accountants and agents, who support compliance within these sectors.

The profile of respondents, primarily professional bodies, industry representatives and individuals with direct experience of the Welsh tax system, reflects the technical nature of the proposals and their relevance to tax administration and compliance. The measures included in the Bill are expected to have an operational impact on public sector bodies, including the WRA, Welsh Government and local authorities, particularly in relation to information-sharing powers and administrative processes. Some measures clarify existing tax rules and may affect a relatively small number of taxpayers who are subject to those rules. These impacts are expected to be limited and

to arise principally from greater clarity and certainty in the operation of the tax system. In addition, a small minority of taxpayers may experience changes in the way the WRA interacts with them when exercising its powers under the TCMA. Overall, impacts are expected to be concentrated among organisations and individuals directly involved in tax administration and compliance, with little or no effect on the vast majority of the population.

The measures in the Bill relate to the governance, administration and technical operation of the WRA and to clarifications of existing tax legislation. As such, they are procedural in nature and apply broadly across taxpayers, businesses and public bodies, without targeting individuals on the basis of protected characteristics. No evidence has been identified at this stage to indicate that the measures would result in direct discriminatory impacts.

The intended effect of the Bill is to improve the clarity, fairness and consistency of the Welsh tax system. Measures such as refining interest calculations, clarifying tax rules and aligning administrative processes are expected to support more transparent and equitable treatment of taxpayers. Similarly, enhanced information-sharing arrangements are designed to improve compliance and public service delivery, with safeguards in place to ensure that data is used proportionately, securely and for specified purposes. These are supported by wider legal protections, including data protection legislation¹, which requires personal data to be processed lawfully, fairly and transparently.

However, the assessment recognises that indirect impacts may arise in practice, particularly where individuals face barriers to engaging with administrative or compliance processes. This may affect, for example, disabled people, individuals experiencing digital exclusion, or those with language barriers. Compliance activities, including responding to information notices, engaging in enquiries or navigating appeals, may create additional challenges if not delivered in an accessible and proportionate way.

These risks are mitigated through the existing framework of safeguards, including rights of review², reasonable excuse provisions³ and the proportional use of powers⁴. The provision of clear communication, accessible guidance and flexible engagement will be important to ensure that individuals are able to understand and fulfil their obligations. In addition, the WRA is bound by its Charter⁵.

In summary, the measures contained in the Bill are not expected to give rise to direct discrimination. Any potential indirect impacts are anticipated to be

¹ [Data protection: The UK's data protection legislation - GOV.UK](#)

² [Tax Collection and Management \(Wales\) Act 2016](#)

³ [Tax Collection and Management \(Wales\) Act 2016 - Explanatory Notes](#)

⁴ [What is proportionality? | British Institute of Human Rights](#)

limited and capable of mitigation through established safeguards and inclusive implementation, while the overall effect is to support a more effective, consistent and fair tax system in Wales.

Introduction

1. The Equality Act 2010 places a General Equality Duty on Welsh Ministers to have due regard to the need to eliminate discrimination, advance equality of opportunity, and foster good relations between groups who share protected characteristics and those who do not. This includes having due regard to removing or minimising disadvantages experienced by people due to their protected characteristics and taking steps to meet their needs where these differ from others.
2. This Equality Impact Assessment (EIA) has been undertaken alongside wider consideration of the proposals relating to the Welsh Tax Acts, including relevant policy, operational and stakeholder evidence. The assessment draws on consultation responses, engagement with stakeholders, and the Welsh Revenue Authority's operational experience to identify potential impacts. Where relevant, this EIA should be read alongside other supporting assessments and evidence informing the development of the proposals.
3. In undertaking this assessment, consideration has been given to all provisions contained within the Bill. The proposals are largely technical and administrative changes to the governance and operation of devolved tax legislation, although the assessment has also considered the more specific tax measures included within the Bill. While the proposals are not designed to directly affect individuals on the basis of protected characteristics, this EIA has considered whether they may give rise to indirect impacts, particularly where individuals may face barriers in engaging with tax administration and compliance processes. Provisions that are not discussed in detail later in this assessment have been considered and are not considered likely to give rise to material equality impacts.
4. Overall, this assessment concludes that the proposals are unlikely to result in direct discriminatory impacts on people who share protected characteristics. However, it recognises that some indirect impacts may arise in practice,

particularly for individuals who may experience barriers to accessing or engaging with administrative processes (for example due to disability, language, or digital exclusion). Where potential negative impacts have been identified, appropriate mitigation measures have been considered to minimise or address these.

5. In considering the protected characteristics, it is recognised that individuals may experience multiple and overlapping forms of disadvantage, and that protected characteristics are not experienced in isolation. This assessment therefore takes into account the potential for cumulative or intersecting impacts, including where protected characteristics may intersect with wider socio-economic factors.

Describe and explain the impact of the proposal on people with protected characteristics as described in the Equality Act 2010.

6. Age

The impact of the proposals in relation to age is expected to be neutral to minor, with some indirect effects. Both younger and older taxpayers may benefit from clearer and more consistent processes, such as improved interest calculations and fairer treatment of visitor levy taxpayers. However, there is a potential indirect negative impact where older individuals may find compliance processes—such as appeals or responding to information notices—more complex. While the proposals are administrative and apply equally to all taxpayers, evidence from wider public service delivery suggests that older people can experience digital exclusion or barriers when engaging with administrative systems. There is currently no age-disaggregated evidence specific to WRA processes. To mitigate potential impacts, guidance will be made available in multiple formats (both digital and non-digital), alongside clear and accessible communication and support routes. Where possible, complaints and appeals data will be monitored by age.

7. Disability

For disabled people, there is potential for indirect negative impacts where compliance processes—such as responding to enquiries, information notices, or inspections—create barriers. However, there is also a positive opportunity to improve accessibility through clearer processes and safeguards, including appeal rights.

8. Applying the Social Model of Disability⁵, barriers are likely to arise from factors such as complex forms, inaccessible communication, or rigid deadlines, rather than from individuals' impairments themselves. While the proposals do not directly target disabled people, administrative burdens may disproportionately affect them, and there is currently limited evidence on how disabled taxpayers experience WRA processes.
9. We will explore the use of accessible communication and reasonable adjustments in specific cases. Equality data may be monitored where available.

10. Gender Reassignment

No differential impact is anticipated for individuals undergoing gender reassignment or for transgender people. The proposals relate to tax administration and governance and do not differentiate on the basis of gender identity. There is no evidence to suggest a disproportionate impact. Mitigation will focus on maintaining inclusive language and robust privacy protections, particularly in relation to the handling and sharing of taxpayer information. Obtaining a Gender Recognition Certificate (GRC) does not affect an individual's substantive tax liabilities. HMRC advises that it is usually notified automatically when a person legally changes gender and will update its records accordingly. Tax authorities typically rely on accurate taxpayer identification information and, where personal details such as name or legal gender are updated, these changes may be reflected in the information shared between public bodies for tax administration purposes. Consequently, the policy is not expected to create any differential impact on individuals with the protected characteristic of gender reassignment.

11. Pregnancy and Maternity

There is potential for indirect negative impacts on individuals who are pregnant or on maternity leave, particularly where reduced capacity to engage with compliance processes such as enquiries or appeals may arise. Conversely, there may be some positive impact from fairer processes that reduce financial uncertainty, such as clearer repayment processes that reduce the risk of later liabilities.

12. Although the proposals do not specifically target this group, administrative requirements may be more challenging during pregnancy or when caring for a newborn. Evidence on how WRA processes interact with caring responsibilities is limited. Mitigation will include flexibility in deadlines and

⁵ [Social model of disability](#) | [Disability charity Scope UK](#)

engagement, clear communication of rights (including appeals and reviews), and the signposting of reasonable excuse provisions.

13. Race

Potential indirect negative impacts may arise for people from ethnic minority backgrounds⁶, including migrants, asylum seekers, refugees⁷ and Gypsy and Traveller communities⁸. Language barriers, differing levels of trust in public authorities, and unfamiliarity with tax systems may affect engagement. At the same time, clearer and more consistent processes may produce positive impacts. Evidence from wider public services indicates that these groups may face barriers due to system complexity and communication challenges. Information-sharing proposals may also raise concerns about how data is used, although safeguards are proposed. There is currently limited ethnicity-specific data in the WRA context. Mitigation measures include providing multilingual guidance where appropriate, ensuring transparency about data use and safeguards, engaging with representative groups, and monitoring impacts where data allows.

14. Sex / Gender

Impacts in relation to sex are expected to be largely neutral, though indirect effects may arise. Women are more likely to have caring responsibilities and may therefore be disproportionately affected by administrative burdens or financial pressures, such as withheld repayments. Wider socio-economic data⁹ supports this, although the policies themselves are gender-neutral. Mitigation will include flexibility in engagement, clear communication, and monitoring for disproportionate impacts through complaints or appeals data. Awareness of safeguards and appeal rights will also be promoted.

15. Marriage and Civil Partnership

Impacts are expected to be minimal. Some technical clarifications, such as those relating to “A to A+B” transactions, may provide positive benefits by improving clarity in jointly held property arrangements. These changes apply equally regardless of marital status, and no differential impact between married and unmarried couples has been identified. Clear guidance on property transactions and associated tax implications will be provided as mitigation.

⁶ [Digitalising essential services risks widening inequalities for minoritised ethnic communities | Heriot-Watt University](#)

⁷ [Refugees and Digital Exclusion — Refugee Studies Centre](#)

⁸ [Gypsies' and Travellers' lived experiences, health, England and Wales - Office for National Statistics](#)

⁹ [Inequalities faced by unpaid carers - House of Commons Library](#)

16. Children and Young People (under 18); Sexual Orientation; Religion, Belief and Non-belief

No direct impacts are anticipated for children and young people, sexual orientation, or religion, belief and non-belief. WRA-administered taxes primarily apply to adults and organisations, and the proposals do not engage with or differentiate on the basis of these characteristics. Any indirect impacts are expected to be minimal, for example in rare cases where young people are involved in property or business arrangements, or where compliance activities coincide with religious observance. There is no evidence of disproportionate impact. Mitigation will focus on maintaining inclusive and accessible communication, protecting privacy in data handling, and ensuring reasonable flexibility in operational processes where appropriate. No targeted mitigation measures are considered necessary beyond these general safeguards.

Potentially vulnerable group who share characteristics which are not formally protected by the Equality Act 2010

17. Low-income Households

Low-income households may experience disproportionate negative impacts, particularly where penalties, interest rates, or the withholding of repayments affect cash flow. However, there are also potential positive impacts through improved fairness and reduced risk of retrospective liabilities. Evidence¹⁰ from across tax systems indicates that financial penalties and cash flow pressures tend to affect low-income individuals more significantly. While the proposals are not targeted at income groups, unequal effects may arise in practice. Mitigation will include maintaining safeguards such as appeal rights and reasonable excuse provisions, ensuring clear communication and support, and considering monitoring impacts on financially vulnerable taxpayers.

Human Rights and UN Conventions

18. The proposals engage several human rights but overall are considered to have limited and proportionate impacts, with some positive effects.

19. Article 8 (right to privacy) is engaged through expanded information sharing and inspection powers. However, any interference is limited, as data sharing is restricted, purpose-bound, and subject to safeguards. Inspection powers apply only to business premises (not private homes), generally require notice, and include protections such as proportionality tests, appeal rights, and

¹⁰ [How to reform HMRC penalties for people on low incomes](#)

tribunal oversight. As a result, any impact on privacy is assessed as justified, necessary, and proportionate.

20. Article 1 of Protocol 1 (property rights) is engaged where repayments may be withheld. We have assessed that the impact is likely to be limited and justified, given the aim of ensuring the correct assessment and collection of tax accompanied by appropriate safeguards.
21. Article 6 (right to a fair trial) is positively engaged, as the proposals introduce or maintain clear appeal and review rights, strengthening fairness and access to redress for taxpayers.
22. Overall, the proposals maintain appropriate safeguards and enhance procedural fairness, with no significant adverse human rights impacts identified.

EU/EEA and Swiss Citizens' Rights

23. The proposals are not expected to have a direct impact on the rights of EU, EEA, or Swiss citizens protected under the Citizens' Rights Agreements. The measures relate to tax administration, governance, and compliance processes, which apply equally regardless of nationality or immigration status.