

To landfill site operators registered for Landfill Tax

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www.hmrc.gov.uk

Our ref

Your ref

SPECIAL LANDFILL TAX BRIEFING – Covid-19

This briefing provides updates on:

- The package of measures to support public services, people and businesses through this period of disruption caused by COVID-19.
- Available Landfill Tax operational flexibility

1. Package to support public services, people and businesses

The Chancellor has set out a package of temporary, timely and targeted measures to support public services, people and businesses through this period of disruption caused by COVID-19.

This includes a package of measures to support businesses including:

- a Coronavirus Job Retention Scheme
- deferring VAT and Income Tax payments
- a Self-employment Income Support Scheme
- a Statutory Sick Pay relief package for small and medium sized businesses (SMEs)
- a 12-month business rates holiday for all retail, hospitality, leisure and nursery businesses in England
- small business grant funding of £10,000 for all business in receipt of small business rate relief or rural rate relief
- grant funding of £25,000 for retail, hospitality and leisure businesses with property with a rateable value between £15,000 and £51,000

- the Coronavirus Business Interruption Loan Scheme offering loans of up to £5 million for SMEs through the British Business Bank
- a new lending facility from the Bank of England to help support liquidity among larger firms, helping them bridge coronavirus disruption to their cash flows through loans
- the HMRC Time To Pay Scheme

Further details of the package can be found at: <https://www.gov.uk/government/publications/guidance-to-employers-and-businesses-about-covid-19/covid-19-support-for-businesses>

HMRC has a set up a phone helpline to support businesses and self-employed people concerned about not being able to pay their tax due to coronavirus (COVID-19).

The helpline allows any business or self-employed individual who is concerned about paying their tax due to coronavirus to get practical help and advice. Up to 2,000 experienced call handlers are available to support businesses and individuals when needed.

If you run a business or are self-employed and are concerned about paying your tax due to coronavirus, you can call HMRC's helpline for help and advice: 0800 0159 559.

For those who are unable to pay due to coronavirus, HMRC will discuss your specific circumstances to explore:

- agreeing an instalment arrangement
- suspending debt collection proceedings
- cancelling penalties and interest where you have administrative difficulties contacting or paying HMRC immediately

The helpline number is 0800 0159 559 - and is an addition to other HMRC phone contact numbers.

2. Available Landfill Tax operational flexibility

We are aware that coronavirus (COVID-19) is likely to have an operational impact on landfill sites. We have been discussing potential impacts with our customers and, based on these discussions, have provided clarification on available operational flexibility.

2.1 Weighbridges

If you are using a weighbridge to calculate Landfill Tax then in order to cut down on the handling of documentation it will not be necessary for weighbridge tickets to be signed by both the landfill site operator and the customer.

If you have a weighbridge and as a result of disruptions caused by Covid-19 it becomes impractical for this to be used, you can use an alternative method of calculating the weight. Section 9 of Excise Notice LFT1 specifies three alternative methods that can be used for sites without a weighbridge, and you may temporarily use one or a mixture of these, or instead can propose a bespoke method that will produce a fair and reasonable calculation of weight.

You must notify us via email if you intend to temporarily adopt one of the specified alternative methods for calculating the weight of material outlined in the published guidance. If you propose to use a bespoke method then you will need to seek prior agreement from HMRC.

Whatever method you adopt you should return to using the weighbridge to calculate Landfill Tax as soon as is practicable.

2.2 Qualifying fines and Loss on Ignition tests

For Landfill Tax purposes, fines are particles produced by a waste treatment process that involves an element of mechanical treatment.

For fines to be treated as qualifying fines for the lower rate of landfill tax certain conditions, as set out in Section 6 of Excise Notice LFT1 must be met. This includes pre-acceptance checks and on receipt at the landfill site visual inspection and a Loss on Ignition testing regime.

While landfill sites are able to remain open to receive material, we would expect landfill site operatives to be able to continue carrying out visual inspections and collecting samples in line with the published guidance contained within the Excise Notice LFT1.

However, we recognise that disruption to couriers may delay the delivery of samples to laboratories, who may themselves take longer than usual to carry out tests due to staff availability. Landfill site operators should look to demonstrate that samples have been submitted for testing in as timely a manner as possible. Landfill site operators should also look to demonstrate that appropriate action is taken by the landfill site operator upon receipt of results.

The requirement for Loss on Ignition retests to be carried out within a period of 21 days of the date of disposal of the material will be relaxed. If, as a result of the potential disruptions caused by Covid-19, you are unable to get the retest processed within this time frame, then this should be carried out as soon as is reasonably possible and you should retain evidence to demonstrate this.

If you have any further queries regarding landfill tax flexibility available in this period of disruption caused by Covid-19 please contact alan.jones1@hmrc.gsi.gov.uk or helen.horton@hmrc.gsi.gov.uk, or in the case of large businesses, your Customer Compliance Manager.

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