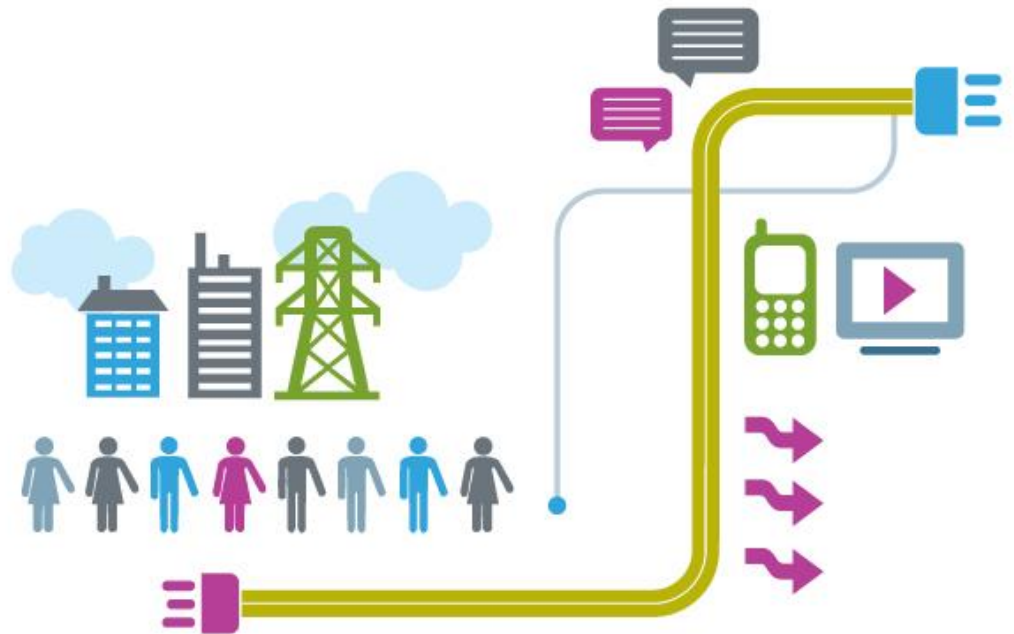


## TREASURY PLASTIC PACKAGING TAX

Coming into force April 2022



- Will come into force April 2022
- Applies to packaging with under 30% recycled material
- Levied at £200 per tonne
- Applies to filled and unfilled packaging
- Payable by those who produce or import
- Exemption for those using under 10 tonnes per year
- Primary legislation and some guidance now published
- More guidance due later this year

## Checklist

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- Do you produce packaging? Do you import packaging?
  - You will pay directly
- Do you know how much of the packaging you import is recycled content?
  - Try to find out, or you will automatically have to pay
- Do you purchase packaging from the UK that is subject to the tax?
  - The tax will be included on your invoice for the packaging
- Do you import and/or produce more than 10 tonnes of non-recycled packaging content?
  - You will need to pay
- Do you record data on your packaging content?
  - You will need to do this to report to HMRC
- If you are liable, get ready to register by April 2022

## Qualifying packaging

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- More details eg methodology, evidence and meaning on weight and modifications to be in secondary legislation and guidance
- Tax is only for finished products (those that have undergone the last substantial modification before being packed or filled)
- Plastic includes bioplastics, including biodegradable, compostable and oxo-degradable plastics
- Defined as 'plastic' if contains more plastic by weight than any other single substance – onus on you to show HMRC that packaging is not subject to the tax
- Transport and tertiary packaging exempt
- Products for re-export exempt
- May be tax credits or reimbursements if packaging is 'converted into a different packaging component'

## Payment and reporting

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- Notify Govt of liability by 30 April 2022
- Further details of payment, collection and recovery to be determined in secondary legislation
- Have to register with and notify authority within 30 days of exceeding 10 tonne threshold in a year
- Must be included on invoices:
  - A person who—
    - (a) supplies to a business customer a plastic packaging component in respect of which a charge to plastic packaging tax has arisen, and
    - (b) is liable to pay plastic packaging tax on that component,
  - must, when invoicing that customer in respect of that component, include with that invoice a statement of the amount of plastic packaging tax arising in relation to that component (a “PPT statement”).

## 5.3 Records that may be used to show the weight and recycled plastic content

Below are examples of documents you can keep to demonstrate the weight and recycled plastic content of packaging to HMRC. These are examples and other documents may be used along with or in place of those listed to demonstrate the weight and recycled plastic content of plastic packaging.

Document to keep as a record	Area to evidence
Product specification	Proportion of recycled plastic Weight of packaging Whether it is, for the most part, plastic Exempt from the tax
Contracts	Quantity of plastic packaging Proportion of recycled plastic Weight of the packaging Whether it is, for the most part, plastic Whether it is exempt from the tax
Production certificates and certificates of conformity	Proportion of recycled plastic in the packaging

- For imported packaging, you will need to provide evidence from the overseas manufacturer of the packaging, or evidence that you or a competent third-party has a robust supply chain audit. This could include any of the evidence in the table.

- Non-resident taxpayers to need a UK authorised representative to pay
- Companies cannot artificially separate to avoid paying the tax
- There will be penalties for fraudulent evasion

- <https://www.beama.org.uk/issue-forum/environment/packaging.html>
- <https://www.gov.uk/government/publications/get-your-business-ready-for-the-plastic-packaging-tax/get-your-business-ready-for-the-plastic-packaging-tax>
- <https://www.gov.uk/government/publications/get-your-business-ready-for-the-plastic-packaging-tax/further-information-for-businesses>
- <https://bills.parliament.uk/bills/2835>
- [indirecttaxdesign.team@hmrc.gov.uk](mailto:indirecttaxdesign.team@hmrc.gov.uk)



## Checklist

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- Do you produce packaging? Do you import packaging?
  - You will pay directly
- Do you know how much of the packaging you import is recycled content?
  - Try to find out, or you will automatically have to pay
- Do you purchase packaging from the UK that is subject to the tax?
  - The tax will be included on your invoice for the packaging
- Do you use more than 10 tonnes of non-recycled packaging content?
  - You will need to pay
- Do you record data on your packaging content?
  - You will need to do this to report to HMRC
- If you are liable, get ready to register by April 2022