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*Changes to legislation: There are currently no known outstanding effects for the Finance Act 2015, SCHEDULE 15. (See end of Document for details)*

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## SCHEDULES

### SCHEDULE 15

Section 65

#### LANDFILL TAX: MATERIAL CONSISTING OF FINES

- 1 Part 3 of FA 1996 (landfill tax) is amended as follows.
- 2 (1) Section 42 (amount of tax charged on a taxable disposal) is amended as follows.
- (2) In subsection (2), after “qualifying material” insert “ or qualifying fines ”.
- (3) After subsection (3) insert—
- “**(3A) Qualifying fines are a mixture of—**
- (a) fines that consist of such qualifying material as is prescribed by order, and
- (b) fines that consist of material that is not qualifying material, that satisfies all the requirements prescribed in an order.
- (3B) An order under subsection (3A) relating to the mixture of fines may require, in particular—**
- (a) that fines that consist of material that is not qualifying material do not exceed a prescribed proportion;
- (b) that the mixture of fines does not include prescribed materials or prescribed descriptions of materials;
- (c) that the mixture of fines is such that, if subjected to a prescribed test, it would give a prescribed result;
- (d) that the mixture of fines originates, or does not originate, in a prescribed way.”
- (4) In subsection (4)(a), after “listed” insert “ or what fines are to be qualifying fines ”.
- (5) In subsection (6), after “listed,” insert “ or what fines are to be qualifying fines, ”.
- 3 In section 63 (qualifying material: special provisions), after subsection (4) insert—
- “**(4A) Subsections (2) to (4) do not apply where the material disposed of consists of qualifying fines.**”
- 4 After section 63 insert—
- “63A Qualifying fines: special provisions**
- (1) This section applies for the purposes of section 42.
- (2) An order may provide that fines must not be treated as qualifying fines unless prescribed conditions are met.
- (3) A condition may relate to any matter the Treasury think fit.
- (4) The conditions may include conditions making provision about—

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- (a) the production of a document which includes a statement of the nature of the fines;
  - (b) carrying out a specified test on fines proposed to be disposed of as qualifying fines;
  - (c) the frequency with which tests are to be carried out on any fines proposed to be disposed of as qualifying fines;
  - (d) the frequency with which tests are to be carried out on any fines that come from a particular source and are proposed to be disposed of as qualifying fines;
  - (e) the steps to be taken by operators of landfill sites in relation to persons sending fines to be disposed of as qualifying fines.
- (5) The conditions may enable provision to be made by notices issued by the Commissioners in accordance with such provision as is made in the conditions.
- (6) A notice issued as described in subsection (5) may be revoked by a notice issued in the same way.
- (7) If an order includes provision falling within subsection (4)(b), the Commissioners may direct a person to carry out such a test in relation to any fines proposed to be disposed of as qualifying fines.
- (8) In this section “specified” means specified in—
- (a) a condition prescribed under subsection (2), or
  - (b) a notice issued as described in subsection (5).”
- 5 In section 70(1) (interpretation), at the appropriate place insert—
- ““fines” means particles produced by a waste treatment process that involves an element of mechanical treatment;”.
- 6 (1) In section 71 (orders and regulations), subsection (7) is amended as follows.
- (2) After paragraph (a) insert—
- “(aa) an order under section 42(3A) providing for fines which would otherwise be qualifying fines not to be qualifying fines;”.
- (3) After paragraph (c) insert—
- “(cza) an order under section 63A(2) other than one which provides only that an earlier order under section 63A(2) is not to apply to fines;”.
- 7 (1) Schedule 5 (provision about information etc) is amended as follows.
- (2) In the heading to Part 1, after “Information” insert “ and samples ”.
- (3) After paragraph 2A insert—

*“Information: qualifying fines*

- 2B (1) Regulations may make provision about giving the Commissioners information about fines proposed to be disposed of, or disposed of, as qualifying fines.

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- (2) Regulations under this paragraph may require a person to notify the Commissioners if the result of a test carried out on fines indicates that the fines are not qualifying fines.

*Samples: qualifying fines*

- 2C (1) Regulations may require persons—
- (a) where a sample is taken from a quantity of fines in order to carry out a test on the fines, to retain a prescribed amount of that sample;
  - (b) to preserve fines retained under paragraph (a) for such period not exceeding three months as may be specified in the regulations.
- (2) A duty under regulations under this paragraph to preserve fines may be discharged by taking such steps to preserve them as the Commissioners may specify in writing.”

- (4) In paragraph 10 (power to take samples), after sub-paragraph (1) insert—

“(1A) An authorised person, if it appears to the person necessary for the protection of the revenue against mistake or fraud, may at any time take, from material which the person has reasonable cause to believe is an amount of fines retained under paragraph 2C(1)(a), such samples as the person may require with a view to determining how the fines tested ought to be or to have been treated for the purposes of tax.”

- (5) In paragraph 22 (information)—

- (a) in sub-paragraph (1)(b), after “2” insert “ or 2A ”;
- (b) in sub-paragraph (3), for the words from “who” to “liable” substitute “who—
  - (a) fails to preserve records in compliance with any provision of regulations made under paragraph 2 (read with that paragraph and any direction given under the regulations), or
  - (b) fails to preserve records in compliance with any provision of regulations made under paragraph 2A (read with that paragraph and any direction given under the regulations),

is liable ”.

- 8 The amendments made by this Schedule have effect in relation to disposals that are—

- (a) made in England and Wales or Northern Ireland, and
- (b) made (or treated as made) on or after 1 April 2015.

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