# WRITTEN STATEMENT

# BY

# THE WELSH GOVERNMENT

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| **TITLE** | **Testing the Wales Act mechanism for transferring new tax powers to the National Assembly** |
| **DATE** | **29 March 2018** |
| **BY** | **Mark Drakeford AM, Cabinet Secretary for Finance** |

On 13 February, in a statement to the National Assembly, I said I would write to the UK Government to propose a new vacant land tax as a means of testing the Wales Act 2014 powers to propose and introduce new taxes in areas of devolved responsibility.

The decision to choose a vacant land tax followed a detailed consideration of four shortlisted tax ideas – the vacant land tax; a disposable plastics tax; a social care levy and a tourism tax.

I have today written to the Financial Secretary to the Treasury, the Rt Hon Mel Stride MP, to inform the UK Government of the Welsh Government's intention to formally start the Wales Act 2014 process.

This is the first time a devolved government in the UK has embarked on such a process to consider the case for introducing a new tax in an area of devolved responsibility.

A summary of the key stages in the Wales Act process is available here:

<http://gov.wales/docs/caecd/publications/180213-developing-infographic-en.pdf>

I will keep the National Assembly informed as this work progresses.

This statement is being issued during recess in order to keep Members informed. Should Members wish me to make a further statement or to answer questions on this when the Assembly returns I would be happy to do so.