# WRITTEN STATEMENT

# BY

# THE WELSH GOVERNMENT

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| **TITLE** | **Tax policy work plan 2018** |
| **DATE** | **13 February 2018** |
| **BY** | **Mark Drakeford AM, Cabinet Secretary for Finance** |

The tax policy work plan for 2018, which I am publishing today, is firmly based on the principles set out in the Welsh Government’s Tax Policy Framework.

Welsh taxes should:

* Raise revenue to fund public services as fairly as possible;
* Deliver Welsh Government policy objectives, in particular supporting jobs and growth;
* Be clear, stable and simple;
* Be developed through collaboration and involvement;
* Contribute directly to the Well Being of Future Generations Act goal of creating a more equal Wales.

The work plan sets out the Welsh Government's short and longer-term priorities in the following five areas:

* Tax rates – including analysis, forecasting and public engagement to support the introduction of Welsh rates of income tax for 2019-20 and informing decisions about rates and bands;
* Tax policy – including the next steps for developing a new Welsh tax and our ongoing commitment to secure the devolution of air passenger duty;
* Local taxation improvements – which are part our commitment to reform local government finance;
* Tax administration – ensuring we have the right approaches in place to meet the needs of taxpayers and ensuring the correct revenue is collected;
* Longer-term research – which asks more fundamental questions about the future direction of our tax strategy.

The 2018 work plan is published in line with the Welsh Government’s commitment to an open and inclusive approach to tax policy. Being clear about our plans means that Members, in particular the Finance Committee, the public, and interested organisations across Wales can see what the Welsh Government is doing, so they can ask questions and can contribute their views, knowledge and experiences to inform our thinking.

I will publish a report about the progress made against the 2018 tax policy work plan in the autumn.

The full tax policy work plan for 2018 is available here: <http://gov.wales/funding/fiscal-reform/tax-policy-framework/?lang=en>