

Consultation on criminal enforcement powers for the Welsh Revenue Authority Launched

From April 2018, the Welsh Revenue Authority will be responsible for collecting and managing landfill disposals tax and land transaction tax – the two taxes being devolved to Wales. They will replace landfill tax and stamp duty land tax, respectively, which are currently collected by HMRC.

HMRC have a wide range of criminal enforcement powers, which help it to tackle and deter tax crime, in relation to stamp duty land tax and landfill tax.

The consultation being launched today asks for views about the advantages and disadvantages of the WRA having a similar set of criminal enforcement powers for land transaction tax and landfill disposals tax but with some differences in scope.

For example, powers of arrest and detention are not proposed as they are not regarded as necessary or proportionate. However, powers to gain entry to premises and seize information are.

The consultation also sets out the proposed safeguards for citizens.

Launching the consultation, Professor Drakeford said:

“In nine months’ time the Welsh Government will raise our own taxes for the first time in almost 800 years.

“The effective collection of taxes is vital to fund the public services we all rely on. To protect these services, it is important we have a tax system that is fair – making it easy for people to pay the right amount of tax at the right time, while tackling and deterring those who seek to evade paying tax.

“That is why I am today launching this consultation about proposals to ensure the Welsh Revenue Authority has the right and proportionate criminal investigative powers in place to tackle and deter devolved tax crime.

“No government should legislate to provide a public authority with criminal powers unless it is necessary. HMRC currently uses criminal powers in Wales to tackle and deter tax crime in relation to the two taxes being devolved in April and has a clearly-defined set of safeguards to ensure those powers are used proportionately and appropriately. I believe the WRA should be no different.

“The devolution of taxes brings with it new duties – one of which

is to protect the interests of law abiding citizens by tackling those who would seek to evade their responsibilities.

“I urge everyone with an interest to get involved and share their views with us on this important issue.”