Institute warns Welsh local tax bill could limit Senedd scrutiny

Briefings



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CIOT has warned that a Bill to reform council tax and business rates in Wales risks limiting the ability of the Welsh Senedd to scrutinise tax measures.

Scheduled to become law in the summer of 2024, the Bill proposes changes to council tax and non-domestic (business) rates in Wales.

Lakshmi Narain, the former chair of CIOT's Welsh Technical Committee, warned the committee that the Bill had the potential to limit parliamentary scrutiny of tax measures due to its reliance on secondary legislation as a means of making changes, in particular the 'affirmative procedure' (which means that proposals are either accepted or rejected without amendment).

Narain used his appearance before the committee to emphasise the need for 'appropriate scrutiny' and to caution against the potential compliance costs for businesses as a result of a move towards more frequent business rates revaluations.

Representatives from the Institute of Revenues, Rating and Valuation and the Institute for Fiscal Studies joined CIOT at the committee.

You can read the full report of CIOT's evidence at: tinyurl.com/w692rkz6.