

Hi, is a dispenser like a trigger spray head liable?

HMRC specifically lists 'soap dispensers' in its guidance as being taxable. It's unclear at present whether other dispensers would also be taxable, you would need to review the component and its use in order to determine whether it may fall under the exclusion for packaging components integral to the use of the products. More information about the scope of PPT can be found here:

<https://www.gov.uk/government/publications/examples-of-packaging-in-and-out-of-scope-of-plastic-packaging-tax/packaging-in-and-out-of-scope-of-plastic-packaging-tax>

If you import ingredients for production, is the plastic packing that it comes in taxable?

All packaging imported should be considered, for example if you import some screws, you would need to consider any immediate packaging they come in such as bag, and then any outer packaging added such as a cardboard box or plastic wrap. It's possible that some of the packaging, where it meets the definition of tertiary packaging, could fall under an exemption, however the primary and secondary packaging would still need to be considered and would be chargeable to PPT where it is made of plastic. Further information about the transport exemption can be found here:

<https://www.gov.uk/government/publications/examples-of-packaging-in-and-out-of-scope-of-plastic-packaging-tax/packaging-in-and-out-of-scope-of-plastic-packaging-tax#transport-packaging>

If we are a UK manufacturer do we need to consider item of plastic purchased from a UK supplier as well as those that are purchased overseas?

Where the items are purchased from a UK manufacturer, you need to consider whether the items are 'finished' when you acquire them. If they are finished, then the UK manufacturer would be responsible for paying the PPT. In this case you would want to consider what due diligence you need to complete to ensure PPT is being paid in the supply chain. If you are completing a substantial process to the items (such as printing on them), you could be considered to be 'finishing' it for PPT purposes, and therefore be deemed the manufacturer and be responsible for paying the PPT due. More information about what constitutes a substantial modification can be found here:

<https://www.gov.uk/guidance/decide-if-you-need-to-register-for-plastic-packaging-tax#substantial>

What was the significance of the reference to tea bags?

Tea bags are given as one of the examples of items where the packaging is integral to the use of the product and therefore is excluded from the scope of the tax. There are several other examples given by HMRC, such as inhalers, printer cartridges etc.

If a bottle is part of a Deposit Return Scheme will it be exempted from Plastic Tax?

If the bottle is a reusable bottle, as opposed to a single use one, it wouldn't fall within the scope of PPT (reusable bottles are one of the examples given by HMRC of products that aren't within the scope of PPT).

Packaging can facilitate the extended shelf life of the product- would this be considered an exemption?

You would need to consider whether this could fall under the exemptions for tertiary transport packaging, or medicinal packaging, however given the description of the packaging this seems unlikely. If neither of these apply, you would need to look at whether it could fall under any of the exclusions. Further guidance can be found here: <https://www.gov.uk/government/publications/examples-of-packaging-in-and-out-of-scope-of-plastic-packaging-tax/packaging-in-and-out-of-scope-of-plastic-packaging-tax>

If we use shrink wrap that used to import goods which i understand is exempt from the tax; but then we go onto to use the same shrink wrap to transport the goods onto the consumer - will we be taxed on this and do we need to keep a record of shrink wrap used?

The transport exemption only applies to tertiary packaging around goods being imported into the UK. If this tertiary packaging remains on until the final delivery destination, it would still fall under the exemption. If any additional tertiary packaging is added once the goods are in the UK, this would be chargeable. You will need to be able to distinguish between any exempt tertiary packaging, and chargeable secondary/primary packaging. Further guidance can be found here: <https://www.gov.uk/government/publications/examples-of-packaging-in-and-out-of-scope-of-plastic-packaging-tax/packaging-in-and-out-of-scope-of-plastic-packaging-tax#transport-packaging>

Hello, I am a UK based transit packaging supplier. Are the rolls of imported pallet wrap we supply, liable for the tax?

<p>If the pallet wrap is being imported in its own right, then it wouldn't fall under the transport exemption and would be taxable. Only pallet wrap being used as tertiary packaging around goods being imported into the UK would qualify for the exemption.</p>
<p>How will we submit the return and what evidence will need to be submitted?</p>
<p>We understand that the return will be submitted on the business' government gateway account, in a similar way to VAT returns. There are currently 10 items of information that HMRC have suggested will need to be submitted, these can be found here: https://www.gov.uk/guidance/completing-your-plastic-packaging-tax-return</p> <p>Records will need to be kept to show how the weight of the relevant items was calculated, more information about the record keeping requirements can be found here: https://www.gov.uk/guidance/record-keeping-and-accounts-for-plastic-packaging-tax</p>
<p>Is the brand owner liable or the manufacturing site packing product into plastic packaging liable (working under contract for the brand owner)?</p>
<p>Whoever in the supply chain finishes manufacturing, or imports, the plastic packaging component is the party liable for PPT. If the brand owner, has ownership of plastic packaging at the point of import, they would be responsible for any PPT obligations. It would be advisable to conduct the necessary due diligence to ensure the brand owner will pay any PPT due, and can provide evidence of this if required.</p>
<p>HOW MUCH TAX IS ITS PROPOSED TO BE RAISED BY ppt?</p>
<p>The purpose of PPT appears to be more focussed on changing behaviour than collecting revenue. The current rate of tax is £200 per metric tonne, however it's possible this could be increased in the future.</p>
<p>Is the tax just on imports outside of the UK or does it include UK to UK supply?</p>
<p>The tax is charged on any plastic packaging imported into the UK, or manufactured in the UK. PPT is due at the time the plastic is imported, or the manufacturing process has finished. Therefore if you are buying finished plastic packaging components from a UK supplier, it will be the supplier who is responsible for accounting for any PPT due.</p>
<p>Is the supply between group companies included? For example, if I am a source company that supplies to a retail company but within the same group?</p>
<p>There is currently no exclusion for inter-group supplies. The entity that manufactures or imports the plastic packaging item will need to consider the PPT implications.</p>
<p>Can you elaborate more on the printing of labels? Does batch number printing count as modifications or is it creating the actual label?</p>

Printing is considered to be a substantial modification for the purposes of PPT. If you print on a plastic packaging component, that could be the last substantial process completed, and could make you responsible for the payment of PPT. For example if you printed on a plastic label after purchasing it, you would be completing a substantial modification, and where this is the last substantial modification in the chain, you would be 'finishing' the component for PPT purposes. If you are finishing the component, you will be responsible for paying the PPT due.

Is the Legislation Finalised?

The legislation is now finalised; however we expect that further updates may be made by way of statutory instruments as the tax develops.

Is the definition of the recycled content of 30% defined - Is it all Post Consumer Content or Post Production Content?

Recycled plastic is plastic that has been reprocessed from recovered material by using a chemical or manufacturing process, so that it can be used either for its original purpose or for other purposes. Recovered material is pre-consumer plastic or post-consumer plastic that has been collected and recovered as a material input. You need to consider the percentage of the recycled plastic at the point the plastic component is finished. Where waste remains attached to the finished component, you can deduct the weight of the waste from the weight of the finished component. You must have evidence and keep records to demonstrate the weight of the waste.

Who pays the Tax ~ the manufacturer or the converter ?

The entity that 'finishes' the product will be liable for the tax. This will be whomever does the last substantial modification. You will need to review the supply chain to determine when the last substantial modification is completed. Further information about what is considered to be a substantial modification can be found here: <https://www.gov.uk/guidance/decide-if-you-need-to-register-for-plastic-packaging-tax#substantial>

Who pays the PPT example: Company A in Germany supplies plastic polymer; Company B in UK purchases polymer and imports this substrate and converts to 200g Pots; Company C buys the Pots and fills with Yoghurt, the finished Yoghurt Pots are sold to retailer Company D ~ who in the chain is liable ?

<p>The importer in this case would be the liable party, if the items being imported are finished at the time of import. If a further process is carried out after import, it would be the party that finishes the product that would be liable to pay PPT. In this example, as Company B appears to both import the product and conduct a further process, it would be the liable party for PPT.</p>
<p>Hi, if you are a business with multiple business divisions does the 10t requirement apply to each division or the group as a whole?</p>
<p>The 10 Tonne threshold applies to each legal entity.</p>
<p>First return due end of July .. will that be for the previous 12 months or from Apr-Jun?</p>
<p>For the quarter starting on 1 April 2022 and ending on 30 June 2022.</p>
<p>Will non-UK manufacturers be expected to pay the PPT on everything they import into the UK?</p>
<p>Non-UK manufactures will have to account for PPT on any chargeable plastic packaging they import, once the 10 tonne threshold is exceeded.</p>
<p>If I contract pack for a branded customer, I assume they are liable?</p>
<p>Whoever in the supply chain finishes manufacturing, or imports, the plastic packaging component is the party liable for PPT. If the brand owner, has ownership of plastic packaging at the point of import, they would be responsible for any PPT obligations.</p>
<p>Is the preform bottle taxable or the blown bottle?</p>
<p>HMRC lists blowing as a process that is not considered to be a substantial modification, this suggests it's bottle preforms that are the finished component and are therefore taxable, provided blowing is the only further process applied to them.</p>
<p>Are returnable/reusable bulk containers included in this tax?</p>
<p>Storage boxes, or containers designed to be reused are typically outside the scope of PPT.</p>
<p>If you are in a tax group is the 10tonne limit for the group or each company?</p>
<p>The 10 Tonne threshold applies to each legal entity.</p>
<p>Is pallet wrap that is used to transport pallets of products exempt from PPT?</p>
<p>If the pallet wrap is being used as tertiary packaging to secure the goods on transit to the UK it will be exempt. If the pallet wrap is not being used as tertiary packaging or is being used to transport goods within the UK, it will be taxable.</p>
<p>We import PET shrink film from Europe which we then Slit to width, print and supply to customer who then put onto the bottle. How much tax do we have to pay?</p>

The amount of tax due will depend on the weight of the chargeable plastic packaging components imported or manufactured in the UK. In this case it sounds like you are importing plastic packaging, and therefore could be liable to PPT if you are over the 10-tonne registration threshold.

Will further guidance be issued in due course regarding calculations of % recycled plastic within a packaging material?

We expected further guidance to be published by HMRC as the implementation date draws closer. If you have any specific questions, it might be worth contacting HMRC's PPT implementation team for clarity. HMRC's current guidance on recycled content can be found here: <https://www.gov.uk/guidance/how-to-work-out-the-weight-of-packaging-for-plastic-packaging-tax>

What about items of packaging that are mixed? Paper+plastic, metal+plastic. Would the tax apply to only the plastic part of the packaging?

If the packaging meets the definition of plastic, the whole product will be subject to PPT. If the packaging does not meet the definition of plastic, then none of it will be subject to PPT. You will need to work out whether is the heaviest component within the packaging by weight.

Is a manufacturer who applies plastic labels liable for PPT or is the payment of PPT covered by the manufacturer of those labels?

Whoever finishes or imports the labels will be liable to pay the PPT on them. Applying a label to a product is listed in HMRC guidance as not being considered a substantial modification, however printing on a label could be considered to a substantial modification. You would need to consider whether the labels are finished at the point they are purchased, or whether another substantial process is carried out after purchase. Whoever is finishing the product will be liable for PPT.