



# Finance Act 2019

## 2019 CHAPTER 1

### PART 3

#### CARBON EMISSIONS TAX

##### *Charge to tax*

#### **70 Charge to carbon emissions tax**

- (1) Carbon emissions tax is charged, in relation to a regulated installation, if the amount of reported carbon emissions for a reporting period exceeds the emissions allowance for the period.
- (2) The amount of “taxable carbon emissions” in relation to the installation for the reporting period is the amount of the excess.
- (3) Carbon emissions tax is charged on taxable carbon emissions at the rate of £16 per tonne of carbon dioxide equivalent.

#### **71 “Reported carbon emissions”**

- (1) The amount of “reported carbon emissions” in relation to an installation for a reporting period is the total amount of emissions from the installation, in tonnes of carbon dioxide equivalent, that is stated—
  - (a) in the emissions determination (or, if there is more than one, the latest emissions determination) for the period, or
  - (b) if there is no such determination, in the emissions report for the period.
- (2) In subsection (1), “emissions determination” means the regulator’s estimate of the total amount of emissions from the installation for the period, determined in accordance with—
  - (a) article 70 of the Monitoring and Reporting Regulation, or
  - (b) regulation 44 of the Emissions Regulations.

## **72 “Emissions report” and “reporting period”**

- (1) In this Part, “emissions report” means a report of emissions that is submitted to the regulator for the purpose of complying with—
  - (a) the monitoring and reporting requirements or, in the case of an excluded installation, the monitoring and reporting conditions, or
  - (b) a requirement of a notice of surrender or of a revocation notice.
- (2) “Reporting period”, in relation to a regulated installation, means—
  - (a) a scheme year, or
  - (b) such shorter period for which an emissions report for the installation is required by a notice of surrender or a revocation notice.

## **73 “Emissions allowance”**

The “emissions allowance”, in relation to an installation for a reporting period, is the amount of emissions, in tonnes of carbon dioxide equivalent, specified by or under, or determined in accordance with, regulations made by the Commissioners under this section.

## **74 Liability to pay carbon emissions tax**

- (1) Carbon emissions tax in relation to an installation is payable by the person who, at the end of the reporting date, holds the permit for the installation.
- (2) The “reporting date”, in relation to a reporting period, means the day on which the emissions report for that period is required to be submitted to the regulator under the Emissions Regulations.