



Finance Act 2020

2020 CHAPTER 14

PART 3

OTHER TAXES

Environmental taxes

96 Charge for allocating allowances under emissions reduction trading scheme

- (1) The Treasury may impose charges by providing in regulations for emissions allowances to be allocated in return for payment.
- (2) Regulations under subsection (1) may in particular include provision—
 - (a) for persons other than persons to whom a trading scheme applies to be allocated emissions allowances in return for payment;
 - (b) as to the imposition of fees and the making and forfeiting of deposits;
 - (c) as to the person by whom allocations in return for payment are to be conducted;
 - (d) for allocations in return for payment to be overseen by an independent person appointed by the Treasury;
 - (e) for the imposition of penalties for failure to comply with the terms of the regulations or of a scheme under subsection (3);
 - (f) for the imposition of interest in respect of any charges, fees or penalties due under the regulations;
 - (g) for and in connection with the recovery of any charges, fees, penalties or interest due under the regulations;
 - (h) conferring rights of appeal against decisions made in allocations in return for payment, the forfeiting of deposits and the imposition of penalties (including specifying the person, court or tribunal to hear and determine appeals).
- (3) The Treasury may make schemes about the conduct and terms of allocations of emissions allowances in return for payment (the schemes having effect subject to any regulations under this section).

Status: Point in time view as at 22/07/2020.

Changes to legislation: There are currently no known outstanding effects for the Finance Act 2020, Section 96. (See end of Document for details)

- (4) Schemes under subsection (3) may in particular include provision about—
- (a) who may participate in allocations in return for payment,
 - (b) the allowances to be allocated in return for payment, and
 - (c) where and when allocations in return for payment are to take place.
- (5) Regulations under this section are to be made by statutory instrument.
- (6) A statutory instrument containing the first regulations under this section may not be made unless a draft of the instrument has been laid before, and approved by a resolution of, the House of Commons.
- (7) Any other statutory instrument containing regulations under this section is subject to annulment in pursuance of a resolution of the House of Commons (unless a draft of the instrument has been laid before, and approved by a resolution of, that House).
- (8) In this section—
- “emissions allowance” means an allowance under paragraph 5 of Schedule 2 to the Climate Change Act 2008 relating to a trading scheme;
 - “trading scheme” means a trading scheme dealt with under Part 1 of that Schedule (schemes limiting activities relating to emissions of greenhouse gas).

Status:

Point in time view as at 22/07/2020.

Changes to legislation:

There are currently no known outstanding effects for the Finance Act 2020, Section 96.