

evo May 2024 Statement – Plastic Tax

Following government guidance on the new Plastic Tax that came into effect on 1st April 2022 we have ensured that we fully comply with the new regulations, and have registered with HMRC and are submitting our regular returns.

Preparations

- We have gathered the line level data on over 1,400 products of which we are responsible for:
 - We are required to hold weights and recycled content of each plastic packaging material per product, including any proof required for exemption to the tax.
 - We have a system in place to capture the data for new products going forward.

Key Points

- Only manufacturers or importers of plastic packaging are required to register and take liability for plastic packaging.
- We are an importer but not a manufacturer of plastic packaging:
 - We cross the threshold of importing 10 tons per year and are liable for the Plastic Tax.
 - We will pay all relevant Plastic Tax that becomes due.
- We are not liable for the plastic packaging we resell unless we import it.
- Our understanding is that none of our customers are required to register based on the products we provide; however, you need to read and make your own decisions regarding compliance with the regulations.
- Our individual product liability is small, and we average it will be £9 per SKU per annum. On that basis, we do not intend to share product line level data.
- To date we have not claimed any product exemptions based on recycled content.
- The costs associated with the Tax have been assessed, there have been amendments to product pricing from vendors from 1st April 2022, but we took the decision to not increase any direct costs in relation to our own tax liability at this time.
 - Following on from HMRC guidance we do not intend to identify the cost of the tax separately on invoices.
- We intend to issue an updated statement each year to support any customer due diligence processes regarding secondary liability.

Exemptions

- Imported transit packaging is exempt.
- Plastic packaging that contains >30% recycled plastic is exempt.
- Packaging to contain, support or preserve the goods throughout their lifetime is exempt.
- Plastic that is not the predominant weight on mixed packaging (blister cards etc.) is exempt.
- The proof of exemption has a high threshold; therefore, we will choose to not apply the exemption in certain circumstances.

Guidance links

<https://www.gov.uk/government/publications/get-your-business-ready-for-the-plastic-packaging-tax/further-information-for-businesses>