VISITOR ACCOMMODATION (REGISTER AND LEVY) ETC. (WALES) ACT 2025

EXPLANATORY NOTES

INTRODUCTION

1. These Explanatory Notes are for the Visitor Accommodation (Register and Levy) Etc. (Wales) Act 2025 ("the Act") which was passed by Senedd Cymru on 8 July 2025. The Act received Royal Assent on 18 September 2025. The Explanatory Notes have been prepared by the Welsh Treasury of the Welsh Government to assist the reader of the Act. The Explanatory Notes should be read in conjunction with the Act but are not part `of it.

SUMMARY

2. This Act makes provision requiring the Welsh Revenue Authority ("WRA") to establish a register of persons that provide visitor accommodation at premises in Wales; to grant principal councils the power to introduce a levy on overnight stays in visitor accommodation in their areas ("visitor levy"); provision for WRA to collect and manage a visitor levy on behalf of principal councils; and provision to make miscellaneous amendments to the Tax Collection and Management (Wales) Act 2016 ("TCMA 2016").

3. The Act comprises 68 sections and 2 Schedules and is divided into four Parts as follows:
    - Part 1 - Overview of Act and Key Terms Used in Act
    - Part 2 - Register of Visitor Accommodation Providers
    - Part 3 - Visitor Levy
    - Part 4 - Miscellaneous and General Provision
    - Schedule 1 – Information to be included in the register of visitor accommodation providers
    - Schedule 2 – Amendments relating to Parts 2 and 3.

COMMENTARY ON SECTIONS

PART 1 - OVERVIEW OF ACT AND KEY TERMS USED IN ACT

Section 1 – Overview of this Act

4. The overview of the Act shows how the Parts of the Act are arranged and provides a brief description of what each Part does.

Section 2 – Visitor accommodation

5. The section defines visitor accommodation for the purposes of both the register of visitor accommodation providers and the visitor levy. It details what is visitor accommodation, along with certain exceptions. It also contains a regulation making power for the Welsh Ministers to amend the list of visitor accommodation. Visitor accommodation is a defined term to ensure the scope of the Act is clear, recognising the variety of accommodation that is provided in Wales.

6. Visitor accommodation is:
   a) accommodation in hotels, guesthouses, bed and breakfasts, or other similar accommodation;
   b) accommodation in youth hostels, bunkhouses, or other similar accommodation;
   c) a pitch or area provided for camping, or a pitch or area provided for a mobile home that is not permanently or semi- permanently situated in one place (for example, a pitch or area provided for a tent or motorhome);
   d) accommodation at holiday parks, holiday resorts or at other similar places;
   e) accommodation in mobile homes, vessels or other vehicles permanently or semi-permanently situated in one place and that are offered on a short-term basis for business or leisure travel or educational trips;
   f) self-catering accommodation offered on a short-term basis for business or leisure travel or educational trips;
   g) any other kind of accommodation offered on a short-term basis for business or leisure travel or educational trips.

7. Accommodation listed in subsection (1)(e) to (g) of this section is only visitor accommodation for the purposes of the Act if is offered on a short-term basis; that is, for stays of 31 nights or less (and for that purpose, it does not matter whether the nights are consecutive). This ensures that these types of accommodation will only be visitor accommodation if they are offered on a short-term basis and removes from scope longer-term stays. For example, residential tenancies or accommodation provided to a lodger who rents a room Monday-Friday over a 3-month period.

8. The section excludes certain types of accommodation from being visitor accommodation. Accommodation is not visitor accommodation if it is on a Gypsy and Traveller site; if it is a pitch or area provided for a mobile home, vessel or other vehicle that is permanently or semi-permanently situated in one place; or in mobile homes, vessels or other vehicles that are not permanently or semi permanently situated in one place, which would exclude the hiring of a mobile home from scope but the visitor levy would be chargeable if it were sited at a pitch or area within the meaning of 2(1)(c)(ii). This also means that accommodation provided on board a vessel to passengers on a journey is not visitor accommodation, so, for example, a room onboard a cruise ship or a canal boat is not visitor accommodation and therefore not subject to registration requirements or the visitor levy. This provision, because it excludes pitches or areas for mobile homes that are permanently or semi permanently situated in one place also removes residential mobile home sites from the scope of the Act. ”Gypsy and Traveller site“ and “mobile home” are terms that are defined in the section.

9. The Welsh Ministers may by regulations amend this section to provide that a type of accommodation, or accommodation of a particular description, is or is not visitor accommodation, and to vary the description of a type of accommodation. Regulations made under this power are subject to the affirmative procedure in the Senedd.

Section 3 – Visitor accommodation provider

10. This section states that for the purposes of this Act a person is a visitor accommodation provider (VAP) if, in the course of a trade or business, they provide or offer to provide visitor accommodation at premises in Wales, and they are an occupier of the premises. A person provides visitor accommodation if that person enters into a contract under which, or in consequence of which, one or more people are entitled to reside for one or more nights in or at the accommodation. "Contract" does not include contracts of service, contracts of apprenticeship, or contracts where the person entitled to reside provides services to the VAP.

11. This section also states that "offers to provide" in relation to visitor accommodation includes advertising, marketing the accommodation or otherwise making any person aware that the accommodation is available for stays. It states that references to a "visitor accommodation provider" (or a "VAP") include, unless the context requires otherwise, a person registered in the register of visitor accommodation providers, regardless of whether that person falls within the definition of a visitor accommodation provider in subsection (2) at any given time.

PART 2 - REGISTER OF VISITOR ACCOMMODATION PROVIDERS

Section 4 – Register of visitor accommodation providers

12. The section makes provision requiring WRA to establish and maintain a register of visitor accommodation providers.

13. Schedule 1 of the Act details the information to be contained in a visitor accommodation provider's entry in the register.

14. This section requires WRA to publish, in such manner as it considers appropriate, the information contained in the register by virtue of Schedule 1.

15. There are two exceptions to this requirement. These are in respect of the name of an individual (whether or not contained in the entry for a visitor accommodation provider that is an individual), and the address of an individual's sole or main residence.

16. An individual's name can only be published in these circumstances if the individual consents to the publication, or the individual's forename and surname are part of the business name of the VAP.

17. The address of an individual's sole or main residence can only be published if either the individual consents to the publication or it is the address of premises at which the VAP provides or offers to provide visitor accommodation.

18. The register may also contain other information WRA considers appropriate. WRA may (but is not required to) publish this information, unless WRA is prohibited from publishing it by any enactment or rule of law.

Section 5 – Duty of visitor accommodation providers to be registered

19. This section requires VAPs to be registered in the register kept by WRA in respect of premises at which the VAP provides or offers to provide visitor accommodation (section 4(7) states that this means premises in Wales, where visitor accommodation is provided or offered, and which is occupied by the VAP).

20. The section also gives the Welsh Ministers the power to make regulations to exempt descriptions of persons from the requirement to register by reference to the type of visitor accommodation provided; the nature or content of the contracts under which the visitor accommodation is provided; the nature, status or any particular characteristic of the VAP; the nature, status or any particular characteristic of the people to whom the VAP provides accommodation; or any other matter. Regulations made under this power are subject to the affirmative procedure in the Senedd.

21. The section also states that if regulations are made by Welsh Ministers using the powers in this section to exempt a person from the requirement to register, sections 7 (penalties for failing to register) and 8 (power to register persons where no application has been made to WRA) will also not apply to that person.

Section 6 – Applications to be registered

22. Subsection (1) permits a person to apply to be registered before they begin to provide or offer to provide visitor accommodation.

23. Subsection (2) sets out the requirements that an application to be registered must comply with.

24. Subsection (3) requires WRA to register a person that makes an application that complies with subsection (2) and issue that person a notice of registration, unless that person is already registered.

25. Subsection (4) requires WRA, if it decides not to register a person, to issue a notice to that person specifying the reason why and setting out information about rights of review and appeal.

26. Subsection (5) provides that a person is not liable to a penalty under section 7 in relation to premises at which the person provides, or offers to provide, visitor accommodation during the period beginning with the day the person applies to be registered in respect of those premises, and ending with the day notice is issued to that person under subsection (3)(b) or (4).

Section 7 – Penalties for failing to register

27. This section provides that a VAP is liable to a penalty if they provide, or offer to provide, visitor accommodation without being registered in respect of the premises at which the visitor accommodation is provided or offered.

28. The initial penalty is £100 for each unregistered premises. WRA will issue a penalty notice to a VAP specifying each premises to which the penalty notice relates. The VAP will then have 30 days from the day a penalty notice is issued to register any premises identified by WRA before they are liable to a further penalty. This period of 30 days is known as the initial penalty period.

29. If, after the initial penalty period, a premises specified in the notice has not been registered, the VAP is liable to a penalty of £10 for each premises that remains unregistered on each day the VAP provides or offers to provide visitor accommodation. On the 31st day (after the initial penalty period) the VAP provides or offers to provide visitor accommodation without being registered, the VAP is liable to a penalty of £1000 for each unregistered premises.

30. The initial penalty period does not take into account any day on which a decision relating to the penalty is the subject of an ongoing review or appeal.

31. Subsection (7) provides that a person that is no longer a VAP remains liable to penalties under this section that they became liable to while they were a VAP.

Section 8 – Power to register persons where no application has been made to WRA

32. This section gives WRA the power to register a person that has not made an application if WRA considers that person is a VAP or was a VAP at any time in the preceding 14 days.

33. Before WRA registers a person, it must issue a notice setting out the information that will be included on the register and specifying any information WRA does not have or considers to be inaccurate. The notice must inform the person that WRA will register the person on the date specified in the notice, which must be at least 14 days after the notice is issued, unless the person registers themselves, or WRA are satisfied that registration is not necessary. Information about rights of review and appeal must also be set out in this notice.

34. A person will not be treated as registered for the purposes of this section until that a person provides any information to WRA to ensure their entry is complete and accurate or confirms the entry made by WRA is complete and accurate, or applies to be removed from the register.

Section 9 – Duty to notify WRA of changes and inaccuracies

35. This section places a duty on a VAP to notify WRA of any changes to their circumstances that cause their register entry to be inaccurate, or of any inaccuracies in their entry in the register, before the end of the period of 30 days beginning with the day the change of circumstances occurs or the VAP first knew, or ought to have known, of the inaccuracy.

36. If WRA receives a notice that complies with subsection (2) from a VAP, it must correct the register and issue a notice to the VAP specifying the corrections made, unless WRA has already made those corrections under section 11. If WRA decides not to make changes to the register after being given notice by a VAP, it must issue notice setting out the reasons why and providing information about rights of review and appeal.

Section 10 – Penalties for failure to notify WRA of changes and inaccuracies

37. Subsection (1) provides for a VAP to be liable to a penalty of £100 if a VAP fails to notify WRA of changes of circumstances or inaccuracies in the register in accordance with section 9(1).

38. WRA will issue a penalty notice to a VAP specifying the information WRA considers to be inaccurate. A VAP will then have 30 days from the day a penalty notice is issued to provide the notice required by section 9(1)(a) or (b) to WRA before becoming liable to further penalties. This period of 30 days is known as the initial penalty period.

39. If the VAP has not given the required notice to WRA by the end of the initial penalty period, the VAP is liable to a further penalty of £10 for each day after the end of the initial penalty period, up to and including the 30th day, on which the failure to give notice continues. A VAP that continues to fail to provide the required notice is liable to a penalty of £1000 for the 31st day (after the end of the initial penalty period) on which the failure continues.

40. The section also states that the initial penalty period should not take into account any day on which a decision relating to the penalty under subsection (1) is the subject of an ongoing review or appeal.

41. If a person ceases to be a VAP but became liable to a penalty under this section while they were a VAP, they remain liable to the penalty.

Section 11 - Power to change the register where no notice has been given to WRA

42. This section provides WRA with the power to change a VAP's entry in the register where no notice has been given by the VAP under section 9 (duty to notify WRA of changes and inaccuracies) if WRA considers that the entry is inaccurate.

43. Before a change to the register can be made WRA must issue a notice to a VAP specifying the information WRA considers inaccurate and setting out whether WRA intends to omit that information or make other specified changes to the entry. The notice must also inform the VAP that WRA will change the register on a specified date unless before that date the VAP gives notice under section 9(1)(a) or (b) (duty to notify WRA of changes and inaccuracies) or WRA is satisfied that the register does not need to be changed. The notice must also set out information about rights of review and appeal.

44. The section states that the date specified in any notice sent by WRA in accordance with this section must be at least 30 days after the notice is issued.

45. Finally, the section states that the fact that WRA has changed the register to remove an inaccuracy does not mean that the VAP in question is not subject to penalties for having an inaccurate entry. The relevant penalties continue to apply, but the VAP will be treated as having given the required notice from the time the VAP either gives WRA the information it needs to make the entry accurate (if, following WRA's intervention, it remains inaccurate), or confirms to WRA that the entry as it stands is accurate.

Section 12 - Power to require information

46. This section gives WRA the power to require persons of a description specified in the section to provide information or documents that are relevant to WRA's functions in maintaining the register. Examples of documents that might be requested include ledgers, booking information or receipts.

47. If a person that has received a notice has access to the information or document in question, they must provide it by the date specified in the notice or another date that has been agreed by WRA and the person.

48. The notice must also set out information about rights of review and appeal. If a person appeals a notice, the requirements to provide information by any dates specified in the notice cease to apply.

Section 13 - Penalties for failure to comply with a notice under section 12

49. Subsection (1) provides that a person will be liable to a penalty of £100 if they fail to provide WRA with information or documents WRA has required them to provide in accordance with section 12(3).

50. A person will then have 30 days from the day the penalty notice is issued to provide the information required by section 12(3) to WRA before becoming liable to further penalties. This period of 30 days is known as the initial penalty period.

51. If a person has not given the required information to WRA by the end of the initial penalty period, the person is liable to a further penalty of £10 for each day after the end of the initial penalty period, up to and including the 30th day, on which the failure to provide the information or document continues. A person that continues to fail to provide the information or document is liable to a penalty of £1000 for the 31st day (after the end of the initial penalty period) on which the failure continues.

52. The section also states that the initial penalty period should not take into account any day on which a decision relating to the penalty under subsection (1) is the subject of an ongoing review or appeal.

Section 14 – Removal of a person from the register on application to WRA

53. This section requires a person to apply for removal from the register before the 31st consecutive day on which they have not provided or offered to provide visitor accommodation at any premises.

54. If a person makes an application that complies with subsection (2), WRA must remove the person from the register and issue a notice confirming the date of removal.

55. If WRA decides not to remove a person from the register, it must issue a notice setting out the reasons why and notify the person of their review and appeal rights.

56. The section also provides what is meant by "a person has not provided or offered to provide visitor accommodation at any premises".

Section 15 – Penalties where a person fails to apply for removal from the register

57. This section states that if a person fails to apply for removal from the register in accordance with section 14(1) they will be liable to a penalty of £100.

58. A person will then have 30 days from the day the penalty notice was issued to apply for removal from the register or recommence providing or offering to provide visitor accommodation. This period of 30 days is known as the initial penalty period.

59. If a person has not applied for removal from the register or has not recommenced providing or offering to provide visitor accommodation by the end of the initial penalty period, the person is liable to a further penalty of £10 for each day after the end of the initial penalty period, up to and including the 30th day on which the failure to apply for removal from the register or recommence providing or offering to provide visitor accommodation continues. Liability to that daily penalty ceases should a person either apply for removal from the register in accordance with section 14(1) or should they recommence providing or offering to provide visitor accommodation.

60. If a person fails to remove themselves from the register after the 30-day period in which penalties accrue, and they do not provide or offer to provide visitor accommodation, they will incur an additional penalty of £1000 on the 31st day of non-compliance.

61. The section also states that the initial penalty period should not take into account any pending reviews or appeals.

Section 16 – Powers to remove a person from the register when no application has been made

62. This section states that WRA may remove a person from the register where an application for removal has not been made if WRA considers that the person has not provided or offered to provide visitor accommodation in the preceding 30 days.

63. Before WRA removes a person from the register, it must issue a notice setting out the reasons why WRA considers removal is appropriate and informing the person of the date of removal unless, before that date, the person makes an application to remove themselves from the register in accordance with section 14(2). Removal will also not move forward if WRA is satisfied that the person is not required to make an application for removal. Rights regarding reviews and appeals must also be set out in this notice. The date of removal in the notice issued by WRA must be at least 30 days after the notice was issued.

64. A person removed from the register under this section will still be liable to penalties under section 15. However, the person is considered to have applied for removal as soon as they notify WRA of the date they ceased to be a VAP or as soon as they apply to be registered.

Section 17 – Reasonable excuse

65. This section provides for a person not to be liable to a penalty under Part 2 if the person satisfies WRA (or, on appeal, the First-tier Tribunal) that there is a reasonable excuse for their failure. The section provides some circumstances which are not treated as a reasonable excuse.

Section 18 – Powers to reduce, waive or suspend penalties

66. This section provides that WRA may, if WRA considers it right to do so because of special circumstances, reduce a penalty that has been imposed. The special circumstances under which the penalty may be reduced do not include the person's ability to pay.

Section 19 – Assessment of penalties

67. Where a person is liable to a penalty under Part 2 of the Act, this section requires WRA to assess the penalty and issue a notice to the person of the penalty assessed. The details of the assessment of the penalty by WRA are set out in the section. The section also requires WRA to assess penalties as soon as practicable, and in any event within specified time limits.

Section 20 – Payment of penalties

68. This section states that a penalty under Part 2 must be paid within 30 days of WRA issuing the penalty notice to the person, unless there is a review or appeal in which case section 182 of the TCMA 2016 applies.

Section 21 – Double jeopardy

69. This section provides that a person is not liable to a penalty under Part 2 if the person has been convicted of an offence relating to the matter which triggered the penalty.

Section 22 – Liability of personal representatives

70. This section provides that if a person liable to a penalty dies, the penalty may be assessed on the personal representatives of that person. A penalty assessed in this way is to be paid out of the deceased person's estate.

Section 23 – Reviews and appeals

71. This section amends the list of appealable decisions in section 172 of the TCMA 2016 to include decisions relating to the registration of a person under Part 2, issuing notices under section 12 and decisions relating to penalties under Part 2. This amendment means that the reviews and appeals mechanisms in the TCMA 2016 apply to decisions made by WRA in relation to the register.

72. The section also amends section 178 of the TCMA 2016 to provide restrictions on appeals under Part 2, so that a person may not appeal a decision relating to the register unless they have already requested a review of the decision by WRA, and the period within which any such review must be completed has passed.

Section 24 – Registration of partnerships and unincorporated bodies

73. This section establishes how registration applies where the VAP is a partnership or unincorporated body.

74. Where a VAP is registered using their business name and its membership changes then those members continue to be registered under that business name.

75. If a VAP ceases to be a member of a partnership or unincorporated body then they continue to be treated as a member until the date notice is provided to WRA through section 9 or the date when WRA updates the register using its powers under section 11.

76. Subsection (4) clarifies that subsection (3) is subject to provision in the Partnership Act 1890 regarding partnership liability upon death, bankruptcy or retirement.

Section 25 – Interpretation of Part

77. This section explains when an appeal is "finally determined"; sets out what "a notice of the conclusions for a review" is; and signposts the meaning of penalty notice.

Section 26 - Registration: powers to make further or different provision

78. This section provides that the Welsh Ministers may by regulations make provision about the register and registration requirements, including provision: about information to be included or not included in the register; requiring or prohibiting the publication of information; about exemptions to the requirement to give notice to WRA; about penalties; and as to whether or not decisions are to be subject to reviews and appeals. Regulations made under this power are subject to the affirmative procedure in the Senedd.

Section 27 - Amendment of the Tax Collection and Management (Wales) Act 2016 etc.

79. This section introduces Part 1 of Schedule 2, which contains amendments to the TCMA 2016, and to other Acts, relating to this Part of the Act.

PART 3 – VISITOR LEVY

CHAPTER 1 – APPLICATION, OPERATION AND RATES OF LEVY

Section 28 – Power of principal council to introduce levy on overnight stays in visitor accommodation

80. This section enables principal councils to introduce a visitor levy ("the visitor levy") on overnight stays in visitor accommodation located within its area. The visitor levy is to be collected and managed by WRA on behalf of principal councils that introduce the visitor levy.

Section 29 – Overnight stays in visitor accommodation

81. An overnight stay in visitor accommodation forms the basis of the visitor levy, and subsection (1) defines when an overnight stay takes place namely when one or more people stay one or more nights under a contract at premises within a principal council area that has introduced the levy. The stay must be provided in the course of trade or business, and the accommodation must not the sole or main residence of the one or more persons.

82. Subsection (2) lists circumstances when an overnight stay in visitor accommodation does not take place. These circumstances include stays longer than 31 nights and accommodation arranged under the legislation listed (which relate to homelessness, immigration and asylum, and bail and probation). Subsection (3) provides that, where a person stays in visitor accommodation under an employment contract, contract for services or contract of apprenticeship with the VAP, no overnight stay takes place. Subsection (5) gives a power to the Welsh Ministers, by regulations, to amend the descriptions of circumstances in which an overnight stay in visitor accommodation does or does not take place. Regulations made under this power are subject to the affirmative procedure in the Senedd.

83. Under subsection (6) the Welsh Ministers may also, by regulations, make provision about the ways in which it may be proved that an overnight stay in visitor accommodation did not take place because the accommodation falls within subsection (2)(b). This could include provision about documents or other information that can be relied upon to prove that an overnight stay did not take place; and the making of arrangements for and relating to the issuing of vouchers that can be used to prove that an overnight stay in visitor accommodation did not take place. Regulations made under this power are subject to the affirmative procedure in the Senedd.

Section 30 – Liability to pay the levy

84. This section sets out that the person that is liable to pay the visitor levy on an overnight stay in visitor accommodation is the VAP. The point at which the liability to pay the visitor levy arises is when the entitlement under the contract to reside in or at the visitor accommodation ceases. This will generally be the point of departure of the final visitor entitled to reside under the contract.

85. Although liability rests with a VAP to pay the visitor levy, they are able to recover the liability from their visitors as part of their contractual terms should they wish. A VAP can therefore decide when and how to pass these costs on to visitors, be that at point of payment by a visitor, arrival at the visitor accommodation or departure from the visitor accommodation. The provider is ultimately liable and must ensure the amount they pay to WRA is correct.

Section 31 – Calculating the amount of the levy that is payable

86. This section sets out the method for calculating the amount of visitor levy that is chargeable in respect of a stay. The amount of visitor levy is calculated by establishing the number of leviable nights, and multiplying that number by the visitor levy rate that applies in relation to the accommodation. The two rates are set out in section 32 (the lower and higher rates).

87. When only one person was entitled to reside under the contract, then the total number of leviable nights is the number of nights that person was entitled to stay. When more than one person was entitled to stay under the contract, the calculation of leviable nights must be undertaken for each person and then added together to provide the total number of leviable nights.

88. Persons under the age of 18 staying in lower rated visitor accommodation are not included in the calculation of the amount of visitor levy payable in relation to the stay.

89. The section also states that if under a contract at least one person's stay would be subject to the higher rate and at least one person's stay would be subject to the lower rate, then liability is calculated by calculating the amounts of visitor levy payable separately and then adding them together. By way of example, this situation would arise where, under one contract with a VAP that provides both camping and self-catering accommodation in chalets, a person has arranged for some people to stay in a chalet and for some people to camp (see subsection (5)).

90. The Welsh Ministers may amend this section to make further provision about people who are not to be included in a calculation of the amount of visitor levy payable. These amendments may relate to overnight stays subject to the higher or lower rate, or both. Regulations made under this power are subject to the affirmative procedure in the Senedd.

Section 32 – Rates of the levy

91. This section sets out the two rates of the visitor levy; the lower rate is £0.75, the higher rate is £1.30. However, these rates are subject to any additional amount added by a principal council (see section 34).

92. The Welsh Ministers may amend the lower, higher or both rates by regulations. Regulations made under this power are subject to the affirmative procedure in the Senedd.

Section 33 – Determining which rate applies

93. This section specifies which types of visitor accommodation are subject to the lower and higher rates of the visitor levy. The lower rate applies to stays in visitor accommodation that is a pitch or area provided for camping, or a dormitory or other room or area normally provided on the basis that it may be shared with other people residing in that dormitory or other room or area under a different contract. For example, the lower rate would apply to a bed in a shared dormitory in a hostel provided for an overnight stay or a camping pitch. The higher rate applies to all other types of visitor accommodation.

94. The Welsh Ministers may, by regulations, amend which rate applies in relation to a particular type or description of visitor accommodation. Regulations made under this power are subject to the affirmative procedure in the Senedd.

Section 34 – Adding an additional amount to a levy rate

95. This section sets out that the Welsh Ministers may by regulations provide that a principal council may add an additional visitor levy amount to the lower and/or the higher rates, which may be expressed as a fixed or percentage amount.

96. Regulations made by Welsh Ministers under this section may allow a principal council to add an additional amount of visitor levy that is less than the amount specified in the regulations, and/or allow a principal council to add an additional amount in relation to only certain parts of its area or different amounts in relation to different areas. Regulations may also specify, or allow councils to specify, periods during which the additional amount does not apply, or when an additional amount that is less than specified in the regulations applies.

97. Subsection (4) sets out consultation requirements before the Welsh Ministers make regulations under this section. Regulations made under this section are subject to the affirmative procedure in the Senedd.

Section 35 – Application for repayment of amount equivalent to the levy

98. This section makes provision about the circumstances in which a person may apply for a repayment of an amount equivalent to the visitor levy payable (a "levy repayment") in respect of an overnight stay in visitor accommodation that has taken place - in effect a 'refund' of all or part of the amount.

99. The section states that WRA may make a levy repayment if an application is made by a person that, under a contract, provided consideration in respect of an overnight stay and that the application is made before the end of the period of 90 days, beginning with the last day a person was entitled under the contract to stay.

100. A person may apply to WRA for a levy repayment in the following circumstances:

i. a person stayed overnight under the contract because they were unable to reside in their sole or main residence due to a risk to their health, safety or welfare (subsection (3)(a)),
ii. a person stayed overnight under the contract because, at the time of the stay, they were otherwise homeless within the meaning of section 55 of the Housing (Wales) Act 2014 (subsection (3)(b)), or
iii. a person who stayed overnight under the contract accompanied a person in receipt of a disability benefit (defined in section 35(7)) provided care, support or assistance to that person in the same premises and subsection (3) does not apply (subsection (4)).

101. Subsection (5) sets out that if WRA considers that an application has been made by a person who is eligible for a refund under subsection (3), WRA must repay an amount equivalent to the visitor levy payable for the stay. The repayment amount may be varied by WRA depending on the number of people who stayed and whether they were all eligible and the number of nights for which they were eligible for a refund.

102. Subsection (6) provides the same provision in effect (as subsection (5)) in relation to the refund in respect of a person who provided care, support or assistance to a person in receipt of disability benefit (subsection (4)) but has been dealt with separately (from subsection (5)) to ensure that the repayment is limited to visitor levy paid in respect of a person providing care, support or assistance .

103. For example, a person may not be providing care, support or assistance to a person in receipt of a disability benefit for the entire duration of their stay. In which case, WRA must consider which nights qualify for a refund.

104. The Welsh Ministers may amend the section to add, remove, or change descriptions of circumstances in which WRA may or must make a repayment of a visitor levy amount, and to amend the definition of "disability benefit". Regulations made under this power are subject to the affirmative procedure in the Senedd.

CHAPTER 2 – ACCOUNTING FOR, AND PAYMENT OF, THE LEVY

Section 36 – Duty to make levy return in respect of accounting period

105. A VAP must make a return to WRA for each accounting period, whether or not any overnight stays have taken place in the visitor accommodation that the VAP provides

106. The return must contain an assessment of the amount of visitor levy payable for the accounting period and also either a declaration by the VAP that the information in the return is true and complete to the best of their knowledge or a certification by the VAP's agent that the VAP has made such a declaration.

107. A return must be made by the VAP on or before the filing date for the return. The filing date depends upon whether the VAP makes annual or quarterly returns (which is addressed in section 37). For an annual return the filing date is 31 May in the financial year following the financial year to which the return relates. A financial year is the period from 1 April in one year to 31 March in the following year. For a VAP that makes quarterly returns the filing date is 60 days following the end of the accounting period to which the return relates (see section 39).

Section 37 – Annual or quarterly return

108. This section provides that VAPs may choose to make annual or quarterly returns for a financial year if their expected visitor levy liability does not exceed £1000 and, if they made a return with respect to the preceding financial year, were not liable to pay an amount of visitor levy exceeding £1000 with respect to the preceding financial year. If a VAP's visitor levy liability is expected to exceed £1000, or exceeded £1000 in the previous financial year, they must make quarterly returns.

109. The Welsh Ministers have the power by regulations to change the figure of £1000 and to make provision about the information a VAP may or must provide to WRA if they wish to make annual returns. Regulations made under this power are subject to the affirmative procedure in the Senedd.

110. A change from annual to quarterly return obligations, or quarterly to annual return obligations, may take effect only at the start of a financial year. However, if a VAP has one or more penalty points, the VAP may not change the frequency with which they make returns.

Section 38 – Meaning of "accounting period": annual returns

111. This section defines the accounting period for annual returns as the financial year and sets out, where a VAP commences leviable operations, the VAP's first accounting period.

112. In this case, the accounting period begins on the date a VAP commences leviable operations and ends with the end of the financial year during which the accounting period began.

113. This section defines, for the purposes of this section and section 39, when a person commences leviable operations.

Section 39 – Meaning of "accounting period": quarterly returns

114. This section defines the accounting period for VAPs making quarterly returns as a calendar quarter. A calendar quarter is defined as a period of 3 months ending with 31 March, 30 June, 30 September or 31 December. It sets out, where a VAP commences leviable operations, the VAP's first accounting period.

Section 40 – Payment of the levy

115. The section details the rules for payment of the visitor levy to WRA by VAPs. VAPs must pay the visitor levy amount specified in their return on or before the filing date. The section also highlights provisions in the TCMA 2016 that address visitor levy payments required to be made by VAPs in other situations, such as corrections to a return, amendments made to a return during or after the completion of an enquiry and WRA determinations and assessments.

Section 41 – Persons that have ceased to be a VAP: duties under this Chapter

116. This section ensures that if a VAP was subject to duties immediately before ceasing to be a VAP then they remain subject to those duties which in this context are the duties to make a return and if required, to make a levy payment to the WRA. Subsection (2) preserves the effect of certain provisions and subsection (3) sets out the position when the former VAP becomes a VAP again.

Section 42 – Collection and management of the levy by WRA

117. This section introduces Part 2 of Schedule 2 to the Act which contains amendments to the TCMA 2016 to make provision about WRA's functions in relation to the visitor levy together with other miscellaneous amendments.

CHAPTER 3 – USE OF PROCEEDS OF LEVY BY PRINCIPAL COUNCILS

Section 43 – Principal council account for proceeds of the levy

118. This section requires a principal council that has introduced the visitor levy to maintain a separate account for the proceeds of that visitor levy. The section also provides a definition of the "proceeds of the levy". The proceeds of the levy are the net revenues a principal council receives after the costs of collection and disbursements are deducted (see section 24A of the TCMA 2016, as inserted by Part 2 of Schedule 2 to the Act).

Section 44 – Use of proceeds of the levy for destination management and improvement

119. This section requires a principal council to use the proceeds of the levy for the purposes of destination management and improvement in its area.

120. Subsection (2) provides a non-exhaustive list of destination management and improvement purposes including mitigating the impact of visitors, promoting the Welsh language, supporting the sustainable economic growth of tourism and travel, and providing and improving infrastructure, facilities and services for visitors (even if they are not exclusively used by visitors).

Section 45 – Report on use of proceeds of the levy

121. This section places a duty on a principal council to publish a report on the use of the proceeds of the levy for each financial year the council received proceeds of the levy. The report must include information about the amount of visitor levy received by the council in the financial year in question. The report must also set out how the proceeds have been or will be used for the purposes of destination management and improvement. Prior to publication, a principal council must send a draft report to members of the levy partnership forum established by the council (see section 46) and consult them on that draft.

122. The council must publish the report on their webpages (see section 66 (3)(a)(i)) as soon as practicable after 30 June in the financial year following the financial year to which the report relates, and no later than the end of the financial year following the financial year to which the report relates.

123. The Welsh Ministers may by regulations amend this section to set out requirements for the content of the reports, and to change the number of reports that must be published for a financial year, the frequency of publication and the date by which they must be published. Regulations made under this power are subject to the affirmative procedure in the Senedd.

Section 46 – Levy partnership forums

124. This section states that if a principal council has introduced the visitor levy in its area then it must establish a forum to discuss visitor levy-related issues with a view to providing a council with information and advice on certain matters.

125. The section details the matters the forum is to provide information and advice on as well as requiring a principal council to have regard to it.

126. The section also details the steps that must be taken by a principal council to facilitate the forum and makes provision regarding its membership.

CHAPTER 4 – INTRODUCING, CHANGING OR ABOLISHING THE LEVY

Section 47 – Consultation before introducing, changing or abolishing the levy

127. This section makes provision about the steps a principal council must take before it introduces or abolishes the visitor levy, or (where Welsh Ministers have made regulations under section 34 enabling councils to do so) adds, changes or removes an additional amount of visitor levy.

128. If the Welsh Ministers have made regulations under section 34 enabling principal councils to make changes to the amount of visitor levy payable in their areas, councils may not take any steps to change the amount of visitor levy payable until 12 months after the visitor levy has come into effect in their area.

129. A principal council must notify WRA of its proposal in respect of the visitor levy and publish a report that sets out the proposal.

130. Where a principal council proposes to introduce the visitor levy, it must publish a report including an estimate of the proceeds of the levy in the first full financial year, an estimate of the costs it is likely to incur, how it intends to use the proceeds for destination management and improvement of a council's area and proposals for membership of the levy partnership forum.

131. Where a principal council proposes to change the amount of visitor levy, it must publish a report including an estimate of the proceeds of the levy in respect of the first full financial year after the visitor levy is changed, and information about how it intends to use those proceeds towards destination management and improvement of a council's area.

132. Where a principal council proposes to abolish the visitor levy in its area it must provide an estimate of the impact on its revenues in the first full financial year after the visitor levy is abolished.

133. In each case, a principal council must send its report to WRA and consult the mandatory consultees (see subsection (6)), and other appropriate persons, on its report and proposal in respect of the visitor levy.

134. A principal council must consider its proposal having regard to the responses received during the consultation. It must then notify WRA as to whether it intends to proceed with its proposal in relation to the visitor levy, publish a final report and send that report to WRA.

135. The final report must set out a principal council's intentions in relation to its proposal and where it intends to proceed with its proposal, the details of that proposal (including highlighting of any changes made to the proposal from that which was consulted on). The final report must also include a summary of the representations received during the consultation.

136. Subsection (10) defines certain terms used in this section that relate to the mandatory consultees as well as "destination management and improvement".

137. Subsection (11) permits principal councils to commence consultation and notification requirements as set out in this section ahead of the section coming into force.

Section 48 – Introduction of the levy and changes to or abolition of the levy

138. The section outlines the process for introducing, changing the amount of, or abolishing the visitor levy once a principal council has complied with section 47.

139. A principal council must publish a notice detailing whether it is introducing, changing or abolishing the visitor levy; the visitor levy rates (unless the visitor levy is to be abolished); the date when the visitor levy will either come into effect, cease to have effect or change; and any other appropriate information. The notice must be published on a council's website and in any other manner considered appropriate.

140. The date for the introduction or abolition of the visitor levy must be at least 12 months after the notice is published, unless a shorter period is agreed upon by a council and WRA, and must be either 1 April or 1 October.

141. The date for a change to the visitor levy must be at least 6 months after the notice is published and must be either 1 April or 1 October.

142. The introduction, abolition, or change to the visitor levy takes effect on the date specified in the notice.

Section 49 – Overnight stays that are unaffected by the introduction of, or changes to, the levy

143. The section outlines the effect of the introduction of or change to the visitor levy on overnight stays arranged before the introduction or change takes place.

144. No visitor levy will be payable if the "relevant contract" for the overnight stay was made before the date that is six months after the date on which the principal council decided to introduce the visitor levy.

145. However, if such a contract is varied on or after that date, the visitor levy is payable in relation to (a) any persons that are entitled to reside as a result of the variation and/or (b) any nights on which a person is entitled to reside as a result of the variation.

146. If there is a change to the amount of the visitor levy, it does not apply in relation to an overnight stay if the relevant contract was made before the principal council decided to change the visitor levy.

147. The "relevant contract" refers to the contract under which an overnight stay in visitor accommodation takes place, or would (but for the section) take place, under which one or more persons are entitled to reside in the accommodation and to which the VAP is a party.

148. Subsection (7) defines the date a principal council decides to introduce or change the visitor levy as the date it publishes the related notice under section 48(2).

Section 50 – Interpretation of Chapter

149. This section defines terms that are used in this Chapter.

CHAPTER 5 – MISCELLANEOUS PROVISION RELATING TO THE LEVY

Section 51 – Visitor accommodation at premises within the area of more than one principal council

150. This section makes provision about the treatment of premises at which visitor accommodation is provided that are not entirely within the area of one principal council. For the purposes of the visitor levy, such premises are to be treated as being in the area where the greater or greatest part of the premises is situated.

Section 52 - Arrangements with third party to collect the levy etc. on behalf of provider

151. Subsection (1) permits a VAP to make arrangements for one or more persons, on their behalf, to collect sums equivalent to the amount of the visitor levy payable in respect of a stay, make returns, or pay the visitor levy, to WRA, or issue repayments.

152. Subsection (2) provides that the making of an arrangement under subsection (1) does not affect a VAP's obligations under the Act or the TCMA 2016.

Section 53 - Welsh Ministers' power to impose advertising and billing etc. requirements

153. This section provides the Welsh Ministers with a regulation making power to impose requirements on VAPs relating to the inclusion of information about the amount of the visitor levy payable on an overnight stay in visitor accommodation in invoices, receipts and other documents, and requirements about when and how a VAP is required to inform visitors of the visitor levy's existence, nature and amount. Regulations made under this power are subject to the affirmative procedure in the Senedd.

154. The regulations may require that, when the amount payable for an overnight stay is provided, the amount of visitor levy payable in respect of the stay is also specified; that promotional, marketing and other relevant material includes details of the amount of visitor levy payable; and that information relating to the visitor levy payable is displayed at the visitor accommodation.

155. The regulations may confer a power to impose civil sanctions on persons that fail to comply with the requirements set out in any regulations made under this section and may make provision for appeals against such civil sanctions.

Section 54 - Exercise by a principal council of its functions under this Part etc.

156. Subsection (1) disapplies section 101 of the Local Government Act 1972 (arrangements for discharge of functions by local authorities) from the functions of a principal council under this Part (and section 61(2)), which means such functions are non-delegable to a committee, a sub-committee or an officer of a council or to another council. This does not prevent, for example, an officer of a council from preparing a draft of a report for full council to consider and decide upon.

157. The Welsh Ministers have a regulation-making power in subsection (2) to amend this section for the purpose of disapplying (or reapplying) subsection (1) in relation to a function of a principal council under this Part (and section 61(2)). The effect of disapplying subsection (1) would be to make some or all principal council functions in this Act delegable under section 101 of the Local Government Act 1972. Regulations made under this power are subject to the affirmative procedure in the Senedd.

158. Subsection (3) inserts functions of a principal council relating to the visitor levy into the Local Authorities (Executive Arrangements) (Functions and Responsibilities) (Wales) Regulations 2007 (S.I. 2007/399) as functions not to be the responsibility of an executive.

PART 4 - MISCELLANEOUS AND GENERAL PROVISION
CHAPTER 1 – SPECIAL CASES
Section 55 – Meaning of "relevant business" in this Chapter

159. The section defines "relevant business" for the purposes of the Chapter. A "relevant business" is a business, or a part of a business, in the course of which a person provides, or offers to provide, visitor accommodation at premises in Wales, and is an occupier of the premises at which the visitor accommodation is provided.

Section 56 – Duties and liabilities of partnerships and unincorporated bodies

160. This section provides that where anything required or permitted to be done under an enactment relating to the register under Part 2 or the visitor levy is to be done by or in relation to persons in a partnership or unincorporated body, it must be done by or in relation to every person who is a partner in the partnership or a managing member of the body at the time when it is done or required to be done. However, anything required or permitted to be done by every partner or managing member may instead be done by any one of them.

161. A liability to pay a "relevant amount" (defined in subsection (7)) as a result of anything done or omitted to be done by persons carrying on business in partnership or as an unincorporated body is a joint and several liability of every person who is a member of the partnership or body at the time when the thing is done or omitted to be done.

162. If a person is a member of the partnership or body for only part of an accounting period, their personal liability for visitor levy chargeable in respect of the accounting period is the proportion of the liability relating to the business of the partnership or body that is just and reasonable in the circumstances.

163. In the context of the visitor levy, note new section 120H of the TCMA 2016 (inserted by Part 2 of Schedule 2 to the Act), which makes further provision about liability relating to penalty points awarded for failure to comply with certain requirements relating to the visitor levy.

Section 57 – Power to make further provision about partnerships and unincorporated bodies

164. This section gives the Welsh Ministers the power to make regulations to add to, repeal or revoke or otherwise amend any provision made by an enactment relating to the register under Part 2 or the visitor levy (including this Act) about cases where persons carry on business in partnership or as an unincorporated body. Regulations made under this power are subject to the affirmative procedure in the Senedd.

Section 58 – Death, incapacity and insolvency

165. This section applies where a person ("A") carries on the relevant business of another person ("B") who has died, become incapacitated, or become subject to an insolvency procedure. This section requires A to notify WRA that they are carrying on the relevant business, and to provide details of the nature and date of the event that led to this situation, within 30 days of the day on which A began to carry on the relevant business.

166. WRA may, once a notice is received or on its own initiative, treat A as if they were B for the purposes of the register under Part 2 or the visitor levy, effective from the time A began to carry on the relevant business. WRA must issue a notice to A (and, if appropriate, to B) of the decision to treat A as B.

167. This section also makes provision as to when such treatment must cease.

168. If B ceases to be incapacitated or subject to an insolvency procedure, or if A ceases to carry on the relevant business of B, A must notify WRA of the cessation and the date it occurred. The notice must be given within 30 days of the cessation.

169. WRA must cease to treat A as B if it is satisfied that either of the conditions in subsection (6) is met, regardless of whether A has given notice. WRA must issue a notice to A (and, if appropriate, to B) of the decision to cease to treat A as B.

Section 59 – Power to make provision about death, incapacity and insolvency and cases where a person ceases to exist

170. This section provides the Welsh Ministers with the power to make regulations to add to, repeal or revoke, or otherwise amend any provision made by an enactment relating to the register under Part 2 or the visitor levy (including this Act) about cases where a person that has carried on a relevant business dies, becomes incapacitated or becomes subject to an insolvency procedure, or otherwise ceases to exist. Regulations made under this power are subject to the affirmative procedure in the Senedd.

171. Regulations may address circumstances in which a person becomes, or ceases to be, incapacitated or subject to an insolvency procedure, or otherwise ceases to exist. They may also cover duties, liabilities, and entitlements relating to the register under Part 2 or the visitor levy where a person has died, become incapacitated, or become subject to an insolvency procedure, or otherwise ceases to exist.

172. The regulations may make provision that applies whether or not anyone else carries on a person's relevant business after the person dies, becomes incapacitated, or becomes subject to an insolvency procedure, or otherwise ceases to exist.

173. The regulations may make provision about the removal of a person from the register under Part 2 as well as in respect of penalties for failures to comply with the regulations or with requirements imposed on persons other than WRA. They may also provide for reviews and appeals.

Section 60 – Power to make provision about transfers of businesses as going concerns

174. This section provides the Welsh Ministers with the power to make provision in regulations about the application of any enactment relating to the register under Part 2 or the visitor levy (including this Act) in cases where a relevant business has transferred from one person to another as a going concern. Regulations made under this power are subject to the affirmative procedure in the Senedd.

CHAPTER 2 – MISCELLANEOUS

Section 61 – Guidance issued by the Welsh Ministers

175. Subsection (1) provides that the Welsh Ministers may issue guidance on the Act and any regulations made under it, but before issuing such guidance they must consult such persons as they consider appropriate.

176. Subsection (2) requires a principal council to have regard to any guidance issued under this section by the Welsh Ministers when exercising a function relating to the visitor levy.

Section 62 – Power to extend Act to berths and moorings

177. This section gives the Welsh Ministers the power to amend this Act and the TCMA 2016, by regulations, to apply or replicate either or both of Parts 2 and 3 of this Act, with or without modifications, in respect of berths and moorings provided for vessels. Regulations made under this power are subject to the affirmative procedure in the Senedd.

Section 63 – Review of operation and effect of Act

178. This section requires the Welsh Ministers to review the operation and effect of the Act. The Welsh Ministers must also publish, in such manner as they consider appropriate, reports of the reviews.

179. The first review must be completed before the end of the period of 5 years beginning with the day that Part 2 comes fully into force. Subsequent reviews must be completed before the end of the period of 5 years beginning with the date of publication of the previous report of the review.

180. The Welsh Ministers may direct WRA to support the review process, and WRA must comply with any such direction.

CHAPTER 3 - GENERAL

Section 64 – Power to make consequential, transitional etc. provision

181. This section enables the Welsh Ministers to make regulations to provide for incidental, supplementary, consequential, transitional or saving provisions in the circumstances described in subsection (1).

182. Regulations under subsection (1) may amend, modify, repeal, or revoke any enactment, (including any provision of the Act). Regulations made under this power are subject to the affirmative procedure in the Senedd if they amend, modify or repeal primary legislation (as defined in section 65(6)); otherwise, they are subject to the negative procedure.

Section 65 - Regulations under this Act

183. This section provides that each power in the Act to make regulations is exercisable by statutory instrument.

184. Subsection (2) provides that a power to make regulations under this Act includes power to make different provisions for different purposes or areas, and to make incidental, supplementary, consequential, transitional or saving provisions including provision that amends, modifies, repeals or revokes any enactment (including any provision of the Act) for regulations that fall within subsection (2)(b).

185. Subsection (4) provides that a statutory instrument containing regulations made under the listed provisions of the Act is to be made under the affirmative procedure (i.e. a draft of the instrument must be laid before, and approved by a resolution of, Senedd Cymru).

186. Subsection (5) provides that statutory instruments containing regulations made under any other power in the Act are subject to the negative procedure.

Section 66 – Interpretation

187. This section provides definitions and explains the meaning of terms used in the Act.

188. These terms include: "night", "overnight stay in visitor accommodation", "partnership", "principal council", "provide", "return", "vessel", "visitor accommodation", "visitor accommodation provider" and "WRA".

189. Subsection (2) defines the "managing members of an unincorporated body".

190. Subsection (3) provides that where the Act imposes a duty on a principal council to publish a decision, report or other document other than a notice, it must be published on a principal council's website, and in such other manner it considers appropriate, and made available for inspection (without charge) at its offices for at least 12 months after first publication.

Section 67 – Coming into force

191. This section makes provision about when the provisions of the Act will come into force.

192. Subsection (1) provides that Parts 1, 3 (including Part 2 of Schedule 2) and 4 (subject to subsection (2)) will come into force on the day after the day the Act receives Royal Assent.

193. Subsection (2) provides that Part 2 (including Part 1 of Schedule 2) and Chapter 1 of Part 4 as it applies in relation to the register under Part 2, will come into force on a day appointed by the Welsh Ministers in an order made by statutory instrument. Subsection (3) enables such an order to make transitional, transitory or saving provision and different provision for different areas (as well as for different purposes).

Section 68 – Short title

194. Section 68 sets out the short title of the Act, by which it may be known and referred to. Either the Welsh or the English language title of the Act may be used, including as a citation in other enactments.

SCHEDULE 1 – INFORMATION TO BE INCLUDED IN THE REGISTER OF VISITOR ACCOMMODATION PROVIDERS

195. Schedule 1 is introduced by section 4.

Paragraphs 1 to 3 – Information to be included in the register

196. Paragraph 1 sets out the information a VAP's entry must contain.

197. Paragraph 2 sets out the information a VAP's entry must include about the premises at which the VAP provides, or offers to provide, visitor accommodation.

198. Paragraph 3 sets out that, where WRA has registered a person under section 8 of the Act or has made changes to a person's entry under section 11 of the Act (that is, where there has been no application by the person, or no notice from a person of a change to their details), the entry must show that the person was registered, or the entry changed, by WRA and indicate the information in question.

199. If a VAP then provides WRA with the information necessary to satisfy WRA that the VAP's entry is complete and accurate then the requirement under paragraph 3 to indicate WRA's action no longer applies.

Paragraph 4 – Circumstances in which information need not be included in the register

200. Paragraph 4 sets out that the information required by paragraphs 1 and 2 need not be included where WRA does not have that information or considers the information is or is likely to be inaccurate.

201. If WRA includes information it considers is, or is likely to be, inaccurate, it may indicate in the register that this information is, or is likely to be, inaccurate.

Paragraph 5 – Partnerships and unincorporated bodies

202. Paragraph 5(a) sets out that, where a VAP is a partnership or unincorporated body, a reference in paragraph 1(a) in Schedule 1 is a reference to the name of each member of the partnership or managing member of the unincorporated body.

203. Where a VAP is a partnership or unincorporated body, paragraph 5(b) requires the register to contain the address of each member of the partnership and each managing member of the unincorporated body.

Paragraph 6 – Interpretation

204. Paragraph 5 states that for the purpose of the Schedule the business address of a partnership, a body corporate or an unincorporated body, is the address of its registered or principal office, and "charity" means a charity registered under the Charities Act 2011 (c. 25) or an exempt charity (within the meaning of that Act).

SCHEDULE 2 – AMENDMENTS RELATING TO PARTS 2 AND 3

PART 1 AMENDMENTS RELATING TO PART 2 OF THIS ACT

The Tax Collection and Management (Wales) Act 2016 (anaw 6)

205. Part 1 of Schedule 2 is introduced by section 27 and contains amendments to the Tax Collection and Management (Wales) Act 2016, and other Acts, relating to Part 2 of this Act.

206. Paragraphs 1 to 15 make amendments to the TCMA 2016 that deal with the interaction of WRA's functions under that Act with- Part 2 of this Act.

207. Paragraph 2 amends section 12 of the TCMA 2016 which sets out WRA's functions, including its general function to collect and manage taxes and particular functions relating to such taxes, to acknowledge WRA's functions under Part 2.

208. Paragraph 3 amends section 17 of the TCMA 2016 to remove "taxpayer" from the phrase "protected taxpayer information" to reflect the fact that the information collected and managed by WRA, in the exercise of its functions in connection with the register of visitor accommodation, will not always be information about a person paying a tax collected by WRA.

209. Paragraph 4 amends section 18 of the TCMA 2016 to remove "taxpayer" from the phrase "protected taxpayer information" in consequence of the change to section 17 of the TCMA 2016.

210. Paragraph 4 also provides WRA with two additional information sharing gateways to permit sharing of information from the register with principal councils, and with the Welsh Ministers in connection with certain tourism-related functions.

211. Paragraph 5 amends section 20 of the TCMA 2016 to remove "taxpayer" from the phrase "protected taxpayer information" in consequence of the change to section 17 of the TCMA 2016.

212. Paragraph 6 amends section 25 of the TCMA 2016 so that amounts WRA collects in the exercise of its registration functions must be paid into the Welsh Consolidated Fund.

213. Paragraph 7 amends section 30 of the TCMA 2016 to remove the label "Tax Statement" from the statement prepared under section 30. These changes are consequential on the widening of the statement to include information collected and managed by WRA in accordance with their functions in connection with the register of visitor accommodation.

214. Paragraphs 8 and 9 amend sections 31 and 33 of the TCMA 2016 to replace references to "Tax Statement" with "the statement" in consequence of the amendment to section 30.

215. Paragraph 10 omits section 35 (Public Services Ombudsman) from the TCMA 2016 (see paragraph 19 which replaces this with the reference to the more recent Public Services Ombudsman (Wales) Act 2019).

216. Paragraph 11 amends section 164 of the TCMA 2016 so that the definition of "relevant amount" also includes penalties relating to the register. This applies Part 7 of the TCMA 2016 to the penalty system for registration.

217. Paragraph 12 amends the list of appealable decisions in section 172(6) the TCMA 2016 to include a reference to notices under section 12 of the Act.

218. Paragraph 13 amends section 179(2)(b) of the TCMA 2016, which concerns time limits for making an appeal, to exclude decisions relating to the register of VAPs.

219. Paragraph 14 amends section 182(7) of the TCMA 2016, which concerns payment of penalties in the event of a review or appeal, to add a reference to section 20 of this Act (which is about payment of penalties relating to the register under Part 2).

220. Paragraph 15 amends section 183 of the TCMA 2016, which concerns the disposal of reviews and appeals in respect of information notices, to include notices under section 12 of the Act.

221. Paragraph 16 amends section 187B (as inserted by paragraph 48 of this Schedule) of the TCMA 2016 to include reference to WRA's functions pertaining to the registration of visitor accommodation.

222. Paragraph 17 amends section 193 of the TCMA 2016 to remove "taxpayer" from the phrase "protected taxpayer information" in consequence of the amendment to section 17 of TCMA 2016.

223. Paragraph 18 amends section 23 of the Public Audit (Wales) Act 2013 to replace "Welsh Revenue Authority's Tax Statement" with "statement prepared by the Welsh Revenue Authority under section 30 of that Act" in consequence of the amendment to section 30 of the TCMA 2016.

224. Paragraph 19 amends Schedule 3 to the Public Services Ombudsman (Wales) Act 2019 in the entry for the "Welsh Revenue Authority'" to add "and registration" after "Tax". This amendment is required to include reference to WRA's functions pertaining to the registration of visitor accommodation.

SCHEDULE 2 – AMENDMENTS RELATING TO PARTS 2 AND 3
PART 2 AMENDMENTS RELATING TO PART 3 OF THIS ACT

225. Part 2 of Schedule 2 is introduced by section 42 and contains amendments to the TCMA 2016 relating to Part 3 of this Act (visitor levy).

Paragraph 21 - Amendment of references to "devolved tax" etc. in the TCMA 2016

226. This paragraph sets out that, other than the listed exceptions, where "devolved tax" appears in the TCMA 2016 the wording is to be replaced by "WRA-collected" tax. These amendments allow WRA to manage and collect the visitor levy, as well as the devolved taxes, under the same provisions within the TCMA 2016 (though in some instances the TCMA 2016 will apply differently in relation to the visitor levy, as opposed to the devolved taxes; this is addressed by the majority of the remainder of the amendments in this Part).

Paragraphs 22 to 30 - Amendments to Part 2 of the 2016 Act

227. Paragraph 22(a) amends section 12(2)(b) of the TCMA 2016 in consequence of the amendments made by paragraph 2 to enable WRA to provide information and assistance relating to the visitor levy, as well as the devolved taxes, to taxpayers, their agents and other persons.

228. Paragraph 22(b) amends section 12(2) to insert a new paragraph to include the provision of information, advice and assistance related to the visitor levy to principal councils as a particular function of WRA.

229. Paragraph 23 amends section 15 of the TCMA 2016 (which enables the Welsh Ministers to give to WRA directions of a general nature) to insert a new subsection (1A) to provide that, before the Welsh Ministers give a direction relating only to WRA's functions concerning the visitor levy, the Welsh Ministers are required to consult each principal council that has introduced or decided to introduce the visitor levy.

230. Paragraph 24 amends section 18(1) of the TCMA 2016 to permit the disclosure of protected information where that disclosure is for the purposes of WRA's functions. Limitations are set on this permitted disclosure so that protected information cannot be disclosed when providing the Welsh Ministers with information, advice and assistance in relation to WRA-collected taxes or other matters on which the Welsh Ministers may from time to time require information, advice or assistance. A similar limitation is placed on this permitted disclosure so that protected information cannot be disclosed when providing principal councils with information, advice and assistance in relation to the visitor levy.

231. Paragraph 25 inserts a new section 24A into the TCMA 2016. Subsection (1) requires WRA to maintain separate accounts for visitor levy proceeds for each county or county borough. Subsection (2) requires WRA to pay these proceeds to the relevant principal council annually by 30 June following the end of the financial year in which the proceeds were collected, or by such other date agreed between WRA and a principal council. Subsection (3) requires the payment to a principal council to be after the deduction of WRA's costs incurred in exercising its functions. Subsection (4) allows WRA to deduct such amounts as it considers appropriate in respect of costs it may incur and disbursements that may become payable in connection with the exercise of its functions during that financial year but after it has paid the proceeds for that year to a principal council. Subsection (5) enables the Welsh Ministers to make regulations which set out further provision about the deduction of amounts in respect of costs, or the deduction of disbursements including, amongst other matters, how these costs are apportioned and specifying the types of costs or disbursements that may, must, or must not be deducted. Subsection (6) states that references to proceeds include any financial penalties collected. In addition, payments to councils under subsection (2) are not disbursements.

232. Paragraph 26 amends section 25 of the TCMA 2016 to ensure that only payments of receipts relating to devolved taxes (and not the visitor levy) should be paid into the Welsh Consolidated Fund. It also introduces a new subsection (3) to ensure that WRA must pay amounts deducted for costs from proceeds of the visitor levy into the Welsh Consolidated Fund.

233. Paragraph 27 amends section 26(2) of the TCMA 2016 so that WRA's Charter of standards and values applies both to WRA's responsibilities for the devolved taxes and to the visitor levy. It also adds a reference to "principal councils".

234. Paragraph 28 amends section 27 of the TCMA 2016 to provide that before WRA is able to submit its corporate plan for approval by the Welsh Ministers, WRA must consult each principal council that has introduced, or decided to introduce, the visitor levy in its area on any objectives, outcomes or activities in the plan that relate to the visitor levy.

235. Paragraph 29 amends section 29 of the TCMA 2016 by introducing a new subsection (2A) that places an obligation on the Welsh Ministers to consult with each principal council that has introduced, or decided to introduce, the visitor levy before giving a direction to WRA under subsection (1)(b) that relates only to the visitor levy.

236. Paragraph 30 amends section 30 of the TCMA 2016 to place an obligation on the Welsh Ministers to consult with each principal council that has introduced, or decided to introduce, the visitor levy before giving a direction to WRA under subsection (1) that relates only to the visitor levy.

237. Paragraph 31 amends section 31 (audit) of the TCMA 2016 so that it also refers to section 24A (payments of net proceeds of the visitor levy to principal councils), inserted by paragraph 25 of Schedule 2 to this Act. This requires the Auditor General for Wales to be satisfied, when examining the Statement submitted under this section, that any deduction of disbursements have been made in accordance with section 24A.

Paragraphs 32 and 33 - Amendments to Part 3 of the 2016 Act

238. Paragraph 32 amends section 40 of the TCMA 2016 to provide a definition of "filing date" for a return related to the visitor levy.

239. Paragraph 33 amends section 58 of the TCMA 2016 (conditions for making WRA assessments). It amends the conditions for making WRA assessments to include a new subsection (5), which specifies that information is considered available to WRA if it is in a tax return, in documents produced or information provided for an enquiry, or if its existence could be reasonably inferred by WRA from a tax return, documents produced, or information provided for an enquiry, or its existence is notified in writing to WRA by the taxpayer or their agent. This changed rule will apply to the visitor levy and devolved taxes.

Paragraphs 34 and 35 - Amendments to Part 3A of the 2016 Act

240. Paragraphs 34 and 35 make amendments to Part 3A of the TCMA 2016 to provide that the general anti-avoidance rule does not apply to the visitor levy.

Paragraph 36 - Amendment to Part 4 of the 2016 Act

241. This paragraph amends section 86 of the TCMA 2016 to remove the requirement for WRA to seek the approval of the tribunal before issuing a notice to the taxpayer requiring them to provide information or produce documents. This changed rule will apply to the visitor levy and devolved taxes.

Paragraphs 37 to 48 - Amendments to Part 5 of the 2016 Act

242. Paragraph 37 inserts a new section 117A in the TCMA 2016 that provides definitions of "devolved tax return", "visitor accommodation provider" and "visitor levy return" for Part 5 of the TCMA 2016. The amendment also signposts section 120G of the TCMA 2016 (inserted by paragraph 42 of this Schedule) regarding persons that have ceased to be a VAP. It also provides a default rule that where a VAP has not indicated whether they will make annual or quarterly returns to WRA they are treated as making annual returns.

243. Paragraphs 38 to 41 make a number of amendments to provide that sections 118 to 120 of the TCMA 2016, which set out the penalty rules for failures to make a return, are to apply only to devolved taxes and not to the visitor levy.

244. Paragraph 42 inserts new sections 120A to 120H in the TCMA 2016.

245. Sections 120A to 120D provide the rules of the penalty point-based regime for the late filing of visitor levy returns for annual and quarterly visitor levy returns.

246. For annual returns if a return is not made on or before the filing date the VAP is liable to a penalty point. A penalty point awarded to a VAP in relation to a failure to make an annual visitor levy return expires at the end of the period of 24 months beginning with the filing date of the return to which the penalty relates.

247. If a VAP filing annual returns has reached two penalty points, the VAP is liable to a penalty of £100. Due to the rules on the expiry of penalty points, there is no financial penalty for incurring one point over a 24-month period.

248. For quarterly returns if a return is not made on or before the filing date the VAP is liable to a penalty point. A penalty point awarded to a VAP in relation to a failure to make a quarterly visitor levy return expires at the end of the period of 12 months beginning with the filing date of the return to which the penalty point relates.

249. If a VAP filing quarterly returns has reached four penalty points, the VAP is liable to a penalty of £100. Due to the rules on the expiry of penalty points, there is no financial penalty for incurring up to three points over a 12-month period

250. A VAP that has incurred one or more unexpired penalty points may not change the frequency of their return obligations from quarterly to annual or from annual to quarterly.

251. As well as the provision for the points-based penalty system section 120E provides that for both quarterly and annual return obligations that a VAP is liable to a penalty of £100 if a return has still not been filed 6 months after the filing date.

252. Section 120F provides that, as well as the points-based penalty system, for both quarterly and annual return obligations, a VAP is liable to a penalty if a return has not been filed 12 months after the filing date. Where, by failing to make the return, the VAP deliberately withholds information that would enable WRA to assess the VAP's liability to the visitor levy, the penalty is £300, or a greater amount not exceeding 95% of the visitor levy to which the VAP would have been liable if the return had been made. Where the return is late, but the VAP has not deliberately withheld information, the penalty is the greater of £300 and 5% of the visitor levy to which the VAP would have been liable if the return had been made.

253. Section 120G provides that references to a VAP in sections 117A(2), 120A, 120E and 120F include a person that is required by virtue of section 41 to make a visitor levy return. This preserves the effect of these sections where a person has ceased to be a VAP, ensuring penalties still apply where a person has a duty they have yet to comply with.

254. Section 120G provides that references to a VAP in sections 120B to 120D include a person that has ceased to be a VAP.

255. Section 120H establishes how sections 120A to 120D (penalty points and related financial penalties) and 120G (which deals with where a person has ceased to be a VAP) apply where a VAP is a partnership or unincorporated body.

256. For the purposes of those sections, the members of a partnership or other unincorporated body are to be treated as a single person. A failure by one of the members is to be treated as a failure by the deemed single person. Similarly, anything done by or in relation to a member of a partnership or body is to be treated as done by or in relation to that deemed single person.

257. Subsection 120H(2) provides that where there is a change in the membership of the partnership or body, the single deemed person is to be treated as continuing in existence.

258. Subsection (3) sets out that every relevant member of a partnership or unincorporated body is jointly and severally liable for penalties assessed on the deemed single person.

259. Subsection (4) provides the meaning of "relevant member".

260. Paragraph 43 amends section 121(1) of the TCMA 2016 to allow WRA to reduce financial penalties for failure to make tax return in respect of the new penalty regime for the visitor levy.

261. Paragraph 44 makes amendments to section 122 of the TCMA 2016 to introduce rules for financial penalties when a VAP fails to pay the visitor levy to WRA by the due date. The penalty for failure to pay the visitor levy on time is 5% of the amount of unpaid visitor levy, but if 5% of the amount of unpaid visitor levy is lower than £100, the penalty is to be £100; and if 5% of the amount of unpaid visitor levy is greater than £5000, the penalty is to be £5000. Other amendments are made to section 122 that are consequential on the new section 122B and to insert a new line into Table A1 to specify the penalty date in respect of an amount of visitor levy.

262. Paragraph 45 inserts a new section 122B of the TCMA 2016. The new section provides penalties where there is a continuing failure to pay the visitor levy. A VAP becomes liable to further late payment penalties if an amount of visitor levy remains unpaid after 6 months. The penalty is to be 5% of the amount that remains unpaid, but, if 5% of the unpaid amount is lower than £100, the penalty is to be £100, and, if 5% of the unpaid amount is greater than £5000, the penalty is to be £5000. If the visitor levy remains unpaid 12 months after the date a liability to pay the penalty arose under section 122 of the TCMA 2016, then a penalty based on the same calculation method as at 6 months is applied to the amount of visitor levy outstanding at the 12-month penalty date.

263. Paragraphs 46 to 48 amend sections 126, 127 and 128 of the TCMA 2016 to include cross references to the visitor levy penalties so that the rules contained in those sections apply to the penalties related to the visitor levy.

Paragraph 49 - Amendments to Part 8 of the TCMA 2016

264. Paragraph 49 amends section 172(2) of the TCMA 2016 to introduce two new appealable decisions. The first is a decision relating to a penalty point for failure to make a return. The second is a decision to issue a taxpayer notice, or to include a particular requirement in such a notice, if the issuing of the notice had not been approved by the tribunal.

Paragraphs 50 to 55 - Amendments to Part 10 of the TCMA 2016

265. Paragraph 50 inserts a new section 187B into the TCMA 2016 in respect of Crown application in relation to the visitor levy and ensures that the TCMA 2016 binds the Crown (in the same way that the Act binds the Crown). Subsection (2) states that TCMA 2016 does not make the Crown criminally liable but it applies to persons in the service of the Crown as it would apply to other persons. Note: Section 187B is amended by Part 1 of this Schedule (see paragraph 16) to also apply in relation to WRA's functions under Part 2 of the Act (register of visitor accommodation providers) in the same terms.

266. Paragraph 51 amends section 189(2) of the TCMA 2016 to provide that the regulation making power provided to the Welsh Ministers by the new section 24A of the TCMA 2016 is subject to the affirmative procedure in the Senedd.

267. Paragraph 52 amends section 190 of the TCMA 2016 regarding the issuing of notices by WRA to apply it in relation to this Act. Furthermore, the amendments provide that the address for the most recent tax return sent to WRA is also a proper address for the purposes of serving a notice. This new rule will apply to notices relating to the visitor levy and devolved taxes.

268. Paragraph 53 amends section 191 of the TCMA 2016, which relates to the giving of notices or information to WRA, for it to apply in relation to this Act.

269. Paragraph 54 amends section 192, the interpretation section of the TCMA 2016, to omit the definition of "devolved taxpayer" and include, "principal council", "taxpayer", "visitor levy" and "WRA-collected tax". A new subsection is added to provide a definition of the point at which a principal council has decided to introduce the visitor levy in its area.

270. Paragraph 55 amends section 193 of the TCMA 2016 to insert additional terms into the index of defined expressions: "Devolved tax return", "Principal council", "Principal council that has decided to introduce the visitor levy", "Taxpayer", "Visitor accommodation provider", "Visitor levy", "Visitor levy return" and "WRA-collected tax".

RECORD OF PROCEEDINGS IN SENEDD CYMRU

271. The following table sets out the dates for each stage of the Act's passage through the Senedd. The Record of Proceedings and further information on the passage of this Act can be found on the Senedd website at: https://business.senedd.wales/mgIssueHistoryHome.aspx?IId=44788

Stage	**Date**
Introduced	25 November 2024
Stage 1 - Debate	1 April 2025
Stage 2 - Scrutiny Committee – consideration of amendments	15 May 2025
Stage 3 - Plenary - consideration of amendments	1 July 2025
Stage 4 - Approval by the Senedd	8 July 2025
Royal Assent	18 September 2025