



Annel

PLASTIC PACKAGING
TAX UK

PLASTIC PACKAGING
& MICROPLASTIC

09/2023

PLASTIC PACKAGING TAX UK

This guide sums up all the requirements that manufacturers should follow for Plastic Packaging Tax. This document was designed to provide all the information required to ensure compliance with the current regulatory system.

Plastic Packaging Tax - Legislation

The primary legislation: **Finance Act 2021 Part 2**

The secondary legislation: **The Plastic Packaging Tax (Descriptions of Products) Regulations 2021** and **The Plastic Packaging Tax (General) Regulations 2022**

The tax came into the force on 1st April 2022

Registration for the Plastic Packaging Tax is mandatory for companies that:

- will import into the UK or manufacture in the UK **10 tonnes* or even more** of plastic packaging components **in the next 30 days**;
- have imported into the UK or manufactured in the UK **10 tonnes* or more** of plastic packaging components **in the last 12 months**.

***10 tonnes limit includes also a combination of manufactured and imported packaging**

Registration should be done within 30 days after the meeting the 10 tonnes threshold.



Charge rate

-
- **£200** per tonne from **1st April 2022**
 - **£210,82** per tonne from **1st April 2023**
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Key definitions and terms

Packaging considered plastic

For the purpose of Plastic Packaging Tax plastic is defined as a polymer material with potential additives and other substances.

The term “additives” includes calcium and dyes. To assess the amount of plastic material in a packaging component, additives should be considered plastic.

Adhesives made from plastic should be also included in the assessment.

The term “plastic” includes polymers which are biodegradable, compostable and oxo-degradable.

If the packaging is made from multiple materials with the advantage of plastic components (additives included) it is still classified as plastic packaging.

Cellulose-derived materials

Cellulose-based materials derived **without any chemical modification** are not considered plastic.

Cellulose-based materials derived **after chemical modification** are considered plastic.

Types of plastic packaging subject to the tax:

- used in the supply chain (individual packaging components manufactured separately but in the end assembled into one unit);
- for single use by the consumer

Recycled material

Plastic Packaging Tax includes imported or manufactured products which contain **less than 30% recycled plastic**.

Components containing **30% or more recycled plastic are not chargeable for tax**. However, the 10-tonne threshold and records are still mandatory for such packaging.

Confirmation of the use of recycled plastic is required.

Recycled plastic may derive from pre-consumer or post-consumer sources and be reprocessed using chemical or mechanical processes (organic recycling is not included). Recycled plastic can be used for its original purpose or for other purposes.

Multi-component packaging

If the packaging is made from several plastic components, each of these components should be assessed.

Individual packaging components: bottles, caps, labels, boxes, plastic bags, trays, plastic windows and gift wrapping such as ribbon and sticky tape.

Each component should be checked whether it needs to be subjected to Plastic Packaging Tax.

Finished plastic packaging

Plastic Packaging Tax is chargeable if:

- the plastic packaging component is finished at the territory of the UK;
- the finished plastic packaging is imported to the UK

Plastic packaging imported to the UK and already filled with goods subject to the tax.

Manufactured packaging or imported unfilled packaging requires to be defined when is finished. The plastic packaging component is finished when it has undergone its last modification*.

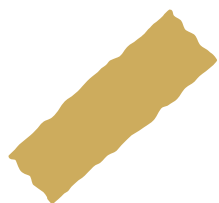
The company that performs the last modification (changes in shape, structure, thickness, and weight) before the packing or filling will be liable for the tax.

*Changes which are not classed as modification: blowing, cutting, labelling and sealing

4 categories of packaging exempt from the tax:

- products used from the immediate packaging of licensed human medicine;
- products used as set aside for non-packaging use;
- products used as transport packaging to import multiple goods safely into the UK;
- products used in aircraft, ship, and rail goods stores.

Multiple-material packaging components - how to assess the amount of plastic

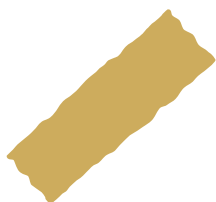


Example 1:

A 10-gram carton is made up of:

- 4 g of plastic;
- 3 g of aluminium;
- 3 g of cardboard.

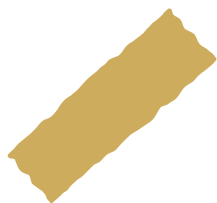
Plastic is the heaviest material - all 10 grams will be considered plastic.

**Example 2:**

A 10-gram carton is made up of:

- 2 g of plastic;
- 5 g of aluminium;
- 3 g of cardboard.

Plastic is not the heaviest material - the item is not considered plastic.

**Example 3:**

A 10-gram carton is made up of:

- 2 g of recycled plastic;
- 2 g of virgin plastic;
- 3 g of aluminium;
- 3 g of cardboard.

The component will be not subjected to the tax as it contains 50% of recycled plastic in all plastic elements.

Source:

<https://www.gov.uk/guidance/work-out-which-packaging-is-subject-to-plastic-packaging-tax>