



HM Treasury, 1 Horse Guards Road, London, SW1A 2HQ

Alison Thewliss MP  
House of Commons  
London  
SW1A 0AA

10 January 2022

Dear Alison,

Thank you for your question at the Finance Bill Public Bill Committee on 5 January 2022, in relation to Clause 83 and Schedule 11, and the application of Plastic Packaging Tax (PPT) within Freeports.

The tax will be due on imported plastic packaging when it has cleared all customs procedures. For example, packaging imported into the customs warehousing regime will be chargeable when it is removed from the warehouse onto the UK market. Freeports are not a customs regime and although there may be Freezones within them which are, these are treated in the same way as other customs regimes. This makes sure that PPT will be chargeable when plastic packaging is removed from the Freezone and enters into free circulation.

The legislation is intended to ensure that the tax continues to apply to imports in the event there is a change to other legislation which may impact the tax point for imports; it does not create an exemption for Freeports from PPT. The Explanatory Note uses customs and Freeports as illustrative examples only, where changes to legislation could impact when the tax is charged.

You also asked about the development of green ports in Scotland. We want to make sure that the whole of the UK can benefit and remain committed to establishing at least one Freeport in Scotland, Wales and Northern Ireland as soon as possible. We are confident the Freeport model embraces the highest employment and environmental standards, and that they will be national hubs for trade, innovation and commerce. They will aim to regenerate communities across

the UK attracting new businesses, spreading jobs, investment and opportunity to towns and cities up and down the country.

I am copying this letter to the Chairs and other members of the Public Bill Committee and depositing a copy of this letter in the Library of the House.

Yours sincerely,

A handwritten signature in blue ink, appearing to read 'Helen Whately', with a large, sweeping flourish underneath.

**Helen Whately**  
Exchequer Secretary to the Treasury