

Spring Conference 2025

POLICY MOTION

Welsh Revenue, Welsh Control

MOTION AS AGREED BY CONFERENCE

Conference notes:

- A. Wales currently has limited devolved tax powers, such as the ability to vary Stamp Duty Land Tax (SDLT) and Landfill Tax. However, other areas such as VAT are reserved to the UK Government.
- B. Whilst the Welsh Government can vary the Welsh rate of income tax, unlike the Scottish Government it cannot vary income tax bands.
- C. The Scotland Act 2016 devolved significant tax and revenue powers to the Scottish Parliament, including more income tax powers, the ability to assign VAT revenue, and control over certain welfare benefits.

Conference believes:

- I. By giving the Welsh Government control over a larger share of tax revenue, Wales will have greater flexibility to fund its own priorities, such as healthcare, education, and infrastructure.
- II. With more control over revenue, the Welsh Government can design tax policies that are more suited to the unique needs of Wales, such as addressing regional economic disparities or focusing on key areas like poverty reduction or climate change.
- III. Devolving more tax and revenue powers to Wales will lead to greater financial independence, more tailored policies, stronger public services, and greater social and economic equality.

Conference reaffirms:

- i. The Welsh Government should gain control over Air Passenger Duty, enabling it to adjust rates on domestic and international flights from Welsh airports.

Conference calls for:

- 1. The Welsh Government to have the same powers as the Scottish Government so it can vary income tax bands according to Welsh needs.
- 2. The UK Government to calculate VAT revenue collected in Wales and transfer 50% (in line with Scotland) to the Welsh Government annually.
- 3. The Welsh Government to be given more autonomy in creating new social security benefits tailored to the needs of Welsh citizens, such as a child poverty reduction scheme.