



HM Revenue
& Customs

A disaggregation of HMRC tax receipts between England, Wales, Scotland & Northern Ireland

Methodology Note

October 2018

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Disclaimer

This publication apportions total UK tax receipts collected by HMRC to England, Wales, Scotland and Northern Ireland. It attempts to measure the true economic incidence of taxation, based on the underlying activity, which can often differ from how or where the tax receipts are collected. Actual administrative data is available for Capital Gains Tax, Inheritance Tax, Stamp Duty Land Tax, Child and Working Tax Credits and Child Benefit; for the others, the estimates are arrived at using best available data and statistical techniques, including assumptions and adjustments where necessary. The numbers in this publication do not represent an estimate of the tax revenue that would be raised if each tax was set at the devolved level. All statistical methodologies have an inherent degree of uncertainty and, for this publication, a variety of alternate methodologies could justifiably be applied, each leading to a different estimate.

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Methodology Overview

1. For each tax, the general approach has been to first estimate the proportion of total UK tax receipts that should be apportioned to England, Wales, Scotland and Northern Ireland, and then allocate UK total receipts in line with those proportions. The UK totals are those published in HMRC's National Statistics¹ series and summarised in Tables 1 and 2.
2. As a conceptual framework, we have attempted to allocate receipts as closely as possible to the underlying activity that generates them. For some taxes that is relatively straightforward but for others it is quite complex and there may be different interpretations on what the underlying activity might be or how to capture it. These figures do not represent the distribution of revenue by the location of the tax collecting office. We have also sought, wherever possible, to use HMRC's administrative data but this is not always available at the required level of geographical disaggregation; in those cases, estimates have been made on the basis of a proxy activity, for which the data is available.² For example, Petrol and diesel fuel receipts have been apportioned using statistics on road consumption published by the Department for Business, Energy & Industrial Strategy (BEIS).
3. A number of necessary simplifying assumptions have been made.
 - Survey data has been used to estimate the underlying activity for many of the taxes, and there are often multiple sources of error, such as sampling, non-response and measurement error, which we assume are consistent across England, Wales, Scotland and Northern Ireland. For example, these estimates assume that the measurement errors stemming from the (under)reporting of alcohol consumption are the same in each of the sub-national areas.
 - Many of the consumption based estimates have used information derived from the ONS Living Costs and Food (LCF) Survey. The LCF is a large, nationally representative survey, though when broken down into small sub-national areas the small cell sizes mean that the estimates increase in uncertainty.
 - Rather than use LCF data directly, we have used expenditure shares provided in the ONS' *Family Spending* publication³ (or *Family Food* for Alcohol⁴), which is based on the LCF. The approach we have adopted has been to use the Family Spending publication most closely aligned with our estimation year. Each edition of Family Spending aggregates expenditure uses a number of years' of LCF data. We have chosen to use the results in Family Spending rather than the underlying LCF data since it has the advantage that the relevant grossing and data adjustments have already been made by the ONS. However, there is also a drawback due to imperfect alignment between some estimation dates and survey dates, though the effect of this is typically quite small.

¹ HMRC UK tax receipts are here: <https://www.gov.uk/government/collections/hm-revenue-customs-receipts>

² Similar apportioning exercises have been undertaken by the Scottish Government and the Northern Ireland Assembly. For more information, go to: <http://www.scotland.gov.uk/Topics/Statistics/Browse/Economy/GERS> and <https://www.finance-ni.gov.uk/publications/northern-ireland-net-fiscal-balance-report-2012-13-and-2013-14>

³ For more information see <http://www.ons.gov.uk/ons/rel/family-spending/family-spending/index.html>

⁴ For more information on this dataset see <https://www.gov.uk/government/statistical-data-sets/family-food-datasets>.

- The tax gap has been assumed to be the same in England, Wales, Scotland and Northern Ireland.
 - The geographic identifier most commonly used is postcodes and address lines, which are matched against sub-national areas using the National Statistics Postcode/Address Look-up tables. Some receipts cannot be matched due to missing or invalid postcode entries.
 - Several taxes are normally reported on the basis of the accrual of tax liability. Where possible the estimates here have been adjusted to fit to the receipts profile.
 - There are other forms of taxation such as Vehicle Excise Duty and Council Tax which are not estimated as they are not collected by HMRC.
 - In April 2015 Stamp Duty Land Tax (SDLT) and Landfill Tax were fully devolved to Scotland. These taxes no longer apply in Scotland, and Revenue Scotland administer and collect replacement taxes such as Scotland's Land and Building Transactions Tax (LBTT) and the Scottish Landfill Tax. Revenue Scotland publish statistics on the taxes that they administer and collect.⁵ Estimates for the Scottish share of SDLT and Landfill tax are included in the figures in this publication up to 2014/15. From 2015/16 these taxes no longer apply and the replacement Scottish taxes are not included in this publication. These devolved taxes are not estimated in this publication as they are not collected by HMRC.
 - Data is not available for each year. Where unavailable, we have used the nearest available years for which information is available. This is described in Annex A.
 - There are some instances – e.g. non-identification, incomplete data or non-UK activity – that may mean that the sum of the four areas is less than the UK total. In those cases, the allocation of the unidentified is based on the ratios of the identified. Similarly, rounding may mean the sub-totals do not exactly match the UK totals.
4. Annex B discusses the methodology HMRC uses to get to its total UK tax and NIC receipts.
 5. Table 1 provides summary information on data sources and methodologies, including changes since last year's publication.
 6. This note accompanies two other publications:
 - The full set of statistics
 - A full commentary note

All related documentation can be found on the Gov.uk website⁶

⁵ For more information see <http://www.gov.scot/Topics/Statistics/Browse/Economy/GERS>

⁶ <https://www.gov.uk/government/statistics/disaggregation-of-hmrc-tax-receipts>

Table 1 Data and methodology summary

	Data	Methodology	Revised
Income Tax	HMRC: Survey of Personal Incomes	Compute income tax liabilities using HMRC's Personal Tax Model, a micro-simulation model of the UK income tax system.	Yes - data
Capital Gains Tax	HMRC: Administrative data	Apportioned from information collected in HMRC tax returns.	Yes - data
National Insurance Contributions	HMRC: National Insurance & PAYE Service	A sample of administrative data matched to postcode location.	Yes - data
VAT	ONS: Living Costs and Food Survey; Gross Value Added HM Treasury: Public Expenditure Statistical Analysis Population estimates: ONS, National Records Office for Scotland and Northern Ireland Statistics & Research Agency	Separate estimates made for each of the four main VAT sectors. The largest sector - household - an estimate is made of the total standard rated and reduced rate VAT expenditure.	Yes - data & methodology
Corporation Tax (Onshore)	HMRC: Administrative data ONS: Inter-Departmental Business Register	Company tax records are matched with geographical location and employment numbers to establish location of taxable profits; some profit types are apportioned to the location of the registered office. CT receipts are now reported gross of tax credits in line with national accounts changes.	Yes - data
Corporation Tax (Offshore)	HMRC: Administrative data	There are two approaches: geographic and by population share. The geographic approach allocates on a field by field basis using the boundary set out in the Scottish Adjacent Waters Boundaries Order 1999. Taxable profits from each field are then estimated using HMRC's established North Sea Oil and Gas forecasting model. The population share uses National Statistics.	Yes - data
Bank Levy	ONS: Bank and building societies' income from fees, commission and FISIM	Disclosure rules prevent HMRC from using administrative data to apportion Bank Levy receipts. Instead, they are apportioned based on the sum of bank and building societies' income from fees, commission and FISIM.	Yes - data
Bank Payroll Tax	ONS: Regional Accounts, Compensation of Employees (CoE)	Disclosure rules prevent use of administrative data; instead, receipts apportioned by sub-national CoE within the 'Financial and Insurance Activities' sector.	Yes - data
Bank Surcharge	ONS: Financial and insurance activities GVA	Disclosure rules prevent use of administrative data; instead, receipts apportioned by sub-national GVA of financial and insurance industries.	Yes - data
Petroleum Revenue Tax	HMRC: Administrative data	There are two approaches: geographic and by population share. The geographic approach allocates on a field by field basis using the boundary set out in the Scottish Adjacent Waters Boundaries Order 1999. Estimates use assessment data supplied by operators to HMRC. The population share uses National Statistics.	Yes - data
Fuel Duties	Department of Energy and Climate Change: Road consumption statistics	Receipts apportioned in line with fuel consumption.	Yes - data
Inheritance Tax	HMRC: Administrative data	Receipts apportioned in line with information collected from HMRC returns	Yes - data

Table 1 (cont.) Data and methodology summary

	Data	Methodology	Revised
Shares	London Stock Exchange: Geographical information, value of share turnover Companies House: Geographical information	Listed companies were matched geographically using the address of their registered office; receipts were then apportioned by considering the value of each companies share turnover.	Yes - data
Stamp Duty Land Tax	HMRC: Administrative data	Apportioned from information collected in HMRC tax returns. At April 2015 SDLT was fully devolved to Scotland and so we no longer have this data.	Yes - data
Annual Tax On Enveloped Dwellings	HMRC: Administrative data	Apportioned from information collected in HMRC tax returns on SDLT, on high value property transactions.	Yes - data
Tobacco Duties	ONS: Living Costs and Food Survey	Receipts apportioned in line with tobacco expenditure.	Yes - data
Spirits Duties	ONS: Living Costs and Food Survey DEFRA: Family Food	Receipts apportioned in line with spirits consumption.	Yes - data & methodology
Beer Duties	ONS: Living Costs and Food Survey DEFRA: Family Food	Receipts apportioned in line with beer consumption.	Yes - data & methodology
Wines Duties	ONS: Living Costs and Food Survey DEFRA: Family Food	Receipts apportioned in line with wine consumption.	Yes - data & methodology
Cider Duties	ONS: Living Costs and Food Survey DEFRA: Family Food	Receipts apportioned in line with cider consumption.	Yes - data & methodology
Betting & Gaming	ONS: Living Costs and Food Survey	Receipts apportioned in line with betting and gaming expenditure.	Yes - data
Air Passenger Duty	Civil Aviation Authority: total number of passengers flying from UK ONS: International Passenger Survey	Receipts apportioned in line with information on passenger destinations; adjustments are made to deal with transfers, as only the final destination is relevant.	Yes - data & methodology
Insurance Premium Tax	ONS: Living Costs and Food Survey	Receipts apportioned in line with insurance expenditure.	Yes - data
Landfill Tax	Northern Ireland Municipal Waste Management Statistics Scottish Environment Protection Agency Environment Agency for England and Wales	Receipts apportioned by the tonnages sent to landfill. At April 2015 Landfill Tax was fully devolved to Scotland and so we no longer have this data.	Yes - data
Climate Change Levy	Department of Energy and Climate Change: Gas and electricity consumption statistics	Receipts from main rates apportioned in line with gas, electricity and coal consumption. Receipts from Carbon Price Support (CPS) apportioned in line with coal and gas consumption.	Yes - data
Aggregates Levy	UK Geographical Survey: UK Minerals Yearbook Northern Ireland Department for the Economy (DfE): Annual Minerals Statements	Receipts apportioned in line with mining activity.	Yes - data
Swiss Capital Tax	Population estimates: ONS, National Records of Scotland and Northern Ireland Statistics & Research Agency	Disclosure rules prevent use of administrative data; instead, receipts apportioned by population share.	Yes - data
Customs Duties	ONS: Gross Value Added	Receipts apportioned in line with GVA.	Yes - data
Tax Credits	HMRC: Administrative data	Available from HMRC administrative data. Now reported gross of negative tax.	Yes - data
Child Benefit	HMRC: Administrative data	Available from HMRC administrative data.	Yes - data

Total HMRC Receipts

7. Tables 2 and 3 present the sum of all HMRC taxes across England, Wales, Scotland and Northern Ireland. The first uses the geographical split for North Sea oil and gas revenues while the second uses the population split. Please note that customs duties are collected by HMRC on behalf of the EU and do not form part of the UK public finances. However, they are reported for HMRC collection purposes.
8. As of January 2015, total HMRC receipts are now reported gross of all Child & Working Tax Credits following changes generated by revisions to the European System of Accounts (ESA2010) and the Public Sector Finances Review.

Table 2 Total HMRC Receipts (Geographical Split of North Sea Revenues), £m

	United Kingdom	England	%	Wales	%	Scotland	%	Northern Ireland	%
1999-00	294,177	253,099	86.0%	10,500	3.6%	24,448	8.3%	6,130	2.1%
2000-01	315,638	271,092	85.9%	10,915	3.5%	27,143	8.6%	6,487	2.1%
2001-02	321,741	275,535	85.6%	11,377	3.5%	28,295	8.8%	6,545	2.0%
2002-03	324,725	277,602	85.5%	11,717	3.6%	28,638	8.8%	6,767	2.1%
2003-04	347,946	297,102	85.4%	12,719	3.7%	30,450	8.8%	7,674	2.2%
2004-05	375,801	321,086	85.4%	13,636	3.6%	32,831	8.7%	8,236	2.2%
2005-06	402,874	341,801	84.8%	14,248	3.5%	38,061	9.4%	8,763	2.2%
2006-07	428,629	364,023	84.9%	15,073	3.5%	40,008	9.3%	9,526	2.2%
2007-08	456,121	388,111	85.1%	15,986	3.5%	41,822	9.2%	10,202	2.2%
2008-09	445,531	375,033	84.2%	15,301	3.4%	45,338	10.2%	9,844	2.2%
2009-10	414,920	353,691	85.2%	14,347	3.5%	37,887	9.1%	8,996	2.2%
2010-11	453,615	385,935	85.1%	15,533	3.4%	42,274	9.3%	9,872	2.2%
2011-12	472,315	400,907	84.9%	15,995	3.4%	45,238	9.6%	10,193	2.2%
2012-13	473,777	405,863	85.7%	16,028	3.4%	41,717	8.8%	10,171	2.1%
2013-14	493,646	424,677	86.0%	16,513	3.3%	42,149	8.5%	10,322	2.1%
2014-15	515,349	445,580	86.5%	17,247	3.3%	41,827	8.1%	10,653	2.1%
2015-16	533,533	464,851	87.1%	17,685	3.3%	40,035	7.5%	10,962	2.1%
2016-17	568,603	496,043	87.2%	18,948	3.3%	41,905	7.4%	11,706	2.1%
2017-18	592,516	515,616	87.0%	19,656	3.3%	45,120	7.6%	12,123	2.0%

Note: Percentages may not sum to 100 due to rounding, and figures from 2015-16 have been affected by the devolution of Stamp Duty Land Tax and Landfill Tax to Scotland

Table 3 Total HMRC Receipts (Population Split of North Sea Revenues), £m

1999-00	296,298	254,871	86.0%	10,605	3.6%	24,631	8.3%	6,191	2.1%
2000-01	319,485	274,309	85.9%	11,105	3.5%	27,474	8.6%	6,597	2.1%
2001-02	326,566	279,571	85.6%	11,614	3.6%	28,709	8.8%	6,682	2.0%
2002-03	329,345	281,468	85.5%	11,944	3.6%	29,033	8.8%	6,900	2.1%
2003-04	352,182	300,648	85.4%	12,928	3.7%	30,810	8.7%	7,795	2.2%
2004-05	380,916	325,368	85.4%	13,888	3.6%	33,265	8.7%	8,382	2.2%
2005-06	412,197	349,611	84.8%	14,707	3.6%	38,849	9.4%	9,030	2.2%
2006-07	437,493	371,449	84.9%	15,508	3.5%	40,756	9.3%	9,780	2.2%
2007-08	463,529	394,318	85.1%	16,349	3.5%	42,446	9.2%	10,415	2.2%
2008-09	457,924	385,419	84.2%	15,908	3.5%	46,381	10.1%	10,200	2.2%
2009-10	420,841	358,655	85.2%	14,636	3.5%	38,385	9.1%	9,167	2.2%
2010-11	461,937	392,915	85.1%	15,938	3.5%	42,972	9.3%	10,111	2.2%
2011-12	483,187	410,030	84.9%	16,522	3.4%	46,148	9.6%	10,505	2.2%
2012-13	479,926	411,026	85.6%	16,325	3.4%	42,229	8.8%	10,347	2.2%
2013-14	498,320	428,605	86.0%	16,738	3.4%	42,538	8.5%	10,455	2.1%
2014-15	517,451	447,348	86.5%	17,348	3.4%	42,001	8.1%	10,712	2.1%
2015-16	533,531	464,849	87.1%	17,685	3.3%	40,034	7.5%	10,962	2.1%
2016-17	568,287	495,777	87.2%	18,933	3.3%	41,879	7.4%	11,697	2.1%
2017-18	593,704	516,617	87.0%	19,712	3.3%	45,218	7.6%	12,157	2.0%

Note: Percentages may not sum to 100 due to rounding, and figures from 2015-16 have been affected by the devolution of Stamp Duty Land Tax and Landfill Tax to Scotland

9. Table 4 excludes Stamp Duty Land Tax and Landfill Tax. This table aims to provide a more consistent back series, unaffected by the devolution of taxes.

Table 4 Total HMRC tax receipts (geographic) excluding Stamp Duty Land Tax and Landfill Tax for comparison purposes, £m

	United Kingdom	England	%	Wales	%	Scotland	%	Northern Ireland	%
1999-00	290,563	249,853	86.0%	10,405	3.6%	24,260	8.3%	6,046	2.1%
2000-01	311,493	267,368	85.8%	10,808	3.5%	26,928	8.6%	6,390	2.1%
2001-02	317,107	271,372	85.6%	11,257	3.5%	28,053	8.8%	6,436	2.0%
2002-03	319,173	272,611	85.4%	11,575	3.6%	28,350	8.9%	6,637	2.1%
2003-04	342,353	292,081	85.3%	12,575	3.7%	30,154	8.8%	7,543	2.2%
2004-05	368,878	314,866	85.4%	13,459	3.6%	32,467	8.8%	8,073	2.2%
2005-06	394,687	334,331	84.7%	14,037	3.6%	37,694	9.6%	8,625	2.2%
2006-07	418,190	354,646	84.8%	14,799	3.5%	39,485	9.4%	9,260	2.2%
2007-08	445,286	378,505	85.0%	15,738	3.5%	41,148	9.2%	9,895	2.2%
2008-09	439,781	369,966	84.1%	15,144	3.4%	44,902	10.2%	9,754	2.2%
2009-10	409,192	348,513	85.2%	14,208	3.5%	37,535	9.2%	8,937	2.2%
2010-11	446,588	379,599	85.0%	15,371	3.4%	41,808	9.4%	9,810	2.2%
2011-12	465,100	394,324	84.8%	15,826	3.4%	44,825	9.6%	10,143	2.2%
2012-13	465,778	398,491	85.6%	15,877	3.4%	41,291	8.9%	10,119	2.2%
2013-14	483,183	415,010	85.9%	16,317	3.4%	41,606	8.6%	10,265	2.1%
2014-15	503,466	434,625	86.3%	17,028	3.4%	41,188	8.2%	10,583	2.1%
2015-16	521,932	453,512	86.9%	17,498	3.4%	40,035	7.7%	10,889	2.1%
2016-17	555,963	483,734	87.0%	18,706	3.4%	41,905	7.5%	11,618	2.1%
2017-18	578,853	502,338	86.8%	19,370	3.3%	45,120	7.8%	12,025	2.1%

Note: Percentages may not sum to 100 due to rounding

Comparison with Scotland and Northern Ireland estimates

10. Tax receipt estimates accredited to National Statistics standards are produced by the Scottish Government in its *Government Expenditure and Revenue Scotland* report (GERS).⁷ There have also previously been statistical estimates produced for Northern Ireland in the *Northern Ireland Net Fiscal Balance* report⁸ (NINFBR), though this has now been discontinued. Table 5 provides a summary comparison of the approaches used in this publication and GERS. The ONS have also recently released experimental statistics on public sector revenue, expenditure and net fiscal balance on a country and regional basis in their *Country and regional public sector finances (CRPSF)* publication.⁹ The Northern Ireland estimates are based on very similar methodologies as GERS so, to avoid duplication, unless there is a point of distinction, they are not discussed separately. In most cases, the methodologies and estimates are very similar.
11. One important point to make at the outset is that there are a number of reasons why HMRC's estimates cannot be directly compared to the others:
 - This publication only covers taxes collected by HMRC, whereas the others cover all public sector revenues. For example, Vehicle Excise Duty and Council Tax are not estimated here, and at April 2015 SDLT and Landfill Tax were devolved to Scotland.
 - This publication is presented on a different accounting basis to the others. HMRC's estimates apportion UK totals produced on a cash receipts basis, in line with HMRC's published National Statistics tax receipts series, whereas all other publications' estimates relate to the accrual measure of tax receipts.¹⁰
12. HMRC, the Scottish Government and the Northern Ireland Executive are committed to working together to reconcile, and where possible, align methodologies for estimating regional tax receipts. A joint statement on the different statistics is available on the HMRC, GERS and Northern Ireland websites.¹¹

⁷ <http://www.scotland.gov.uk/Topics/Statistics/Browse/Economy/GERS>

⁸ <https://www.finance-ni.gov.uk/publications/northern-ireland-net-fiscal-balance-report-2012-13-and-2013-14>

⁹ <https://www.ons.gov.uk/releases/countryandregionalpublicsectorfinances>

¹⁰ <https://www.gov.uk/government/collections/hm-revenue-customs-receipts>

¹¹ <https://www.gov.uk/government/statistics/disaggregation-of-hmrc-tax-receipts>;
<http://www.scotland.gov.uk/Resource/0045/00451974.pdf>; <https://www.finance-ni.gov.uk/publications/hmrc-scottish-government-and-dfp-joint-statement-estimating-regional-tax-receipts>

Table 5 Comparison of HMRC and GERS estimates and methodologies.

	Comparison of estimates	Comparison of methodology
Income Tax	Very similar estimates	Very similar methodology
Capital Gains Tax	Very similar estimates	Very similar methodology
National Insurance Contributions	Very similar estimates	Very similar methodology
VAT	HMRC apportions a lower amount to Scotland than GERS	Not directly comparable as they are presented on different bases: HMRC on cash receipts and GERS on accruals. Although both the GERS and HMRC estimates are based on apportioning sector data from the HMRC tax liability model, work is continuing to align the apportionments and the level of disaggregation used in the calculations.
Corporation Tax (Onshore)	Similar estimates	GERS uses the share from the ONS' CRPSF publication, which itself is based upon the methodology used this publication. However, the ONS converts cash receipts back to accruals.
Corporation Tax (Offshore)	HMRC apportions a lower amount to Scotland than GERS, though GERS presents offshore CT and PRT combined	As with Onshore CT, GERS estimates are taken from the ONS' CRPSF publication, which itself is based on HMRC's estimates. However, the ONS converts cash receipts back to accruals.
Bank Levy	Very similar estimates	Very similar methodology
Bank Payroll Tax	Very similar estimates	Very similar methodology
Petroleum Revenue Tax	HMRC apportions a lower amount to Scotland than GERS, though GERS presents offshore CT and PRT combined	As with Onshore and Offshore CT, GERS estimates are taken from the ONS' CRPSF publication, which itself is based on HMRC's estimates. However, the ONS converts cash receipts back to accruals.
Fuel Duties	Very similar estimates	Very similar methodology
Inheritance Tax	Very similar estimates	Very similar methodology
Shares	HMRC apportions a lower amount to Scotland, typically around 2 to 4 percentage points	Not directly comparable - based on different data, methodologies and assumptions. GERS estimates the Scottish ratio of UK adults owning stocks and shares; HMRC allocates revenue on the basis of the geographic location of incorporation.
Stamp Duty Land Tax	Very similar estimates up to 2014/15. At April 2015 SDLT was fully devolved to Scotland and so not compatible with GERS.	Very similar methodology up to 2014/15 but GERS figure is the total stamp duty revenue including land property, shares and ATED. HMRC presents these separately. At April 2015 SDLT was fully devolved to Scotland and so not compatible with GERS.
Annual Tax On Enveloped Dwellings	Very similar estimates	Very similar methodology
Tobacco Duties	Similar estimates	Similar methodology
Spirits Duties	Across all alcohols, estimates are very similar	Very similar methodology
Beer Duties	Across all alcohols, estimates are very similar	Very similar methodology
Wines Duties	Across all alcohols, estimates are very similar	Very similar methodology
Cider Duties	Across all alcohols, estimates are very similar	Very similar methodology
Betting & Gaming	Similar estimates	Similar methodology
Air Passenger Duty	HMRC apportions a higher amount to Scotland, typically around 0.5 to 2 percentage points	HMRC and GERS estimates are not directly comparable because of differences in data sources and methodologies applied to calculate APD. Methodological changes introduced in GERS 2016/17 report resulted in a significant downward revision of their estimates for Scottish share of APD.
Insurance Premium Tax	Similar estimates	Similar methodology
Landfill Tax	Very similar estimates up to 2014/15. At April 2015 Landfill Tax was fully devolved to Scotland and so not compatible with GERS.	Very similar methodology up to 2014/15. At April 2015 Landfill Tax was fully devolved to Scotland and so not compatible with GERS.
Climate Change Levy	Similar estimates	Similar methodology
Aggregates Levy	Very similar estimates	Very similar methodology
Swiss Capital Tax	Very similar estimates	Very similar methodology
Customs Duties	Not covered in GERS	Not covered in GERS
Tax Credits	Very similar estimates	Very similar methodology
Child Benefit	Very similar estimates	Very similar methodology

Income Tax

13. Income Tax is a tax on earnings from employment, self-employment, income paid from a trust, pension income, interest on most savings, income from shares (dividends) and rental income. Income Tax is only due on taxable income above the Personal Allowance, which is currently £11,850 and is due to increase to £12,130 from April 2019.

Table 6 Total Income Tax, £m

	United Kingdom	England	%	Wales	%	Scotland	%	Northern Ireland	%
1999-00	93,910	82,566	87.9%	3,071	3.3%	6,611	7.0%	1,662	1.8%
2000-01	105,177	92,819	88.3%	3,239	3.1%	7,299	6.9%	1,820	1.7%
2001-02	107,994	95,197	88.2%	3,467	3.2%	7,700	7.1%	1,642	1.5%
2002-03	109,506	96,212	87.9%	3,614	3.3%	7,873	7.2%	1,807	1.7%
2003-04	117,917	103,036	87.4%	3,997	3.4%	8,631	7.3%	2,252	1.9%
2004-05	127,294	111,382	87.5%	4,277	3.4%	9,203	7.2%	2,419	1.9%
2005-06	134,916	118,052	87.5%	4,452	3.3%	9,808	7.3%	2,604	1.9%
2006-07	147,712	129,144	87.4%	4,771	3.2%	10,931	7.4%	2,866	1.9%
2007-08	151,738	132,740	87.5%	4,871	3.2%	11,213	7.4%	2,913	1.9%
2008-09	153,442	134,338	87.6%	4,864	3.2%	11,293	7.4%	2,931	1.9%
2009-10	144,881	127,220	87.8%	4,506	3.1%	10,605	7.3%	2,550	1.8%
2010-11	153,491	134,719	87.8%	4,789	3.1%	11,266	7.3%	2,717	1.8%
2011-12	150,939	132,660	87.9%	4,604	3.1%	11,079	7.3%	2,581	1.7%
2012-13	152,030	133,786	88.0%	4,546	3.0%	11,159	7.3%	2,539	1.7%
2013-14	156,898	138,619	88.4%	4,472	2.9%	11,359	7.2%	2,463	1.6%
2014-15	163,109	144,025	88.3%	4,665	2.9%	11,858	7.3%	2,561	1.6%
2015-16	168,451	149,635	88.8%	4,599	2.7%	11,674	6.9%	2,544	1.5%
2016-17	177,065	157,287	88.8%	4,834	2.7%	12,271	6.9%	2,674	1.5%
2017-18	180,049	159,937	88.8%	4,915	2.7%	12,477	6.9%	2,719	1.5%

Data

14. HMRC's Survey of Personal Incomes (SPI).¹² The SPI is an annual sample survey of the tax records of persons who could be liable to income tax, drawn from HMRC's Pay-As-You-Earn, self-assessment and claims administrative systems. The survey provides a detailed record of taxable incomes and other relevant information, including postcode addresses. The SPI sample size has risen from approximately 150,000 in 1999-00 to 745,000 in 2015-16. The proportions for Income Tax in the last two years of this publication are equal to the estimates for 2015-16.

Methodology

15. The survey data has been used to compute income tax liabilities using HMRC's Personal Tax Model (PTM). This is a micro-simulation model of the UK income tax system taking account of the main features including rates, thresholds, allowances and the major tax reliefs and tax credits.

¹² For more information on the SPI see <https://www.gov.uk/government/collections/personal-incomes-statistics>

16. The split for England, Scotland, Wales and Northern Ireland is obtained on the basis of the residential postcode of individuals within the SPI.
17. While the data is representative of the UK population as a whole, as the sample is not stratified by sub-national area it may be less robust at that level. Beyond sampling variation and potential errors arising from simplifications in the PTM modelling process, historical estimates of shares may be subject to minor discontinuities reflecting changes and improvements to SPI survey methods. Cases with missing, invalid or non-UK address information are allocated proportionally to known liabilities. Income Tax receipts are apportioned by the same proportion as liabilities in each sub-national area.¹³ Data is currently unavailable for 2008-09 so the proportional shares are based on interpolation from the adjacent years.

¹³ See Annex A for treatment of years with missing data.

Capital Gains Tax

18. Capital Gains Tax (CGT) is a tax on the gain or profit made on the sale or disposal of assets such as shares or property. There is an annual tax-free allowance and some additional reliefs. From June 2010 the following Capital Gains Tax rates apply: 18% and 28% for individuals (the tax rate depends on the total amount of taxable income and gains), 28% for trustees or personal representatives, 10% for gains qualifying for Entrepreneurs' Relief. These rates changed in 2016, and will affect 2016-17 liabilities, but these only have an effect on receipts from 2017-18.
19. From April 2016, the following Capital Gain Tax Rates applied: 10% and 20% tax rates for individuals (not including residential property and carried interest), 18% and 28% tax rates for individuals for residential property and carried interest. 20% for trustees or for personal representatives of someone who has died (not including residential property), 28% for trustees or for personal representatives of someone who has died for disposals of residential property. 28% for Capital Gains Tax on property where the Annual Tax on Enveloped Dwellings is paid - the AEA is not applicable, 20% for companies (non-resident Capital Gains Tax on the disposal of a UK residential property).
20. Companies are not generally chargeable to CGT but pay Corporation Tax on their chargeable gains. In 2017-18 total UK CGT receipts were just under £7.8 billion.

Table 7 Capital Gains Tax, £m

	United Kingdom			Wales		Scotland		Northern Ireland	
	England	%		%		%		%	
1999-00	2,122	91.7%	33	1.6%	117	5.5%	26	1.2%	
2000-01	3,236	92.8%	43	1.3%	146	4.5%	43	1.3%	
2001-02	3,034	92.6%	42	1.4%	146	4.8%	37	1.2%	
2002-03	1,596	91.1%	29	1.8%	83	5.2%	30	1.9%	
2003-04	2,225	89.1%	51	2.3%	144	6.5%	49	2.2%	
2004-05	2,282	90.6%	58	2.5%	113	5.0%	43	1.9%	
2005-06	3,042	88.2%	82	2.7%	167	5.5%	111	3.6%	
2006-07	3,830	88.8%	89	2.3%	219	5.7%	122	3.2%	
2007-08	5,268	88.6%	103	2.0%	287	5.5%	209	4.0%	
2008-09	7,852	87.8%	141	1.8%	548	7.0%	267	3.4%	
2009-10	2,491	89.8%	47	1.9%	154	6.2%	53	2.1%	
2010-11	3,601	91.3%	59	1.7%	203	5.6%	51	1.4%	
2011-12	4,337	91.0%	74	1.7%	271	6.2%	45	1.0%	
2012-13	3,927	88.9%	69	1.8%	319	8.1%	47	1.2%	
2013-14	3,908	91.1%	69	1.8%	243	6.2%	34	0.9%	
2014-15	5,559	92.1%	95	1.7%	293	5.3%	51	0.9%	
2015-16	7,060	92.9%	127	1.8%	305	4.3%	68	1.0%	
2016-17	8,561	93.5%	144	1.7%	344	4.0%	66	0.8%	
2017-18	7,793	92.2%	137	1.8%	378	4.9%	92	1.2%	

Data

21. HMRC administrative data on self-assessment available until 2016-17. The receipts data for 2017-18 at UK level is estimated from the 2016-17 data and then the difference between published receipts and estimated receipts for 2017-18 is applied to each UK country's estimate from 2016-17 data.

Methodology

22. Self-assessment returns include the postcode of the tax payer and these are used to attribute Capital Gains accruals to a geographic area.
23. The number of cases with a non-valid postcode is relatively small; adjustments for missing postcodes are made by assuming that the CGT accrual for these cases can be allocated by UK country in the same proportions CGT accruals for cases with known postcodes.
24. Estimates of UK receipts, and receipts for UK countries, are derived from accruals, using estimated lags in making payments derived from self-assessment data. Estimated receipts for the UK are compared with published UK receipts and the proportional difference is applied to estimated receipts for each UK country.

Difference with NINFBR

25. HMRC and NINFBR estimates are not directly comparable because they are calculated using different data which necessitates different methodologies to calculate CGT.
26. NINFBR estimate CGT for Northern Ireland using Data from the ONS' Regional Accounts apportioned to Northern Ireland according to its share of GVA.

National Insurance Contributions

27. National Insurance Contributions (NICs) are payable by employees (primary Class 1 contributions) earning more than £162 a week and under State Pension age; their employers (secondary Class 1 contributions) and self-employed people earning more than £6,205 a year for Class 2 contributions and more than £8,424 for Class 4 contributions. The current rate of Class 1 NICs is 12% for income £162 to £892 a week and 2% for income over £892 a week. Class 3 contributions are voluntary contributions.

Table 8 National Insurance Contributions, £m

	United Kingdom			England		Wales		Scotland		Northern Ireland	
			%		%		%		%		%
1999-00	56,354	48,322	85.7%	2,203	3.9%	4,639	8.2%	1,190	2.1%		
2000-01	60,614	52,127	86.0%	2,289	3.8%	4,933	8.1%	1,265	2.1%		
2001-02	63,168	54,250	85.9%	2,408	3.8%	5,169	8.2%	1,341	2.1%		
2002-03	64,553	55,423	85.9%	2,471	3.8%	5,278	8.2%	1,380	2.1%		
2003-04	72,457	62,270	85.9%	2,744	3.8%	5,892	8.1%	1,552	2.1%		
2004-05	78,098	67,133	86.0%	2,963	3.8%	6,328	8.1%	1,674	2.1%		
2005-06	85,522	73,563	86.0%	3,194	3.7%	6,943	8.1%	1,822	2.1%		
2006-07	87,274	75,198	86.2%	3,185	3.6%	7,024	8.0%	1,866	2.1%		
2007-08	100,410	86,316	86.0%	3,692	3.7%	8,285	8.3%	2,117	2.1%		
2008-09	96,882	83,217	85.9%	3,532	3.6%	8,058	8.3%	2,074	2.1%		
2009-10	95,517	82,213	86.1%	3,415	3.6%	7,863	8.2%	2,027	2.1%		
2010-11	96,548	83,095	86.1%	3,485	3.6%	7,908	8.2%	2,059	2.1%		
2011-12	101,617	87,510	86.1%	3,635	3.6%	8,309	8.2%	2,162	2.1%		
2012-13	102,037	87,834	86.1%	3,618	3.5%	8,427	8.3%	2,157	2.1%		
2013-14	107,690	92,818	86.2%	3,769	3.5%	8,869	8.2%	2,235	2.1%		
2014-15	110,406	95,145	86.2%	3,851	3.5%	9,137	8.3%	2,272	2.1%		
2015-16	113,701	98,271	86.4%	3,906	3.4%	9,153	8.0%	2,372	2.1%		
2016-17	124,469	107,595	86.4%	4,328	3.5%	9,908	8.0%	2,638	2.1%		
2017-18	130,931	113,180	86.4%	4,553	3.5%	10,422	8.0%	2,775	2.1%		

Data

28. A one percent sample of Pay-As-You-Earn (PAYE) data taken from the National Insurance Recording System (NIRS2), which is now part of the National Insurance & PAYE Service (NPS). These are accruals data, taken from PAYE end of year summary information. The sample is selected according to the last two digits of the National Insurance Number. Therefore, while the data is representative of the UK population as a whole, since the sample is not stratified by sub-national area it may be less robust at a disaggregated level.¹⁴
29. The latest sub-national proportions available are for Class 1 NICs in 2016-17 so they have currently been assumed to be constant for later years.

¹⁴ These data are used by ONS in the production of their National Accounts (Blue Book), Regional Gross Value Added (GVA) and Regional Gross Disposable Household Income (GDHI) publications.

Methodology

30. Data for the most recent years is extracted from the sample and undergoes intensive validation and processing, including: calculating pay and tax variables; attaching NUTS¹⁵ codes; identifying and removing outlying values.
31. The sub-national split is obtained on the basis of the residential postcode of individuals within NIRS2. When postcodes are not available, then address information is used to assign to an area; if the address is also unknown, then the allocation is on a proportional basis to known contributions.¹⁶

¹⁵ The NUTS classification (Nomenclature of territorial units for statistics) is a hierarchical system for dividing up the economic territory of the EU: http://epp.eurostat.ec.europa.eu/portal/page/portal/nuts_nomenclature/introduction

¹⁶ See Annex A for treatment of years with missing data.

Value Added Tax

32. Value Added Tax (VAT) is charged on most goods and services supplied by VAT-registered businesses in the UK. It is also charged on goods and some services that are brought into the UK from other European Union (EU) countries or those imported from countries outside the EU. The standard rate of VAT is currently 20 per cent (from 4th January 2011). The previous standard rate was 17.5 per cent, with a temporary reduction to 15 per cent between 1 December 2008 and 31 December 2009. There is also a five per cent reduced rate and a zero rate, which are applied to selected goods and services. In 2017-18 total UK VAT receipts were £125.4 billion.

Table 9 Value Added Tax, £m

	United Kingdom			England		Wales		Scotland		Northern Ireland	
			%		%		%		%		%
1999-00	56,779	48,414	85.3%	2,379	4.2%	4,646	8.2%	1,340	2.4%		
2000-01	58,622	49,990	85.3%	2,444	4.2%	4,798	8.2%	1,390	2.4%		
2001-02	61,026	51,851	85.0%	2,583	4.2%	5,050	8.3%	1,542	2.5%		
2002-03	63,451	53,934	85.0%	2,711	4.3%	5,217	8.2%	1,588	2.5%		
2003-04	69,075	58,645	84.9%	2,972	4.3%	5,682	8.2%	1,776	2.6%		
2004-05	73,026	62,058	85.0%	3,128	4.3%	5,972	8.2%	1,868	2.6%		
2005-06	72,856	61,718	84.7%	3,184	4.4%	6,056	8.3%	1,898	2.6%		
2006-07	77,360	64,947	84.0%	3,448	4.5%	6,853	8.9%	2,112	2.7%		
2007-08	80,599	67,687	84.0%	3,565	4.4%	7,127	8.8%	2,220	2.8%		
2008-09	78,439	65,876	84.0%	3,373	4.3%	6,948	8.9%	2,241	2.9%		
2009-10	70,160	59,004	84.1%	2,942	4.2%	6,208	8.8%	2,007	2.9%		
2010-11	83,502	70,473	84.4%	3,455	4.1%	7,103	8.5%	2,471	3.0%		
2011-12	98,292	83,180	84.6%	4,053	4.1%	8,201	8.3%	2,857	2.9%		
2012-13	100,572	85,287	84.8%	4,104	4.1%	8,328	8.3%	2,853	2.8%		
2013-14	104,718	88,692	84.7%	4,305	4.1%	8,820	8.4%	2,901	2.8%		
2014-15	111,363	94,475	84.8%	4,616	4.1%	9,231	8.3%	3,042	2.7%		
2015-16	115,415	97,840	84.8%	4,818	4.2%	9,632	8.3%	3,125	2.7%		
2016-17	119,799	101,750	84.9%	5,009	4.2%	9,850	8.2%	3,190	2.7%		
2017-18	125,363	106,474	84.9%	5,244	4.2%	10,306	8.2%	3,340	2.7%		

Data

33. ONS expenditure analysis of the 'Living Costs and Food' (LCF) survey¹⁷, which has average weekly family spend on a range of items for England, Scotland, Northern Ireland and Wales. 'Public Expenditure Statistical Analysis' (PESA) which covers the majority of government expenditure activity¹⁸. ONS data on Gross Value Added (GVA).¹⁹ Population estimates from:

¹⁷ For more information go to: <http://www.ons.gov.uk/ons/rel/family-spending/family-spending/index.html>

¹⁸ PESA data can be found at: <https://www.gov.uk/government/organisations/hm-treasury/series/public-expenditure-statistical-analyses-pesa>

¹⁹ For more information, go to:

<http://www.ons.gov.uk/economy/grossvalueaddedgva/bulletins/regionalgrossvalueaddedincomeapproach/december2015/relateddata>

ONS, National Records Office for Scotland and Northern Ireland Statistics & Research Agency²⁰. LCF and PESA are certified National Statistics. The last year for which all sectors have data is 2016-17. For later years, data from the latest year available is used.

Methodology

34. Separate estimates have been made for the four main sectors that make up VAT receipts: the household sector, the government sector, housing and the VAT exempt sector. The household sector accounts for over 70 per cent of receipts so is the key component. Total VAT receipts for each sub-national area are calculated by adding up disaggregated VAT receipts from each sector.
35. For the household sector the average annual spend on goods and services is multiplied by the number of households in each sub-national area to obtain disaggregated totals. Assumptions for the standard-rated and reduced-rated shares are then applied for each category, enabling VAT receipts to be apportioned by the estimated level of expenditure in each area. It is assumed that the standard-rated share and the reduced-rated share are the same across the four sub-national areas. It is also assumed that the tax gap is the same for each area and that historic litigation repayments are shared equally between areas. The split between import VAT, payments and repayments as well as input and output tax is the same across all areas. VAT refunds to local and central government departments are not included in receipts and are assumed to make up the same proportion in all areas.
36. Government sector spending between the sub-national areas is in line with PESA estimates. For non-identifiable spending, such as UK-wide defence spending, population splits are used – this implicitly assumes that each person in the UK benefits equally from these types of spending. The proportions are then applied to UK VAT receipts from government current and capital expenditure.
37. Some goods and services – generally supplies that are in the public interest or are too complex to tax – are exempt from VAT. These include education, health and welfare, finance, insurance and land. Sub-national GVA data is used to apportion VAT receipts that are paid by these exempt industries on their inputs.
38. The housing sector represents housing related investment spending by public and private sectors. Due to the small size of this sector and lack of information on its composition, VAT receipts are split by population.²¹
39. Since the last Disaggregated Statistics publication there have been data updates and a methodological update to how the VAT Theoretical Tax Liability (VTTL) is calculated; this affects every year back to 2005-06.

²⁰ For more information see ONS: <http://www.ons.gov.uk/ons/taxonomy/index.html?nscl=Population+Estimates>; Northern Ireland Statistics & Research Agency: <http://www.nisra.gov.uk/demography/default.asp42.htm>; National Records Office for Scotland: <http://nationalrecordsofscotland.gov.uk/statistics-and-data/statistics/statistics-by-theme/population/population-estimates/mid-year-population-estimates>

²¹ See Annex A for treatment of years with missing data.

Difference with GERS

40. GERS and HMRC VAT statistics are not directly comparable as they are presented on different bases. GERS estimates are presented on an accruals basis whereas HMRC estimates are presented in cash terms. Once these definitional differences are adjusted for, then the HMRC estimates are broadly similar to GERS. The small remaining discrepancy reflects the difference in the estimates for the Scottish proportion of receipts due to different methodologies used by GERS and HMRC. The GERS estimate is based on 5 different sectors of expenditure while the HMRC estimate is composed of estimates from four different sectors, though both use weights taken from HMRC's VAT Total Theoretical Liability (VTTL) model.

Corporation Tax (Onshore)

41. Corporation Tax (CT) is a tax on the profits of limited companies and some organisations including clubs, societies, associations, co-operatives, charities and other unincorporated bodies. Taxable profits include trading profits, investment profits (except dividend income which is taxed differently) and capital gains (known as 'chargeable gains' for CT purposes). Since 1 April 2015, there has been a single CT rate (previously there was a 'main rate' and a lower rate for 'smaller profits'). This single rate reduced from 20% to 19% in 2017-18 and is set to fall further to 17% in 2020-21. In 2017-18, total UK onshore CT receipts were £54.4bn.

Table 10 Corporation Tax, £m

	United Kingdom			Wales		Scotland		Northern Ireland	
	England	%		%		%		%	
1999-00	33,054	88.2%	29,170	2.3%	753	7.8%	567	1.7%	
2000-01	30,092	88.2%	26,556	2.3%	686	7.8%	516	1.7%	
2001-02	28,526	88.2%	25,174	2.3%	650	7.8%	489	1.7%	
2002-03	25,826	88.3%	22,808	2.2%	566	7.9%	417	1.6%	
2003-04	25,402	88.3%	22,431	2.3%	588	7.7%	428	1.7%	
2004-05	30,200	88.1%	26,614	2.3%	703	7.7%	557	1.8%	
2005-06	35,048	88.1%	30,893	2.2%	775	7.7%	669	1.9%	
2006-07	38,166	88.8%	33,906	2.2%	840	7.1%	730	1.9%	
2007-08	41,308	88.8%	36,699	2.2%	907	7.1%	755	1.8%	
2008-09	34,101	88.8%	30,271	2.2%	745	7.6%	505	1.5%	
2009-10	31,630	89.0%	28,135	2.4%	754	7.4%	411	1.3%	
2010-11	36,176	89.2%	32,251	2.5%	913	7.0%	473	1.3%	
2011-12	34,290	89.4%	30,655	2.4%	857	6.9%	446	1.3%	
2012-13	36,070	89.4%	32,247	2.4%	866	6.9%	469	1.3%	
2013-14	36,771	89.3%	32,837	2.4%	883	7.0%	478	1.3%	
2014-15	40,979	89.3%	36,594	2.3%	943	7.0%	533	1.3%	
2015-16	43,697	89.5%	39,109	2.3%	1,005	6.8%	612	1.4%	
2016-17	49,196	89.7%	44,129	2.4%	1,181	6.4%	738	1.5%	
2017-18	54,394	89.5%	48,683	2.3%	1,251	6.8%	762	1.4%	

Data

42. HMRC administrative data on CT and data from the ONS Inter-Departmental Business Register (IDBR). Liability data up to 2016-17 is used to calculate the percentage shares for each region. A three year average of 2014-15, 2015-16 and 2016-17 is used to estimate 2017-18 proportions.

Methodology

43. Taxable profits are split into two categories, which are aligned with the different income streams for CT. Category (i) includes overseas income, interest income, income from land and property, chargeable gains and gains on intangible assets. Category (ii) principally contains trading profit which makes up the vast majority of taxable profits.
44. All category (i) profits are allocated to the location of the registered office. Category (ii) profits are allocated to countries according to the sub-national split of enterprises' employment totals, or to the registered office if no employment data is available. Data from the IDBR on local employment for enterprises is extracted and aggregated for each IDBR 'enterprise'. The proportion of each enterprise's employment that is in each of the four countries is calculated.

This enterprise-level data is then joined to the company-level data from HMRC's CT administrative system (COTAX) using the company registration number. Each IDBR enterprise may match to one or more companies, while each company matches to only one enterprise. The CT data is taken from data on CT assessments, returns and designatory data from COTAX, the commercial accounts database Financial Analysis Made Easy ('FAME') and postcode geographies.

45. If all employment is based in a single sub-national area, then all category (ii) profits are allocated to the location of the registered office. Similarly, if no information is available from the IDBR on the location of a company's employment, then the profits are allocated to the registered office location.
46. Where employment data is available at the group level but not the enterprise level, then companies' category (ii) profits are allocated between the sub-national areas in line with the rest of the group.
47. Company level CT liabilities are taken to be in line with the distribution of company level taxable profits. The sum of the sub-national level CT liabilities are then converted to a receipts basis using historic patterns of lags between when liabilities arise and payment is received by HMRC. The final step is to calibrate to the actual figures for total UK onshore CT receipts.
48. CT receipts are reported gross of tax credits following changes generated by revisions to the European System of Accounts (ESA2010) and the Public Sector Finances Review.

Comparison with Government Expenditure and Revenue Scotland (GERS)

49. GERS use the share from the ONS' CRPSF publication, which itself is based upon the methodology used this publication. However, the ONS converts cash receipts back to accruals.

Corporation Tax (Offshore)

50. Oil and gas production companies operating in the UK and on the UK's Continental Shelf (UKCS) are subject to normal Corporation Tax (CT) rules but with some modifications. Ring Fence Corporation Tax (RFCT) is calculated in a similar way to normal CT, but with the addition of a 'ring fence' which prevents taxable profits from oil and gas extraction in the UK and UKCS being reduced by losses from other activities or by excessive interest payments. Oil and gas extraction activities are ring fenced as a separate trade, distinct from other activities carried out by the company. Any Petroleum Revenue Tax paid by a company is an allowable deduction against RFCT; similarly, any repayments of PRT arising from the carry back of losses are subject to RFCT. RFCT has two components: a main rate, currently at 30 per cent, and a Supplementary Charge (SC). The SC was introduced with effect from April 2002 at 10% and increased over the years peaking at 32% in 2011. The rate of SC was reduced to 20% as of 1 January 2015 and was further reduced to 10% from 1 January 2016. In 2017-18 net UK receipts from offshore CT was £1.8 billion²².

Table 11 Corporation Tax (Offshore, Geographical), £m

	United Kingdom		England		Wales		Scotland		Northern Ireland	
				%		%		%		%
1999-00	1,268	251	19.8%		0	0.0%	1,017	80.2%	0	0.0%
2000-01	2,329	451	19.4%		0	0.0%	1,878	80.6%	0	0.0%
2001-02	3,515	838	23.8%		0	0.0%	2,677	76.2%	0	0.0%
2002-03	3,662	744	20.3%		0	0.0%	2,918	79.7%	0	0.0%
2003-04	3,057	582	19.0%		0	0.0%	2,475	81.0%	0	0.0%
2004-05	3,831	834	21.8%		0	0.0%	2,997	78.2%	0	0.0%
2005-06	7,307	1,479	20.2%		0	0.0%	5,828	79.8%	0	0.0%
2006-07	6,709	1,405	20.9%		0	0.0%	5,304	79.1%	0	0.0%
2007-08	5,728	878	15.3%		0	0.0%	4,850	84.7%	0	0.0%
2008-09	9,826	1,210	12.3%		0	0.0%	8,616	87.7%	0	0.0%
2009-10	4,998	470	9.4%		0	0.0%	4,528	90.6%	0	0.0%
2010-11	6,864	774	11.3%		0	0.0%	6,090	88.7%	0	0.0%
2011-12	8,840	1,447	16.4%		0	0.0%	7,393	83.6%	0	0.0%
2012-13	4,412	762	17.3%		0	0.0%	3,650	82.7%	0	0.0%
2013-14	3,556	638	17.9%		0	0.0%	2,918	82.1%	0	0.0%
2014-15	2,026	361	17.8%		0	0.0%	1,664	82.2%	0	0.0%
2015-16	560	101	18.1%		0	0.0%	459	81.9%	0	0.0%
2016-17	338	18	5.2%		0	0.0%	320	94.8%	0	0.0%
2017-18	1,757	143	8.2%		0	0.0%	1,614	91.8%	0	0.0%

²² For more information about statistics disclosure rules: <http://www.statisticsauthority.gov.uk/assessment/code-of-practice/code-of-practice-for-official-statistics.pdf>; <https://gss.civilservice.gov.uk/wp-content/uploads/2012/12/Confidentiality-of-Official-Statistics-National-Statisticians-Guidance.pdf>

Table 12 Corporation Tax (Offshore, Population), £m

	United Kingdom		England		Wales		Scotland		Northern Ireland	
			%		%		%		%	
1999-00	1,268	1,059	83.6%	63	4.9%	110	8.6%	36	2.9%	
2000-01	2,329	1,947	83.6%	115	4.9%	200	8.6%	67	2.9%	
2001-02	3,515	2,940	83.7%	173	4.9%	301	8.6%	100	2.9%	
2002-03	3,662	3,064	83.7%	180	4.9%	312	8.5%	105	2.9%	
2003-04	3,057	2,559	83.7%	151	4.9%	260	8.5%	87	2.9%	
2004-05	3,831	3,208	83.7%	189	4.9%	325	8.5%	110	2.9%	
2005-06	7,307	6,121	83.8%	359	4.9%	618	8.5%	209	2.9%	
2006-07	6,709	5,621	83.8%	329	4.9%	566	8.4%	192	2.9%	
2007-08	5,728	4,800	83.8%	281	4.9%	483	8.4%	165	2.9%	
2008-09	9,826	8,235	83.8%	481	4.9%	827	8.4%	283	2.9%	
2009-10	4,998	4,190	83.8%	244	4.9%	420	8.4%	144	2.9%	
2010-11	6,864	5,758	83.9%	334	4.9%	576	8.4%	197	2.9%	
2011-12	8,840	7,418	83.9%	428	4.8%	740	8.4%	253	2.9%	
2012-13	4,412	3,705	84.0%	213	4.8%	368	8.3%	126	2.9%	
2013-14	3,556	2,988	84.0%	171	4.8%	296	8.3%	101	2.9%	
2014-15	2,026	1,703	84.1%	97	4.8%	168	8.3%	58	2.8%	
2015-16	560	471	84.1%	27	4.8%	46	8.3%	16	2.8%	
2016-17	338	285	84.2%	16	4.7%	28	8.2%	10	2.8%	
2017-18	1,757	1,480	84.3%	83	4.7%	144	8.2%	50	2.8%	

Data

51. HMRC administrative data and Office of National Statistics, National Records Office for Scotland and Northern Ireland Statistics & Research Agency population estimates.²³

Methodology

52. There are two approaches for attributing receipts: geographic and by population share. The geographic approach allocates on a field by field basis to either England or Scotland using the boundary set out in the Scottish Adjacent Waters Boundaries Order 1999. No fields are allocated to Wales or Northern Ireland.

53. Taxable profits from each field are then estimated using HMRC's established North Sea Oil and Gas tax receipts forecasting model. The model processes production and expenditure data at an individual field level to simulate the tax regime. The underlying data comes from a detailed field-by-field survey provided by operators which covers production, capital expenditure, operating expenditure and decommissioning costs. Overall production levels are derived from projections from the Oil and Gas Authority. The model also incorporates a number of other economic variables relevant to the North Sea regime, primarily the oil price, the gas price, inflation and the exchange rate. Field level information is then aggregated at a company level in order to estimate tax liability.

²³ For more information see ONS: <http://www.ons.gov.uk/ons/taxonomy/index.html?nscl=Population+Estimates>; Northern Ireland Statistics & Research Agency: <http://www.nisra.gov.uk/demography/default.asp42.htm>; National Records Office for Scotland: <http://www.nrscotland.gov.uk/statistics-and-data/statistics/statistics-by-theme/population/population-estimates>

54. Companies will often have interest in a number of fields, and this needs to be accounted for due to the interaction between ring fenced losses and group relief, which are allowable deductions in the CT regime. To disallow interactions between 'Scottish' and 'English' fields, data for the two sub-national areas has been separated and their estimations are run through the model separately.

Difference with GERS

55. As with Onshore CT, GERS estimates are taken from the ONS' CRPSF publication, which itself is based on HMRC's estimates.

Petroleum Revenue Tax

56. Petroleum Revenue Tax (PRT) is a tax on oil and gas production. PRT is charged at field level on the profits arising from individual oil fields. For all chargeable periods ending after the 31st December 2015, the rate of PRT is 0 per cent. Previous chargeable periods were subject to a PRT rate of 50 per cent. PRT was abolished for fields given development consent on or after 16 March 1993. Many taxable fields do not pay PRT because of the various tax reliefs that are available.
57. Due to low oil prices combined with high operating costs, significant levels of investment and increasing amounts of decommissioning expenditure, some companies have been in a loss position and therefore are carrying back these losses against their previous tax paid resulting in a repayment. This has given rise to the negative revenues observed in 2014-15 and 2015-16. As the rate of PRT is now 0 per cent, whilst no tax revenues were collected in 2017-18, companies can still carry back their losses against previous tax paid: the total UK receipts from PRT were -£569 million in 2017-18. Geographical percentage splits have not been calculated for years where negative revenue exists.

Table 13 Petroleum Revenue Tax (Geographical), £m

	United Kingdom	England	%	Wales	%	Scotland	%	Northern Ireland	%
1999-00	853	118	13.8%	0	0.0%	735	86.2%	0	0.0%
2000-01	1,518	258	17.0%	0	0.0%	1,260	83.0%	0	0.0%
2001-02	1,310	447	34.1%	0	0.0%	863	65.9%	0	0.0%
2002-03	958	312	32.6%	0	0.0%	646	67.4%	0	0.0%
2003-04	1,179	340	28.8%	0	0.0%	839	71.2%	0	0.0%
2004-05	1,284	454	35.4%	0	0.0%	830	64.6%	0	0.0%
2005-06	2,016	658	32.6%	0	0.0%	1,358	67.4%	0	0.0%
2006-07	2,155	533	24.7%	0	0.0%	1,622	75.3%	0	0.0%
2007-08	1,680	412	24.5%	0	0.0%	1,268	75.5%	0	0.0%
2008-09	2,567	751	29.3%	0	0.0%	1,816	70.7%	0	0.0%
2009-10	923	261	28.3%	0	0.0%	662	71.7%	0	0.0%
2010-11	1,458	421	28.9%	0	0.0%	1,037	71.1%	0	0.0%
2011-12	2,032	481	23.7%	0	0.0%	1,551	76.3%	0	0.0%
2012-13	1,737	640	36.8%	0	0.0%	1,097	63.2%	0	0.0%
2013-14	1,118	446	39.9%	0	0.0%	672	60.1%	0	0.0%
2014-15	77	186	*	0	0.0%	-109	*	0	0.0%
2015-16	-562	60	*	0	0.0%	-622	*	0	0.0%
2016-17	-654	-110	*	0	0.0%	-544	*	0	0.0%
2017-18	-569	-60	*	0	0.0%	-509	*	0	0.0%

Table 14 Petroleum Revenue Tax (Population), £m

	United Kingdom			England		Wales		Scotland		Northern Ireland	
			%		%		%		%		%
1999-00	853	713	83.6%	42	4.9%	74	8.6%	24	2.9%		
2000-01	1,518	1,269	83.6%	75	4.9%	131	8.6%	43	2.9%		
2001-02	1,310	1,096	83.7%	64	4.9%	112	8.6%	37	2.9%		
2002-03	958	802	83.7%	47	4.9%	82	8.5%	27	2.9%		
2003-04	1,179	987	83.7%	58	4.9%	100	8.5%	34	2.9%		
2004-05	1,284	1,075	83.7%	63	4.9%	109	8.5%	37	2.9%		
2005-06	2,016	1,689	83.8%	99	4.9%	171	8.5%	58	2.9%		
2006-07	2,155	1,806	83.8%	106	4.9%	182	8.4%	62	2.9%		
2007-08	1,680	1,408	83.8%	82	4.9%	142	8.4%	48	2.9%		
2008-09	2,567	2,151	83.8%	126	4.9%	216	8.4%	74	2.9%		
2009-10	923	774	83.8%	45	4.9%	78	8.4%	27	2.9%		
2010-11	1,458	1,223	83.9%	71	4.9%	122	8.4%	42	2.9%		
2011-12	2,032	1,705	83.9%	98	4.8%	170	8.4%	58	2.9%		
2012-13	1,737	1,459	84.0%	84	4.8%	145	8.3%	50	2.9%		
2013-14	1,118	939	84.0%	54	4.8%	93	8.3%	32	2.9%		
2014-15	77	64	84.1%	4	4.8%	6	8.3%	2	2.8%		
2015-16	-562	-473	84.1%	-27	4.8%	-46	8.3%	-16	2.8%		
2016-17	-654	-551	84.2%	-31	4.8%	-54	8.2%	-19	2.8%		
2017-18	-569	-480	84.3%	-27	4.7%	-47	8.2%	-16	2.8%		

Data

58. HMRC administrative data and Office of National Statistics, National Records Office for Scotland and Northern Ireland Statistics & Research Agency population estimates.²⁴

Methodology

59. There are two approaches for attributing receipts: geographic and by population share. The geographic approach allocates on a field by field basis to either England or Scotland using the boundary set out in the Scottish Adjacent Waters Boundaries Order 1999. No fields are allocated to Wales or Northern Ireland.

60. Estimates of PRT are based on assessment data supplied by operators to HMRC's Large Business Directorate twice a year. As this is field level data HMRC is able to identify and split the liability between fields in England and Scotland. Although the relationship between receipts and accruals will not correspond exactly, we believe that using this data will give us the best possible estimate of the split between the two areas.

Difference with GERS

61. As with Onshore and Offshore CT, GERS estimates are taken from the ONS' CRPSF publication, which itself is based on HMRC's estimates.

²⁴ For more information see ONS: <http://www.ons.gov.uk/ons/taxonomy/index.html?nscl=Population+Estimates>; Northern Ireland Statistics & Research Agency: <http://www.nisra.gov.uk/demography/default.asp42.htm>; National Records Office for Scotland: <http://www.nrscotland.gov.uk/statistics-and-data/statistics/statistics-by-theme/population/population-estimates>

Bank Levy

62. The Bank Levy is a tax based on chargeable equity and liabilities arising from banks' balance sheets, with effect from 1 January 2011. The Bank Levy applies to: UK banks, banking groups and building societies; foreign banking groups operating in the UK through permanent establishments or subsidiaries; and UK banks and banking sub-groups in non-banking groups. There is no charge on the first £20 billion of chargeable equity and liabilities and at Summer Budget 2015 the Chancellor announced that the Bank Levy rate and half rate will decrease each year until 2021²⁵. In 2017-18 total UK receipts from Bank Levy were £2.8 billion.

Table 15 Bank Levy, £m

	United Kingdom	England	%	Wales	%	Scotland	%	Northern Ireland	%
2011-12	1,612	1,453	90.1%	43	2.7%	106	6.6%	10	0.6%
2012-13	1,595	1,426	89.4%	46	2.9%	108	6.8%	15	0.9%
2013-14	2,200	1,925	87.5%	63	2.9%	172	7.8%	40	1.8%
2014-15	2,748	2,417	87.9%	78	2.9%	216	7.8%	38	1.4%
2015-16	3,392	2,995	88.3%	100	3.0%	266	7.8%	31	0.9%
2016-17	2,975	2,586	86.9%	87	2.9%	256	8.6%	46	1.5%
2017-18	2,764	2,403	86.9%	81	2.9%	238	8.6%	42	1.5%

Data

63. ONS data on bank and building societies' income from fees, commission and financial intermediation services indirectly measured (FISIM).

Methodology

64. Disclosure rules prevent HMRC from using administrative data to apportion Bank Levy receipts. Instead, they are apportioned based on the sum of bank and building societies' income from fees, commission and FISIM.

²⁵ For more information, go to: <https://www.gov.uk/government/publications/bank-levy-rate-reduction>

Bank Payroll Tax

65. The Bank Payroll Tax was a temporary tax set at 50% on awards of discretionary bonuses over £25,000 to, or in respect of, banking employees, in the period from its announcement on 9 December 2009 until 5 April 2010. It was paid by banks, building societies and UK resident investment or financial trading companies, in banking or building society groups.

Table 16 Bank Payroll Tax, £m

	United Kingdom	England	%	Wales	%	Scotland	%	Northern Ireland	%
2010-11	3,416	3,091	90.5%	53	1.5%	228	6.7%	43	1.3%
2011-12	-2	-2	90.8%	0	1.6%	0	6.3%	0	1.2%
2012-13	0	0	90.3%	0	1.6%	0	6.8%	0	1.2%

Data

66. ONS data on Compensation of Employees (CoE). These are certified National Statistics.

Methodology

67. Disclosure rules prevent HMRC from using administrative data to apportion Bank Payroll Tax receipts. Instead, they are apportioned by sub-national CoE within the 'Financial and Insurance Activities' sector. Sub-national banking specific CoE estimates are not available.²⁶

²⁶ See Annex A for treatment of years with missing data.

Bank Corporation Tax Surcharge

68. The Bank Surcharge is a surcharge of 8% on the profits of banking companies and building societies within the charge to UK Corporation Tax (CT). The profits for the purposes of the surcharge are the 'taxable total profits' (section 4 CTA 2010) with certain reliefs added back.
69. In 2017-18 total UK receipts from the Bank Surcharge were £1.8 billion.

Table 17 Bank Surcharge, £m

	United Kingdom	England	%	Wales	%	Scotland	%	Northern Ireland	%
2016-17	1,145	1,034	90.4%	20	1.7%	76	6.7%	14	1.2%
2017-18	1,778	1,607	90.4%	31	1.7%	119	6.7%	22	1.2%

Data

70. ONS data on Gross Value Added (GVA).²⁷ These are certified National Statistics.

Methodology

71. Bank Surcharge receipts are apportioned by sub-national GVA within the 'Financial and Insurance Activities' sector. Sub-national banking specific GVA estimates are not available.

²⁷ For more information, go to:

<https://www.ons.gov.uk/economy/grossvalueaddedgva/datasets/regionalgrossvalueaddedincomeapproach>

Fuel Duties

72. All motor and heating fuel, whether imported or home-produced, is liable to excise duty at either the full or rebated rates. Fuel Duty is payable at varying rates depending on the type of fuel and its use. These rates are normally amended each year by the Finance Act. In 2017-18 total UK fuel duty receipts were £27.9 billion.

Table 18 Fuel Duties, £m

	United Kingdom			Wales		Scotland		Northern Ireland	
	England	%		%		%		%	
1999-00	22,515	83.9%	18,897	4.7%	1,066	8.1%	738	3.3%	
2000-01	22,630	83.9%	18,996	4.7%	1,070	8.1%	738	3.3%	
2001-02	21,916	83.9%	18,397	4.7%	1,036	8.1%	714	3.3%	
2002-03	22,147	84.0%	18,595	4.7%	1,046	8.1%	718	3.2%	
2003-04	22,786	83.8%	19,093	4.7%	1,075	8.2%	759	3.3%	
2004-05	23,313	83.6%	19,488	4.8%	1,123	8.2%	784	3.4%	
2005-06	23,438	83.7%	19,611	4.9%	1,145	8.2%	766	3.3%	
2006-07	23,585	83.5%	19,691	4.9%	1,162	8.3%	784	3.3%	
2007-08	24,905	83.3%	20,758	5.0%	1,235	8.3%	841	3.4%	
2008-09	24,615	83.3%	20,498	5.0%	1,223	8.4%	832	3.4%	
2009-10	26,197	83.2%	21,800	5.0%	1,299	8.4%	897	3.4%	
2010-11	27,256	83.3%	22,698	4.9%	1,345	8.4%	921	3.4%	
2011-12	26,800	83.3%	22,333	4.9%	1,316	8.4%	905	3.4%	
2012-13	26,571	83.1%	22,069	5.0%	1,327	8.5%	918	3.5%	
2013-14	26,881	83.0%	22,312	5.0%	1,350	8.5%	931	3.5%	
2014-15	27,156	83.1%	22,568	5.0%	1,354	8.5%	921	3.4%	
2015-16	27,623	83.2%	22,991	5.0%	1,379	8.5%	916	3.3%	
2016-17	27,936	83.3%	23,259	5.0%	1,396	8.5%	915	3.3%	
2017-18	27,877	83.3%	23,208	5.0%	1,394	8.5%	913	3.3%	

Data

73. From the Department of Business Energy and Industrial Strategy (BEIS) on road consumption transport statistics 2005 to 2016.²⁸ These are certified National Statistics. Experimental data for 2002 to 2004 has also been used.²⁹ The proportions for 2017-18 are set to equal the previous year.

Methodology

74. Petrol and diesel fuel receipts have been apportioned by the same proportion as petrol and diesel usage in each area. The receipts of other fuels - fuel oil, gas oils, gas for road fuels and other rebated oils – are apportioned on the same basis as petrol consumption. It is assumed that buses and Heavy Goods Vehicles solely use diesel while motorbikes solely use petrol.³⁰

²⁸ For more information see:

https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/49436/2096-regional-road-transport-cons-2005-9.xls

²⁹ For more information see

https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/49437/file45728.xls

³⁰ See Annex A for treatment of years with missing data.

Inheritance Tax

75. Inheritance Tax (IHT) is due on the net value of a person's estate transferred at death above a nil-rate band (currently £325,000) after deducting any exemptions and reliefs. The rate is currently 40 per cent. IHT may also be due on certain transfers and events during a person's lifetime. There is also a separate treatment when properties are settled in trusts. In 2017-18 total UK receipts from IHT were £5.2 billion.

Table 19 Inheritance Tax, £m

	United Kingdom		England		Wales		Scotland		Northern Ireland	
				%		%		%		%
1999-00	2,047	1,818	88.8%		59	2.9%	153	7.5%	18	0.9%
2000-01	2,221	1,972	88.8%		64	2.9%	166	7.5%	19	0.9%
2001-02	2,355	2,091	88.8%		68	2.9%	176	7.5%	20	0.9%
2002-03	2,354	2,090	88.8%		68	2.9%	176	7.5%	20	0.9%
2003-04	2,504	2,224	88.8%		72	2.9%	187	7.5%	22	0.9%
2004-05	2,922	2,595	88.8%		84	2.9%	218	7.5%	25	0.9%
2005-06	3,259	2,894	88.8%		94	2.9%	243	7.5%	28	0.9%
2006-07	3,545	3,162	89.2%		106	3.0%	253	7.1%	25	0.7%
2007-08	3,824	3,411	89.2%		112	2.9%	272	7.1%	30	0.8%
2008-09	2,839	2,492	87.8%		75	2.7%	237	8.4%	35	1.2%
2009-10	2,384	2,083	87.4%		63	2.6%	202	8.5%	36	1.5%
2010-11	2,718	2,435	89.6%		75	2.7%	175	6.4%	34	1.2%
2011-12	2,903	2,638	90.9%		68	2.3%	167	5.8%	30	1.0%
2012-13	3,105	2,832	91.2%		68	2.2%	172	5.5%	33	1.0%
2013-14	3,402	3,085	90.7%		83	2.4%	198	5.8%	36	1.0%
2014-15	3,804	3,444	90.6%		87	2.3%	235	6.2%	37	1.0%
2015-16	4,650	4,221	90.8%		108	2.3%	273	5.9%	47	1.0%
2016-17	4,824	4,380	90.8%		112	2.3%	283	5.9%	49	1.0%
2017-18	5,205	4,777	91.8%		115	2.2%	277	5.3%	35	0.7%

Data

76. HMRC administrative data on the tax accrued by the postcode of the main residence of the deceased individual. This information is already published at a sub-national level as an Official Statistics series.³¹

Methodology

77. The accruals profile requires some adjustment in order to arrive at the equivalent receipts profile. This is because of the lag that occurs between the date of death and the payment made on any tax due. About 90 per cent of the tax is paid in the year of death or the following year. This transformed profile is then scaled up to fit the known level of total UK receipts collected annually. Validated administrative data is not available for the entire period, so some

³¹ For more information on this dataset see <https://www.gov.uk/government/collections/inheritance-tax-statistics>

assumptions have been made for the missing years.³² Where postcode data is missing or invalid, assumptions have also been made to apportion estates to geographical regions.

78. Estates may have assets in multiple areas. In the administrative data, estates can only be readily apportioned to a single location. It is therefore implicitly assumed that components of estates that are under-recorded within one area are offset by components of estates over-recorded within other areas. The estimates exclude non-cash receipts given in lieu of cash payments. Non-cash receipts form a very small proportion of total receipts.

³² See Annex A for treatment of years with missing data.

Stamp Taxes on Shares

79. Stamp Duty and Stamp Duty Reserve Tax (collectively referred to as Stamp Taxes on Shares or STS) are payable on transfers of UK shares and securities at a rate of 0.5 per cent. A rate of 1.5 per cent is paid on transfers of shares or other securities into recognised clearance services or depository receipt exchanges. Where the transfer is affected by means of a stock transfer form, no stamp duty will be payable unless the consideration exceeds £1,000. STS are payable on the purchase of shares in a company incorporated or registered in the UK – a UK company or a foreign company with a UK share register. In 2017-18 total UK STS receipts were £3.5 billion.

Table 20 Stamp Tax on Shares, £m

	United Kingdom			England		Wales		Scotland		Northern Ireland	
			%		%		%		%		%
1999-00	3,711	3,502	94.4%	6	0.2%	203	5.5%	0	0.0%		
2000-01	4,477	4,225	94.4%	7	0.2%	244	5.5%	0	0.0%		
2001-02	2,852	2,692	94.4%	5	0.2%	156	5.5%	0	0.0%		
2002-03	2,538	2,395	94.4%	4	0.2%	139	5.5%	0	0.0%		
2003-04	2,559	2,415	94.4%	4	0.2%	140	5.5%	0	0.0%		
2004-05	2,715	2,563	94.4%	4	0.2%	148	5.5%	0	0.0%		
2005-06	3,465	3,270	94.4%	6	0.2%	189	5.5%	0	0.0%		
2006-07	3,757	3,546	94.4%	6	0.2%	205	5.5%	0	0.0%		
2007-08	4,167	3,923	94.1%	7	0.2%	236	5.7%	0	0.0%		
2008-09	3,203	3,015	94.1%	5	0.2%	183	5.7%	0	0.0%		
2009-10	3,017	2,861	94.8%	5	0.2%	151	5.0%	0	0.0%		
2010-11	2,971	2,790	93.9%	6	0.2%	174	5.9%	0	0.0%		
2011-12	2,794	2,648	94.8%	7	0.3%	139	5.0%	0	0.0%		
2012-13	2,234	2,124	95.1%	4	0.2%	106	4.7%	0	0.0%		
2013-14	3,108	2,925	94.1%	6	0.2%	176	5.7%	0	0.0%		
2014-15	2,926	2,765	94.5%	8	0.3%	153	5.2%	0	0.0%		
2015-16	3,320	3,133	94.4%	10	0.3%	177	5.3%	0	0.0%		
2016-17	3,714	3,502	94.3%	17	0.5%	195	5.3%	0	0.0%		
2017-18	3,519	3,303	93.9%	18	0.5%	197	5.6%	1	0.0%		

Data

80. Data on the geographic identification of a UK incorporated company comes from London Stock Exchange list (LSE)³³ and Companies House.³⁴ We also use LSE data on the monthly value of share turnover for each UK incorporated company.³⁵

Methodology

81. STS liability arises when shares in a UK incorporated company are purchased, regardless of whether the purchaser resides in the UK. Therefore it is more appropriate to allocate STS revenue based on the location of the companies rather than the geographic location of the share purchaser.

³³ Data available at <http://www.londonstockexchange.com/statistics/companies-and-issuers/companies-and-issuers.htm>

³⁴ For more information see <http://www.companieshouse.gov.uk/toolsToHelp/findCompanyInfo.shtml>

³⁵ Data available at <http://www.londonstockexchange.com/statistics/historic/trading-summary/trading-summary.htm>

82. Each UK incorporated FTSE 100 company was manually matched to a geographic location based on their registered address as currently listed in Companies House (as of June 2018). Around 2,000 non-FTSE 100 companies were matched to the share turnover data using the July 2013 and Jan 2011 LSE all-companies list. This allocates companies to an area based on their registered Companies House address or the address reported to LSE at the time of admission. The total value of share turnover was calculated from companies in a given country and STS receipts were then apportioned using this proportion. The estimates reported here use the all-companies proportions though the results are very similar using just the FTSE 100.³⁶
83. Not all STS-liable share transactions will be traded on LSE and not all shares traded on LSE will be STS-liable due to various reliefs and exemptions. Therefore, it is assumed that country apportionment of non-LSE share turnover is the same as LSE turnover and that proportion of non-STS liable transactions are the same across different countries.

Difference with Government Expenditure and Revenue Scotland (GERS)

84. Revenue Scotland publish separate statistics on estimated Scottish share of receipts from Stamp Taxes on Shares.³⁷ However, HMRC and GERS estimates are not directly comparable because they are based on different data, methodologies and assumptions. STS is payable on the purchase of shares in a company incorporated in the UK, independent of whether or not the purchaser resides in the UK. GERS uses data from the Family Resources Survey on the Scottish ratio of UK adults owning stocks and shares and assumes that the Scottish proportion of STS is based on the Scottish proportion of UK adults owning stocks whereas HMRC does not allocate STS revenue on the basis of the geographic location of the share purchaser but on the location of incorporation.

³⁶ See Annex A for treatment of years with missing data.

³⁷ See <http://www.gov.scot/Topics/Statistics/Browse/Economy/GERS>

Stamp Duty Land Tax

85. Stamp Duty Land Tax (SDLT) is payable on the purchase or transfer of property or land in the UK where the amount given is above a certain threshold. SDLT is charged as a percentage of the paid for property or land - unless there is a relief or exemption. The amount payable can also vary depending whether the property is being used for residential or non-residential purposes, and whether the property is sold as a freehold or leasehold.
86. On April 2015 SDLT was fully devolved to Scotland. This means the tax no longer applies in Scotland and Revenue Scotland now administer and collect any replacement taxes such as Scotland's Land and Buildings Transaction Tax (LBTT).³⁸ Revenue Scotland publish statistics on the taxes that they administer and collect.³⁹ Therefore, total UK SDLT receipts no longer includes receipts from Scotland and the Scotland share drops to 0%.
87. In November 2017 First Time Buyers Relief was introduced, reducing receipts in 2017-18. Also the announcement of rates that would apply from April 2018 when SDLT for Wales was devolved and replaced with Land Transaction Tax, may have led to some forestalling activity by Welsh buyers, increasing the Welsh share of total SDLT receipts for 2017-18.
88. In 2016-17, the Higher Rates on Additional Properties (3%) were introduced, which apply to all additional property purchases over £40,000. This has brought lower value properties into liability for SDLT (usually properties valued less than £125,000 are charged at a 0% SDLT rate), which has meant that countries with lower average property values have seen a proportionally bigger increase in SDLT receipts. However, HRAD has a refund mechanism for some circumstances that can span a period of 36 months, and 2017-18 saw a higher number of such claims than in 2016-17, which lowered net receipts in 2017-18.
89. In 2017-18 total HMRC receipts from SDLT were £12.9 billion.

³⁸ For more information see <https://www.revenue.scot/land-buildings-transaction-tax>

³⁹ For more information see <http://www.gov.scot/Topics/Statistics/Browse/Economy/GERS>

Table 21 Stamp Duty Land Tax, £m

	United Kingdom	England	%	Wales	%	Scotland	%	Northern Ireland	%
1999-00	3,184	2,886	90.7%	73	2.3%	148	4.7%	76	2.4%
2000-01	3,684	3,339	90.7%	85	2.3%	171	4.7%	88	2.4%
2001-02	4,132	3,745	90.7%	95	2.3%	192	4.7%	99	2.4%
2002-03	5,011	4,543	90.7%	115	2.3%	233	4.7%	120	2.4%
2003-04	4,986	4,520	90.7%	115	2.3%	232	4.7%	119	2.4%
2004-05	6,251	5,667	90.7%	144	2.3%	291	4.7%	150	2.4%
2005-06	7,454	6,869	92.2%	175	2.4%	285	3.8%	125	1.7%
2006-07	9,635	8,720	90.5%	235	2.4%	430	4.5%	251	2.6%
2007-08	9,958	8,893	89.3%	210	2.1%	565	5.7%	290	2.9%
2008-09	4,796	4,290	89.5%	115	2.4%	320	6.7%	70	1.5%
2009-10	4,886	4,496	92.0%	100	2.0%	250	5.1%	40	0.8%
2010-11	5,961	5,470	91.8%	116	2.0%	334	5.6%	40	0.7%
2011-12	6,125	5,696	93.0%	125	2.0%	275	4.5%	30	0.5%
2012-13	6,907	6,488	93.9%	104	1.5%	283	4.1%	33	0.5%
2013-14	9,273	8,701	93.8%	147	1.6%	389	4.2%	37	0.4%
2014-15	10,738	10,028	93.4%	171	1.6%	488	4.5%	51	0.5%
2015-16	10,682	10,472	98.0%	153	1.4%	0	0.0%	57	0.5%
2016-17	11,766	11,485	97.6%	208	1.8%	0	0.0%	73	0.6%
2017-18	12,906	12,564	97.4%	258	2.0%	0	0.0%	84	0.7%

Data

90. Disaggregated receipts are published as part of a certified National Statistics series that uses HMRC administrative data based on information from the Land Transaction Return.⁴⁰

Methodology

91. The split of revenue and transactions between the sub-national areas is based on the location of the property being transacted. There are a small minority of cases where this data is not recorded on the stamp duty land tax database and these transactions are allocated to a sub-national area on a pro-rata basis to maintain the recorded proportions. Validated administrative data is not available for the entire period. The sub-national proportion of receipts prior to 2005-06 has been estimated by taking the average across 2005-6 to 2007-8.⁴¹

⁴⁰ For more information on this data see <https://www.gov.uk/government/collections/stamp-duties-statistics>

⁴¹ See Annex A for treatment of years with missing data.

Annual Tax on Enveloped Dwellings

92. Annual Tax on Enveloped Dwellings (ATED) is a tax payable by companies on high value residential property. It started on 1 April 2013 and will be payable each year. A property is said to be 'enveloped' if it is a residential dwelling that is owned, completely or partly by a company (or a partnership where one of the partners is a company or a 'collective investment vehicle') because the ownership sits within a corporate 'wrapper' or 'envelope'. An ATED return, either for a liability or a relief claim, for such a dwelling is required where the dwelling was valued at more than:

- £2 million on 1 April 2012, or at acquisition if later, for returns from 2013 to 2014 onwards;
- £1 million on 1 April 2012, or at acquisition if later, for returns from 2015 to 2016 onwards;
- £500,000 on 1 April 2012, or at acquisition if later, for returns from 2016 to 2017 onwards.

93. The amount of ATED due depends on a banding system based on the value of the residential property and whether it is held for the full year or only a part of it. In 2017-18 total ATED receipts were £143 million.

Table 21 Annual Tax on Enveloped Dwellings, £m

	United Kingdom			England		Wales		Scotland		Northern Ireland	
			%		%		%		%		%
1999-00	0	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%
2000-01	0	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%
2001-02	0	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%
2002-03	0	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%
2003-04	0	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%
2004-05	0	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%
2005-06	0	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%
2006-07	0	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%
2007-08	0	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%
2008-09	0	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%
2009-10	0	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%
2010-11	0	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%
2011-12	0	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%
2012-13	0	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%
2013-14	100	94	94.0%	2	1.5%	4	4.1%	0	0.4%		
2014-15	116	109	93.8%	2	1.3%	5	4.3%	1	0.6%		
2015-16	178	168	94.2%	2	1.2%	7	4.0%	1	0.6%		
2016-17	175	165	94.1%	3	1.9%	6	3.5%	1	0.5%		
2017-18	143	134	93.8%	3	1.8%	6	4.0%	1	0.5%		

Data

94. HMRC administrative data from Stamp Duty Land Tax returns, and HMRC finance data for ATED.

Methodology

95. Disclosure rules prevent HMRC from using administrative data to apportion ATED receipts. Instead, ATED receipts are allocated by the proportion of total value of properties over £500,000 transacted in 2017-18 in each country, based on Stamp Duty Land Tax (SDLT) data.

This approach approximately represents the stock of residential property within each country that could be theoretically liable to ATED.

96. SDLT ceased to apply to Scotland after March 2015. HMRC uses provisional LBTT data provided by Revenue Scotland to derive the proportion of Scottish property values above £500,000.

Tobacco Duties

97. Tobacco excise duty is due on cigarettes, cigars, hand-rolling tobacco, other smoking tobacco and chewing tobacco. Duty on cigarettes has two elements: the first is a fixed amount per pack (known as the 'specific' duty) and the second is a percentage of the final price (known as the 'ad valorem' duty). Other tobacco products only have the specific element. In 2017-18 total UK receipts from Tobacco Duties was £8.8 billion.

Table 23 Tobacco Duties, £m

	United Kingdom	England	%	Wales	%	Scotland	%	Northern Ireland	%
1999-00	5,683	4,481	78.8%	300	5.3%	678	11.9%	224	3.9%
2000-01	7,648	6,030	78.8%	403	5.3%	913	11.9%	302	3.9%
2001-02	7,754	6,097	78.6%	376	4.9%	958	12.4%	322	4.2%
2002-03	8,054	6,407	79.6%	409	5.1%	919	11.4%	319	4.0%
2003-04	8,091	6,385	78.9%	381	4.7%	996	12.3%	329	4.1%
2004-05	8,100	6,385	78.8%	403	5.0%	985	12.2%	327	4.0%
2005-06	7,959	6,168	77.5%	394	5.0%	1,053	13.2%	344	4.3%
2006-07	8,149	6,341	77.8%	466	5.7%	983	12.1%	359	4.4%
2007-08	8,094	6,341	78.3%	467	5.8%	934	11.5%	352	4.3%
2008-09	8,219	6,460	78.6%	441	5.4%	917	11.2%	401	4.9%
2009-10	8,813	6,957	78.9%	431	4.9%	961	10.9%	464	5.3%
2010-11	9,144	7,183	78.6%	415	4.5%	1,044	11.4%	502	5.5%
2011-12	9,551	7,580	79.4%	368	3.9%	1,119	11.7%	484	5.1%
2012-13	9,681	7,556	78.0%	427	4.4%	1,258	13.0%	441	4.6%
2013-14	9,531	7,437	78.0%	424	4.4%	1,229	12.9%	441	4.6%
2014-15	9,548	7,425	77.8%	444	4.6%	1,230	12.9%	449	4.7%
2015-16	9,485	7,336	77.3%	474	5.0%	1,192	12.6%	483	5.1%
2016-17	8,909	6,905	77.5%	484	5.4%	1,017	11.4%	504	5.7%
2017-18	8,827	6,841	77.5%	479	5.4%	1,008	11.4%	499	5.7%

Data

98. ONS' expenditure analysis of the Living Costs and Food (LCF) Survey⁴², which includes average weekly household expenditure on tobacco for England, Scotland, Northern Ireland and Wales. These are certified National Statistics.

Methodology

99. The average weekly household spend on cigarettes, tobacco and other tobacco products is multiplied by the average weighted number of households in each area to obtain total weekly expenditure per area; this is converted into total annual figures. Tobacco receipts are apportioned using total annual expenditure proportions per area. As duty makes up around 80 per cent of the price of cigarettes, there is unlikely to be much price variation across areas, so

⁴² For more information see <http://www.ons.gov.uk/ons/rel/family-spending/family-spending/index.html>

it is assumed that prices are the same across each area. It is also assumed that the tax gap and the split between cigarette categories is the same across each area.⁴³

⁴³ See Annex A for treatment of years with missing data.

Spirits Duty

100. Spirits Duty is payable on any spirits, or any mixture or combination of spirits with anything else, at a strength of more than 1.2% ABV. It is levied at a fixed rate per litre of pure alcohol content. In 2017-18 total UK tax receipts from Spirits Duties were £3.4 billion.

Table 24 Spirits Duty, £m

	United Kingdom			Wales		Scotland		Northern Ireland	
	England	%							%
1999-00	1,804	77.4%	87	4.8%	268	14.8%	53	2.9%	
2000-01	1,842	77.4%	89	4.8%	273	14.8%	54	2.9%	
2001-02	1,919	77.4%	93	4.8%	285	14.8%	56	2.9%	
2002-03	2,273	77.9%	106	4.7%	326	14.3%	70	3.1%	
2003-04	2,362	77.7%	112	4.7%	343	14.5%	71	3.0%	
2004-05	2,385	77.8%	110	4.6%	349	14.6%	70	3.0%	
2005-06	2,309	78.4%	106	4.6%	325	14.1%	68	3.0%	
2006-07	2,256	78.1%	105	4.7%	318	14.1%	71	3.1%	
2007-08	2,374	77.1%	121	5.1%	347	14.6%	77	3.2%	
2008-09	2,358	77.5%	113	4.8%	336	14.3%	80	3.4%	
2009-10	2,570	77.9%	120	4.7%	350	13.6%	98	3.8%	
2010-11	2,675	78.0%	116	4.4%	365	13.6%	108	4.0%	
2011-12	2,889	78.8%	113	3.9%	385	13.3%	114	3.9%	
2012-13	2,931	79.4%	97	3.3%	391	13.3%	115	3.9%	
2013-14	3,056	78.7%	108	3.5%	411	13.5%	132	4.3%	
2014-15	3,023	80.0%	93	3.1%	394	13.0%	119	3.9%	
2015-16	3,147	80.0%	98	3.1%	413	13.1%	120	3.8%	
2016-17	3,378	79.2%	115	3.4%	452	13.4%	136	4.0%	
2017-18	3,430	79.2%	117	3.4%	458	13.4%	138	4.0%	

Data

101. From the Department for Environment, Food and Rural Affairs (DEFRA) 'Family Food' publication which analyses consumption from the Living Costs and Food (LCF) Survey⁴⁴ carried out by the ONS. This publication contains information on the average weekly purchased volumes (consumption) and expenditure on alcohol type per family across each sub-national area. These are certified National Statistics. The proportions for 2017-18 are set to equal the previous year.

Methodology

102. The average weekly consumption volume per person per week on spirits is multiplied by the population estimate for each sub-national area to obtain total consumption. Spirits receipts are then apportioned in the same proportion as spirits consumption. From 2006 onwards, the

⁴⁴ For more information on this dataset see <https://www.gov.uk/government/statistical-data-sets/family-food-datasets>. Wine and spirits consumption estimates include 'Ready to Drink' (RTD) alcoholic products that fall under the appropriate duty.

Family Food publication provides results in calendar years, so this has been converted to financial years. It is assumed that the tax gap and the strength of spirits consumed is the same across each area.⁴⁵

103. Ready-to-drink drinks including spirits with mixer, liqueurs and cocktails and alcopops have been converted into taxable spirits using the HMRC Alcohol Model.
104. The sub-national proportions applied to receipts from all alcohol duties are fairly uncertain. This is because they are based on a survey (the LCF Survey) which uses only a sample of the population and, as with all samples, is not a perfectly accurate representation of consumption. This methodology is the same as in previous years.

Difference with NINFBR

105. HMRC and NINFBR estimates are not directly comparable because they are calculated using different data which necessitates different methodologies and produce aggregate estimates for Alcohol Duty.
106. NINFBR estimate Alcohol Duty for Northern Ireland using regional household expenditure data from the ONS' Family Spending Survey multiplied by the numbers of households to estimate total expenditure on alcohol.

⁴⁵ See Annex A for treatment of years with missing data.

Beer Duties

107. Beer Duty is chargeable if the alcohol content is more than 1.2% alcohol by volume (ABV) and the rate is levied on the percentage of alcohol in the beer. General Beer Duty applies to beers with an ABV between 2.8% and 7.5%. There are higher and lower rates for high strength (above 7.5%) and low strength (between 1.2% and 2.8%) beers. In 2017-18 total UK tax receipts from Beer Duty were £3.5 billion.

Table 25 Beer Duty, £m

	United Kingdom		England		Wales		Scotland		Northern Ireland	
				%		%		%		%
1999-00	2,813	2,397	85.2%		154	5.5%	204	7.3%	58	2.1%
2000-01	2,850	2,428	85.2%		156	5.5%	207	7.3%	59	2.1%
2001-02	2,899	2,470	85.2%		158	5.5%	210	7.3%	60	2.1%
2002-03	2,935	2,511	85.5%		152	5.2%	211	7.2%	61	2.1%
2003-04	3,044	2,592	85.2%		163	5.3%	226	7.4%	63	2.1%
2004-05	3,101	2,645	85.3%		162	5.2%	230	7.4%	64	2.1%
2005-06	3,076	2,621	85.2%		158	5.1%	231	7.5%	66	2.2%
2006-07	3,072	2,615	85.1%		160	5.2%	229	7.5%	67	2.2%
2007-08	3,067	2,593	84.5%		165	5.4%	237	7.7%	72	2.3%
2008-09	3,127	2,655	84.9%		161	5.2%	233	7.5%	78	2.5%
2009-10	3,182	2,699	84.8%		164	5.1%	236	7.4%	83	2.6%
2010-11	3,296	2,798	84.9%		166	5.0%	239	7.2%	93	2.8%
2011-12	3,463	2,945	85.0%		167	4.8%	249	7.2%	103	3.0%
2012-13	3,426	2,921	85.3%		158	4.6%	239	7.0%	108	3.2%
2013-14	3,346	2,848	85.1%		153	4.6%	236	7.0%	110	3.3%
2014-15	3,310	2,843	85.9%		136	4.1%	226	6.8%	105	3.2%
2015-16	3,271	2,812	86.0%		135	4.1%	226	6.9%	98	3.0%
2016-17	3,320	2,850	85.8%		136	4.1%	232	7.0%	102	3.1%
2017-18	3,460	2,970	85.8%		142	4.1%	242	7.0%	106	3.1%

Data

108. From the Department for Environment, Food and Rural Affairs (DEFRA) *'Family Food'* publication, which analyses consumption in its Living Costs and Food (LCF) Survey⁴⁶. This publication contains information on the average weekly family purchased volumes (consumption) and expenditure on alcohol type across each sub-national area. These are certified National Statistics. The proportions for 2017-18 are set to equal the previous year.

Methodology

109. The average weekly consumption volume per person per week on beer, lagers and continental beers is multiplied by the population estimate for each sub-national area to obtain total

⁴⁶ For more information on this dataset see <https://www.gov.uk/government/statistical-data-sets/family-food-datasets>. Wine and spirits consumption estimates include 'Ready to Drink' (RTD) alcoholic products that fall under the appropriate duty.

consumption. Beer receipts are then apportioned in the same proportion as beer consumption. From 2006 onwards, the Family Food publication provides results in calendar years, so this has been converted to financial years. It is assumed that the tax gap and the strength of beer consumed is the same across each area.⁴⁷

110. The sub-national proportions applied to receipts from all alcohol duties are fairly uncertain. This is because they are based on a survey (the LCF Survey) which uses only a sample of the population and, as with all samples, is not a perfectly accurate representation of consumption. This methodology is the same as in previous years.
111. For this publication there is a minor methodological change to align to the ONS' methodology. This version has 5 year moving averages either side of the year in question. This affects all years of the publication for the Alcohol Taxes.

Difference with NINFBR

112. HMRC and NINFBR estimates are not directly comparable because they are calculated using different data which necessitates different methodologies and produce aggregate estimates for Alcohol Duty.
113. NINFBR estimate Alcohol Duty for Northern Ireland using regional household expenditure data from the ONS' Family Spending Survey multiplied by the numbers of households to estimate total expenditure on alcohol.

⁴⁷ See Annex A for treatment of years with missing data.

Wine Duties

114. Wine Duty is payable on the production of wine of more than 1.2% ABV. There are currently four bands for still wine and two for sparkling, with higher rates for wines with higher ABV. In 2017-18 total UK tax receipts from Wine Duty were £4.3 billion.

Table 26 Wine Duties, £m

	United Kingdom			Wales		Scotland		Northern Ireland	
		England	%		%		%		%
1999-00	1,657	1,439	86.8%	73	4.4%	115	6.9%	31	1.8%
2000-01	1,814	1,575	86.8%	79	4.4%	126	6.9%	34	1.8%
2001-02	1,982	1,721	86.8%	87	4.4%	137	6.9%	37	1.8%
2002-03	1,936	1,678	86.7%	86	4.5%	137	7.1%	34	1.8%
2003-04	2,006	1,734	86.4%	93	4.6%	142	7.1%	37	1.9%
2004-05	2,233	1,931	86.5%	101	4.5%	158	7.1%	44	2.0%
2005-06	2,308	1,995	86.4%	104	4.5%	164	7.1%	45	2.0%
2006-07	2,385	2,044	85.7%	116	4.8%	178	7.5%	48	2.0%
2007-08	2,641	2,260	85.6%	126	4.8%	199	7.5%	55	2.1%
2008-09	2,741	2,352	85.8%	117	4.3%	216	7.9%	56	2.0%
2009-10	2,949	2,518	85.4%	128	4.3%	238	8.1%	65	2.2%
2010-11	3,101	2,630	84.8%	134	4.3%	266	8.6%	72	2.3%
2011-12	3,356	2,863	85.3%	127	3.8%	291	8.7%	75	2.2%
2012-13	3,537	3,008	85.1%	133	3.8%	315	8.9%	80	2.3%
2013-14	3,713	3,135	84.4%	153	4.1%	332	9.0%	92	2.5%
2014-15	3,837	3,256	84.9%	150	3.9%	341	8.9%	89	2.3%
2015-16	3,973	3,382	85.1%	153	3.8%	347	8.7%	92	2.3%
2016-17	4,169	3,530	84.7%	169	4.1%	367	8.8%	102	2.5%
2017-18	4,256	3,604	84.7%	173	4.1%	374	8.8%	104	2.5%

Data

115. From the Department for Environment, Food and Rural Affairs (DEFRA) *'Family Food'* publication, which analyses consumption in its Living Costs and Food (LCF) Survey⁴⁸. This publication contains information on the average weekly family purchased volumes (consumption) and expenditure on alcohol type across each sub-national area. These are certified National Statistics. The proportion for the last year is equal to the estimate for 2016-17.

Methodology

116. The average weekly consumption volume per person per week on wine, champagne and fortified wines is multiplied by the population estimate for each sub-national area to obtain total consumption. Wine receipts are then apportioned in the same proportion as wine

⁴⁸ For more information on this dataset see <https://www.gov.uk/government/statistical-data-sets/family-food-datasets>. Wine and spirits consumption estimates include 'Ready to Drink' (RTD) alcoholic products that fall under the appropriate duty.

consumption. From 2006 onwards, the Family Food publication provides results in calendar years, so this has been converted to financial years. It is assumed that the tax gap and the strength of wine consumed is the same across each area.⁴⁹

117. Ready-to-drink drinks including spirits with mixer, liqueurs and cocktails and alcopops are have been converted into taxable wine using the HMRC Alcohol Model.
118. The sub-national proportions applied to receipts from all alcohol duties are fairly uncertain. This is because they are based on a survey (the LCF Survey) which uses only a sample of the population and, as with all samples, is not a perfectly accurate representation of consumption. This methodology is the same as in previous years.
119. For this publication there is a minor methodological change to align to the ONS' methodology. This version has 5 year moving averages either side of the year in question. This affects all years of the publication for the Alcohol Taxes.

Difference with NINFBR

120. HMRC and NINFBR estimates are not directly comparable because they are calculated using different data which necessitates different methodologies and produce aggregate estimates for Alcohol Duty.
121. NINFBR estimate Alcohol Duty for Northern Ireland using regional household expenditure data from the ONS' Family Spending Survey multiplied by the numbers of households to estimate total expenditure on alcohol.

⁴⁹ See Annex A for treatment of years with missing data.

Cider Duties

122. Cider duty is payable on cider and perry - defined as drinks created from fermented apple or pear juice - with a strength of more than 1.2% ABV but less than 8.5% ABV. There are currently two bands for still cider and perry and two for sparkling, with rates higher from drinks with higher ABV. In 2017-18 total UK tax receipts from Cider Duty were £0.3 billion.

Table 27 Cider Duties, £m

	United Kingdom	England	%	Wales	%	Scotland	%	Northern Ireland	%
1999-00	155	128	82.3%	16	10.1%	9	6.0%	3	1.6%
2000-01	158	130	82.3%	16	10.1%	9	6.0%	3	1.6%
2001-02	155	128	82.3%	16	10.1%	9	6.0%	3	1.6%
2002-03	153	128	83.7%	14	8.9%	9	5.9%	2	1.5%
2003-04	153	126	82.0%	15	9.7%	10	6.5%	3	1.7%
2004-05	157	127	80.9%	14	9.2%	13	8.4%	2	1.5%
2005-06	168	138	81.9%	14	8.6%	14	8.0%	3	1.5%
2006-07	200	165	82.6%	16	8.0%	16	7.8%	3	1.6%
2007-08	220	180	82.0%	18	8.3%	18	8.0%	4	1.7%
2008-09	244	203	83.2%	19	7.7%	19	7.6%	4	1.5%
2009-10	311	262	84.2%	23	7.4%	21	6.6%	6	1.8%
2010-11	324	272	83.9%	21	6.6%	25	7.6%	6	1.9%
2011-12	329	275	83.6%	22	6.8%	25	7.7%	6	1.9%
2012-13	326	273	83.6%	22	6.8%	24	7.4%	7	2.2%
2013-14	340	288	84.6%	20	5.9%	24	7.2%	8	2.3%
2014-15	320	271	84.8%	18	5.6%	24	7.4%	7	2.2%
2015-16	296	251	84.8%	19	6.3%	19	6.5%	7	2.3%
2016-17	288	244	84.6%	18	6.3%	19	6.6%	7	2.5%
2017-18	294	249	84.6%	19	6.3%	19	6.6%	7	2.5%

Data

123. From the Department for Environment, Food and Rural Affairs (DEFRA) *'Family Food'* publication, which analyses consumption in its Living Costs and Food (LCF) Survey⁵⁰. This publication contains information on the average weekly family purchased volumes (consumption) and expenditure on alcohol type across each sub-national area. These are certified National Statistics. The proportion for the last year is equal to the estimate for 2016-17.

Methodology

124. The average weekly consumption volume per person per week on cider and perry is multiplied by the population estimate for each sub-national area to obtain total consumption. Cider

⁵⁰ For more information on this dataset see <https://www.gov.uk/government/statistical-data-sets/family-food-datasets>. Wine and spirits consumption estimates include 'Ready to Drink' (RTD) alcoholic products that fall under the appropriate duty.

receipts are then apportioned in the same proportion as cider consumption. From 2006 onwards, the Family Food publication provides results in calendar years, so this has been converted to financial years. It is assumed that the tax gap and the strength of cider consumed is the same across each area.⁵¹

125. The sub-national proportions applied to receipts from all alcohol duties are fairly uncertain. This is because they are based on a survey (the LCF Survey) which uses only a sample of the population and, as with all samples, is not a perfectly accurate representation of consumption. This methodology is the same as in previous years.
126. For this publication there is a minor methodological change to align to the ONS' methodology. This version has 5 year moving averages either side of the year in question. This affects all years of the publication for the Alcohol Taxes.

Difference with NINFBR

127. HMRC and NINFBR estimates are not directly comparable because they are calculated using different data which necessitates different methodologies and produce aggregate estimates for Alcohol Duty.
128. NINFBR estimate Alcohol Duty for Northern Ireland using regional household expenditure data from the ONS' Family Spending Survey multiplied by the numbers of households to estimate total expenditure on alcohol.

⁵¹ See Annex A for treatment of years with missing data.

Betting and Gaming Duties

129. There are seven Gambling excise duties: Bingo Duty (paid by those who hold a bingo premises licence); Gaming Duty (paid by the casino gaming operator); General Betting Duty (paid by bookmakers who operate betting shops, online betting or telephone betting); Lottery Duty (charged on the purchase price of a UK lottery ticket); Machine Games Duty (charged on playing dutiable machine games in the UK); Pool Betting Duty (paid by those who hold a pool betting permit); Remote Gaming Duty (charged on online gaming providers). In 2017-18 total UK receipts from Betting and Gaming duties were £2.9 billion.

Table 28 Betting and Gaming, £m

	United Kingdom		England		Wales		Scotland		Northern Ireland	
				%		%		%		%
1999-00	1,514	1,256	83.0%		74	4.9%	152	10.0%	32	2.1%
2000-01	1,510	1,253	83.0%		74	4.9%	151	10.0%	32	2.1%
2001-02	1,439	1,187	82.5%		82	5.7%	134	9.3%	37	2.5%
2002-03	1,292	1,072	83.0%		67	5.2%	122	9.4%	32	2.4%
2003-04	1,347	1,125	83.5%		62	4.6%	130	9.6%	30	2.3%
2004-05	1,421	1,178	82.9%		70	4.9%	143	10.0%	30	2.1%
2005-06	1,421	1,178	82.9%		70	4.9%	143	10.0%	30	2.1%
2006-07	1,391	1,146	82.4%		62	4.5%	147	10.6%	36	2.6%
2007-08	1,481	1,197	80.8%		69	4.7%	173	11.7%	41	2.8%
2008-09	1,474	1,216	82.5%		58	3.9%	159	10.8%	42	2.8%
2009-10	1,439	1,188	82.6%		57	4.0%	154	10.7%	39	2.7%
2010-11	1,533	1,290	84.1%		63	4.1%	139	9.1%	41	2.7%
2011-12	1,633	1,328	81.3%		76	4.7%	163	10.0%	67	4.1%
2012-13	1,680	1,368	81.5%		80	4.8%	159	9.5%	72	4.3%
2013-14	2,098	1,693	80.7%		96	4.6%	213	10.2%	96	4.6%
2014-15	2,116	1,712	80.9%		97	4.6%	209	9.9%	97	4.6%
2015-16	2,666	2,158	80.9%		136	5.1%	271	10.2%	101	3.8%
2016-17	2,742	2,260	82.4%		132	4.8%	247	9.0%	104	3.8%
2017-18	2,860	2,357	82.4%		138	4.8%	258	9.0%	108	3.8%

Data

130. ONS expenditure analysis of the Living Costs and Food (LCF) Survey⁵², which has the average weekly family spend on gambling payments for England, Scotland, Northern Ireland and Wales. These are certified National Statistics. The proportion for the last year is equal to the estimate for 2016-17.

Methodology

131. The average weekly household gambling payment is multiplied by the average grossed number of households in each area to obtain total weekly expenditure per sub-national area; this is then converted into total annual figures. Gambling receipts are apportioned using total annual

⁵² For more information see <http://www.ons.gov.uk/ons/rel/family-spending/family-spending/index.html>

expenditure proportions per sub-national area. It is assumed that the expenditure distribution across each gambling activity is the same across the four sub-national areas.⁵³

⁵³ See Annex A for treatment of years with missing data.

Air Passenger Duty

132. Air Passenger Duty (APD) is an excise duty which is payable by aircraft operators. The amount of APD payable is based on the number of passengers on board their aircraft when they take off from UK airports. There are 12 different APD duty rates and the APD amount due per passenger depends on the final destination of the passenger and class of travel – a combination of 4 destination bands and 3 classes of travel. The geographical distance of the capital city of the destination country from London determines into which destination band a passenger falls. Intra-UK domestic flights are always Band A. Since APD applies to the journey as a whole, connected flights are considered as one journey. Hence, passengers that are departing and arriving inter-UK and solely taking international connections from a UK airport as well as passengers departing inter-UK and arriving intra-UK taking domestic connections from a UK airport are excluded from APD liabilities. The power to set APD rates on direct long haul flights from Northern Ireland was devolved to the Northern Ireland Assembly in July 2012, although HMRC still collects this tax. In 2017-18, total UK receipts from APD were £3.4 billion.

Table 28 Air Passenger Duty, £m

	United Kingdom			Wales		Scotland		Northern Ireland	
	England	%		%		%		%	
1999-00	882	87.2%	6	0.6%	81	9.2%	26	3.0%	
2000-01	951	87.2%	6	0.6%	87	9.2%	28	3.0%	
2001-02	806	87.2%	5	0.6%	74	9.2%	24	3.0%	
2002-03	816	87.2%	5	0.6%	75	9.2%	24	3.0%	
2003-04	791	87.2%	5	0.6%	72	9.2%	24	3.0%	
2004-05	864	87.2%	5	0.6%	79	9.2%	26	3.0%	
2005-06	905	87.2%	6	0.6%	83	9.2%	27	3.0%	
2006-07	971	87.2%	6	0.6%	89	9.2%	29	3.0%	
2007-08	1,994	87.0%	13	0.6%	184	9.3%	62	3.1%	
2008-09	1,862	87.0%	12	0.6%	170	9.1%	61	3.3%	
2009-10	1,856	87.1%	10	0.5%	169	9.1%	60	3.2%	
2010-11	2,155	87.9%	10	0.5%	184	8.5%	67	3.1%	
2011-12	2,607	88.4%	9	0.4%	219	8.4%	73	2.8%	
2012-13	2,791	88.5%	8	0.3%	235	8.4%	79	2.8%	
2013-14	3,013	88.4%	10	0.3%	257	8.5%	84	2.8%	
2014-15	3,175	87.9%	9	0.3%	285	9.0%	90	2.8%	
2015-16	3,077	88.0%	7	0.2%	275	8.9%	86	2.8%	
2016-17	3,157	87.1%	5	0.2%	304	9.6%	98	3.1%	
2017-18	3,352	87.1%	6	0.2%	323	9.6%	104	3.1%	

Data

133. From the Civil Aviation Authority (CAA) which details the total number of passengers flying from England, Scotland, Wales and Northern Ireland from 2006 to 2016 and the aircraft destination. This data is not publically available. ONS' International Passenger Survey (IPS) 2012-2015 data including percentage split of a sample of passengers per destination band for England, Scotland and Wales. IPS data for Northern Ireland is not published due to lack of survey response.

Methodology

134. Since the CAA data lists the destination of the aircraft instead of the final destination of the passenger, it does not perfectly reflect APD payable. APD is overestimated for passengers who are arriving in the UK and then transferring to another destination as they are classified as flying from the UK despite APD only being charged on passengers originating in the UK. APD is underestimated for passengers departing a UK airport and then transferring from the first destination as only the initial flight will be picked up despite APD being charged on the band of the final destination. These opposing effects may not offset each other and two adjustments are made to the CAA data to minimise the effects.
135. Firstly, the overestimation caused by including APD exempt passengers in the CAA data is corrected for by removing the number of APD passengers from the number of CAA passengers. According to the data, nearly 90% of APD exempt passengers are connecting in England and therefore a downward adjustment is only made to the England total by splitting the number of APD exempt passengers into bands and then subtracting this from the number of passengers flying from England. The split by destination band is calculated using CAA data giving destinations of a sample of Heathrow Airport passengers⁵⁴ and is based on the assumption that the destination of passengers with domestic or international connections from a UK airport follows the distribution of Heathrow Airport passengers.
136. Secondly, the underestimation caused by placing passengers in lower bands than they should be allocated to is corrected for using data from the IPS on the percentage of passengers in each band for England, Scotland and Wales and assuming that the proportions for Northern Ireland are the same as Scotland. Since IPS data is only available from 2012 onwards, it is assumed the 2012 split applies to previous years and the 2015 split is used for the latest estimate.
137. An annual weighted APD duty rate is multiplied by the adjusted number of passengers flying from each area. This gives the estimated APD revenue for each sub-national area.⁵⁵
138. Data to update the latest year's splits were not available in time for this year's publication, so we have carried forward the splits from 2016-17 to 2017-18. There have been minor revisions to the previously published splits for 2015-16 and 2016-17 after a review of how the exemption for children under 15 was handled.

Difference with GERS

139. HMRC and GERS estimates are not directly comparable because they are calculated using different data which necessitates different methodologies to calculate APD.
140. GERS estimate APD for Scotland using Data from the Civil Aviation Authority (CAA) surveys of Scottish airports and Scottish passenger numbers from Scottish Transport Statistics to estimate the number of Scottish passengers by each air passenger duty band on the basis of their final destination. These are combined with HMRC figures on UK APD liable passengers travelling in each duty band to estimate Scotland's share of UK passengers by duty band.

⁵⁴ Table 12.1 <http://www.caa.co.uk/default.aspx?catid=80&pagetype=88&sglid=3&fld=2012Annual>

⁵⁵ See Annex A for treatment of years with missing data.

Difference with NINFBR

141. HMRC and NINFBR estimates are not directly comparable because they are calculated using different data which necessitates different methodologies to calculate APD.
142. NINFBR estimate APD for Northern Ireland using Data from the ONS' UK APD revenue apportioned to Northern Ireland according to its share of the UK population.

Insurance Premium Tax

143. Insurance Premium Tax (IPT) is a tax on general insurance premiums received by insurers under insurance contracts covering taxable UK risks. Some insurance is exempt from IPT, including reinsurance and long term insurance (for example, pensions, life and permanent health insurance). There are currently two rates of IPT: a standard rate of 9.5% (increased from 6% in November 2015) and a higher rate of 20 per cent. The higher rate applies to all travel insurance, certain insurance sold with motor vehicles and domestic electrical and mechanical appliances. In 2017-18 total UK receipts from IPT were £5.7 billion.

Table 30 Insurance Premium Tax, £m

	United Kingdom			England		Wales		Scotland		Northern Ireland	
			%		%		%		%		%
1999-00	1,423	1,241	87.2%	53	3.8%	94	6.6%	34	2.4%		
2000-01	1,707	1,489	87.2%	64	3.8%	113	6.6%	41	2.4%		
2001-02	1,861	1,618	86.9%	76	4.1%	117	6.3%	51	2.7%		
2002-03	2,138	1,853	86.7%	87	4.1%	142	6.6%	56	2.6%		
2003-04	2,294	1,983	86.4%	92	4.0%	157	6.8%	62	2.7%		
2004-05	2,359	2,038	86.4%	97	4.1%	161	6.8%	63	2.7%		
2005-06	2,343	2,017	86.1%	99	4.2%	163	7.0%	63	2.7%		
2006-07	2,314	1,976	85.4%	103	4.5%	172	7.4%	63	2.7%		
2007-08	2,306	1,962	85.1%	104	4.5%	177	7.7%	64	2.8%		
2008-09	2,281	1,945	85.3%	99	4.4%	175	7.7%	61	2.7%		
2009-10	2,259	1,938	85.8%	92	4.1%	171	7.6%	58	2.6%		
2010-11	2,400	2,071	86.3%	99	4.1%	168	7.0%	62	2.6%		
2011-12	2,941	2,539	86.3%	121	4.1%	202	6.9%	79	2.7%		
2012-13	3,021	2,614	86.5%	130	4.3%	198	6.6%	78	2.6%		
2013-14	3,014	2,608	86.5%	125	4.2%	207	6.9%	74	2.4%		
2014-15	2,965	2,567	86.6%	127	4.3%	201	6.8%	69	2.3%		
2015-16	3,293	2,847	86.4%	143	4.4%	226	6.9%	78	2.4%		
2016-17	4,861	4,200	86.4%	211	4.3%	333	6.8%	118	2.4%		
2017-18	5,669	4,898	86.4%	245	4.3%	388	6.8%	138	2.4%		

Data

144. The Living Costs and Food (LCF) Survey, which includes the average weekly family spend on insurance payments for England, Scotland, Northern Ireland and Wales⁵⁶. These are certified National Statistics.

Methodology

145. Insurance payments in the LCF include insurance of contents of dwelling, motor vehicle insurance and taxation, medical insurance premiums and other insurance premiums. The average weekly household spend on insurance is multiplied by the average grossed number of households in each sub-national area to obtain total weekly expenditure per sub-national area; this is then converted into total annual figures. IPT receipts are apportioned using total annual

⁵⁶ For more information see <http://www.ons.gov.uk/ons/rel/family-spending/family-spending/index.html>

expenditure proportions per sub-national area. Only household expenditure is available, so it is assumed that the share of IPT receipts arising from businesses is the same as the household split per sub-national area.⁵⁷ It is also assumed that the expenditure distribution across the insurance rates is the same across the four sub-national areas.

Difference with NINFBR

146. HMRC and NINFBR estimates are not directly comparable because they are calculated using different data which necessitates different methodologies to calculate IPT.
147. NINFBR estimate IPT for Northern Ireland using Data from the ONS' UK IPT apportioned to Northern Ireland according to its share of the UK population.

⁵⁷ See Annex A for treatment of years with missing data.

Landfill Tax

148. Landfill Tax is a UK-wide environmental tax on waste disposed at authorised landfill sites throughout the UK. A lower rate of £2.70 per tonne applies to some less polluting waste such as rock and sub-soil, while all other taxable waste is chargeable at the standard rate of £86.10 per tonne in 2017-18.

149. At April 2015 Landfill Tax was fully devolved to Scotland. This means the tax no longer applies in Scotland and Revenue Scotland now administer and collect any replacement taxes such as Scottish Landfill Tax.⁵⁸ Revenue Scotland publish statistics on the taxes that they administer and collect⁵⁹. This change makes it impossible to construe a meaningful comparison for Scotland from 14/15 onwards because the observed changes simply reflect this devolution and the shift of tax collection from HMRC to Scottish government. The UK figures only include the tax receipts from Landfill Tax collected by HMRC, the Scotland share drops to 0% purely due to the exclusion of this devolved tax. Landfill Tax has also been devolved to Wales at the beginning of 2018-19, although this does not affect the current publication, which covers tax years up to 2017-18

150. In 2017-18 total HMRC receipts from Landfill Tax were £0.8 billion.

Table 31 Landfill Tax, £m

	United Kingdom	England	%	Wales	%	Scotland	%	Northern Ireland
1999-00	430	360	83.7%	21	5.0%	40	9.3%	8
2000-01	461	385	83.5%	23	5.0%	44	9.6%	9
2001-02	502	417	83.2%	25	4.9%	50	9.9%	10
2002-03	541	448	82.9%	27	4.9%	55	10.3%	11
2003-04	607	501	82.6%	30	4.9%	64	10.6%	12
2004-05	672	553	82.3%	33	4.9%	73	10.9%	13
2005-06	733	601	82.0%	36	4.9%	82	11.2%	14
2006-07	804	657	81.7%	39	4.9%	93	11.5%	15
2007-08	877	713	81.3%	37	4.3%	109	12.5%	17
2008-09	954	776	81.3%	42	4.4%	116	12.2%	20
2009-10	842	682	81.0%	39	4.6%	102	12.2%	19
2010-11	1,065	866	81.3%	45	4.3%	132	12.4%	22
2011-12	1,090	887	81.4%	44	4.1%	138	12.7%	20
2012-13	1,092	883	80.9%	47	4.3%	143	13.1%	19
2013-14	1,189	967	81.3%	49	4.2%	154	13.0%	19
2014-15	1,144	927	81.0%	47	4.1%	152	13.3%	18
2015-16	919	867	94.4%	35	3.8%	0	0.0%	17
2016-17	874	825	94.4%	33	3.8%	0	0.0%	16
2017-18	757	715	94.4%	29	3.8%	0	0.0%	14

⁵⁸ For information on the Scottish Landfill Tax: <https://www.revenue.scot/scottish-landfill-tax>

⁵⁹ For more information see <http://www.gov.scot/Topics/Statistics/Browse/Economy/GERS>

Data

151. Five sources have been used: the Northern Ireland Municipal Waste Management Statistics, Revenue Scotland, the Scottish Environment Protection Agency, the Environment Agency for England and National Resources Wales⁶⁰. The proportions for the last year are equal to the proportions for 2016-17.

Methodology

152. As of 2015-16, Landfill tax was devolved to Scotland and so their receipts are now monitored by Revenue Scotland. For the rest of the UK, receipts are apportioned by the same proportion as the tonnages sent to landfill for each sub-national area, as recorded by the relevant environmental body. It is assumed that each area has the same split of lower rate and standard rate tonnages and the same level of litigation repayments. The latest available data covers 2014 and it is assumed that the proportion remains the same for future years.⁶¹

153. Previous years have been revised to account for the discrepancy between Scottish receipts and tonnage data. A possible explanation for this is that the standard rate has increased faster than the lower rate. It is assumed that the difference between receipts and tonnage reduces over time, as the standard and lower rates were more similar back in 1999.

154. Analysis carried out by the Welsh Government using data held by Natural Resources Wales has shown that there has been a faster decline in waste to landfill and a smaller share of standard rated waste in Wales compared to the rest of the UK in more recent years, which has the effect of reducing the share of Welsh LFT receipts. This analysis formed a part of the Devolved Taxes Forecast publication from the OBR⁶², and we adopt the same methodology here for 2017-18, since the latest published Welsh landfill data is from 2014. This has the effect of proportionately increasing LFT receipts in England and Northern Ireland in later years.

⁶⁰For more information see: Northern Ireland Municipal Waste Management Statistics: <http://www.doeni.gov.uk/index/information/asb/statistics.htm>; Scottish Environment Protection Agency - <http://www.environment.scotland.gov.uk/get-interactive/data/waste-from-all-sources/>; Environment Agency for England - <https://www.gov.uk/government/statistics/waste-management-for-england-2013>; National Resources Wales - <http://naturalresources.wales/our-evidence-and-reports/waste-reports/wales-waste-data-information-2013/?lang=en>

⁶¹ See Annex A for treatment of years with missing data.

⁶² http://obr.uk/docs/dlm_uploads/DevolvedMarch2018-v4.pdf

Climate Change Levy

155. Climate Change Levy (CCL) is an UK-wide environmental tax. There are two rates of CCL – the main rates of CCL and, from 1 April 2013, the Carbon Price Support (CPS) rates of CCL. The main rates of CCL are a tax on the taxable supply of specified energy products (e.g. electricity, gas and coal) for use as fuels (that is for lighting, heating and power) by business consumers. It does not apply to energy products supplied for use by domestic consumers or to charities for non-business use. The CPS rates are payable by businesses using fossil fuels to generate electricity and form part of the Carbon Price Floor (CPF). The CPF was introduced in April 2013 and applies to England, Scotland and Wales. It can be considered a separate tax, though receipts are currently collected through the same returns as CCL. In 2017-18 total UK receipts from CCL and CPF were £1.9 billion.

Table 32 Climate Change Levy, £m

	United Kingdom	England	%	Wales	%	Scotland	%	Northern Ireland	%
1999-00	0	0	0.0%	0	0.0%	0	0.0%	0	0.0%
2000-01	0	0	0.0%	0	0.0%	0	0.0%	0	0.0%
2001-02	555	460	82.8%	32	5.8%	49	8.9%	13	2.3%
2002-03	829	687	82.8%	48	5.8%	74	8.9%	19	2.3%
2003-04	832	689	82.8%	48	5.8%	74	8.9%	20	2.3%
2004-05	764	633	82.8%	44	5.8%	68	8.9%	18	2.3%
2005-06	744	617	83.0%	43	5.8%	66	8.9%	17	2.3%
2006-07	712	590	82.9%	41	5.7%	64	9.0%	17	2.4%
2007-08	688	569	82.7%	39	5.7%	64	9.3%	16	2.4%
2008-09	716	592	82.7%	40	5.6%	67	9.3%	17	2.4%
2009-10	695	577	83.0%	39	5.6%	63	9.0%	17	2.4%
2010-11	674	557	82.7%	37	5.5%	63	9.4%	16	2.4%
2011-12	676	559	82.7%	37	5.5%	64	9.5%	16	2.3%
2012-13	635	528	83.1%	34	5.4%	59	9.4%	14	2.2%
2013-14	1,068	892	83.5%	77	7.2%	90	8.4%	10	0.9%
2014-15	1,491	1,247	83.6%	115	7.7%	120	8.0%	9	0.6%
2015-16	1,763	1,476	83.7%	138	7.8%	138	7.9%	11	0.6%
2016-17	1,864	1,560	83.7%	153	8.2%	139	7.5%	11	0.6%
2017-18	1,861	1,558	83.7%	153	8.2%	139	7.5%	11	0.6%

Data

156. Gas and electricity consumption statistics for England, Scotland and Wales from the Department of Business, Energy and Industrial Strategy (BEIS).⁶³ These are certified National Statistics. The former Department for Energy and Climate Change (DECC) had published two-year experimental statistics for electricity usage in Northern Ireland⁶⁴, as the electricity grid is different to the rest of the UK. Gas data for Northern Ireland is not published due to disclosure

⁶³ For more information see <https://www.gov.uk/government/collections/sub-national-gas-consumption-data> and <https://www.gov.uk/government/collections/sub-national-electricity-consumption-data>

⁶⁴ For more information see https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/49422/3957-subnat-dom-electricity-cons-ni-2010.xls

rules but HMRC previously published an estimate for Northern Ireland gas consumption at Budget 2011, based on the Northern Ireland Gas Pressure Report (2007); that estimate is used here. Regional coal consumption statistics from BEIS are also used⁶⁵. The proportions for the last year are equal to the proportions for 2017-18.

Methodology

157. Climate Change Levy (CCL) receipts from main rates are apportioned by the same proportion as the gas, electricity and coal consumption in each sub-national area. It is assumed that solid fuel and liquefied petroleum gas (LPG) consumption is proportional across the sub-national areas to coal consumption. This is a minor issue as gas and electricity constitute around 98 per cent of CCL main rate revenues.⁶¹
158. CCL receipts from Carbon Price Support (CPS) rates are apportioned by the same proportion as the coal and gas consumption in each sub-national area. It is assumed that oil is proportional across the sub-national areas to coal and gas consumption. This is a minor issue as coal and gas constitute around 99 per cent of revenues from CPS rates of CCL.
159. Since the previous version of this publication, revised outturn data for electricity usage in Northern Ireland from 2009 onwards became available, which has led to some changes in the estimates since the previous release. There have also been updates to the fuel weightings between gas and electricity due to updated data from 2005 onwards.

⁶⁵https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/358016/sep_2014_sub_national_residual_consumption_factsheet.pdf

Aggregates Levy

160. Aggregates Levy is a UK-wide environmental tax on the commercial exploitation of rock, sand and gravel and on UK marine-dredged aggregate. Taxable aggregate is chargeable at £2 per tonne. In 2017-18 total UK receipts from Aggregates Levy were £0.4 billion.

Table 33 Aggregates Levy, £m

	United Kingdom		England		Wales		Scotland		Northern Ireland	
				%		%		%		%
1999-00	0	0	0.0%		0	0.0%	0	0.0%	0	0.0%
2000-01	0	0	0.0%		0	0.0%	0	0.0%	0	0.0%
2001-02	0	0	0.0%		0	0.0%	0	0.0%	0	0.0%
2002-03	247	177	71.5%		22	8.8%	34	13.9%	15	5.9%
2003-04	339	239	70.6%		31	9.0%	47	13.9%	22	6.5%
2004-05	334	245	73.3%		30	9.0%	52	15.5%	7	2.1%
2005-06	326	235	72.2%		30	9.2%	52	16.0%	9	2.6%
2006-07	321	231	72.0%		32	9.9%	50	15.7%	8	2.4%
2007-08	339	233	68.7%		35	10.2%	62	18.2%	10	2.9%
2008-09	334	238	71.3%		31	9.4%	56	16.8%	8	2.4%
2009-10	275	194	70.4%		22	8.1%	52	18.8%	7	2.7%
2010-11	288	197	68.2%		26	9.0%	59	20.4%	7	2.3%
2011-12	290	191	66.0%		25	8.6%	50	17.3%	23	8.0%
2012-13	265	176	66.3%		22	8.5%	45	17.1%	21	8.0%
2013-14	285	193	67.9%		25	8.9%	43	15.2%	23	8.0%
2014-15	342	230	67.4%		33	9.7%	51	14.8%	27	8.0%
2015-16	356	240	67.4%		35	9.7%	53	14.8%	29	8.0%
2016-17	374	252	67.4%		36	9.7%	55	14.8%	30	8.0%
2017-18	376	254	67.4%		37	9.7%	56	14.8%	30	8.0%

Data

161. The UK Minerals Yearbook⁶⁶, published by the UK Geographical Survey to calculate the tonnage of crushed rock, sand and gravel mined in each sub-national area.

Methodology

162. Aggregates Levy receipts are split in the same proportion as total mining activity in each area. However, to account for the Aggregates Levy Credit Scheme which ran between 2004 and 2010, Northern Ireland activity is weighted less over that time period in proportion to the difference in rate of Aggregates Levy per tonne between Northern Ireland than in Great Britain.

163. For this publication, the published Northern Ireland data from the Minerals Yearbooks has been implemented in the model; this impacts 2002-03 to 2010-11.

164. Due to the Minerals Yearbook ceasing its publication, the Aggregate Levy splits since 2014-15 have since been held constant. Moreover, the data used to estimate Northern Ireland's share of tonnages has not been updated in the Minerals Yearbook since 2010, however, recently the

⁶⁶ For more information see <http://www.bgs.ac.uk/downloads/browse.cfm?sec=12&cat=132>

Northern Ireland Government published their total production of tonnages for 2015 and 2016.⁶⁷ The 2015 figure is abnormally small as the data is reliant on a smaller number of quarries, for this reason we do not include this figure in HMRC calculations. The 2016 figure uses data from a larger number of quarries and is more conducive to Northern Ireland aggregate production in the past. As a result of this, we now assume that the Northern Ireland share in 2016 is equal to the previous years where outturn tonnages haven't been available for Northern Ireland. Consequently, this increases the relative share for the remaining regions.

Difference with NINFBR

165. HMRC and NINFBR estimates are not directly comparable because they are calculated using different methodologies. NINFBR estimate Aggregates Levy for Northern Ireland according to its share of GVA.

⁶⁷ For more information see <https://www.economy-ni.gov.uk/publications/annual-minerals-statements>.

Customs Duties

166. These are collected on behalf of the EU though every member state is allowed to retain 25 per cent of the revenue collected to cover administration costs. Customs Duties are only collected when goods enter or leave the EU – goods circulate freely within the EU itself. When completing the necessary documentation, importers and exporters have to allocate their goods to one of approximately 16,000 commodity codes and this in turn dictates the rate of duty that is to be applied. In 2017-18 total UK receipts from Customs Duties were £3.4 billion.

Table 34 Customs Duties, £m

	United Kingdom			Wales		Scotland		Northern Ireland	
		England	%		%		%		%
1999-00	2,043	1,762	86.3%	75	3.7%	160	7.8%	46	2.2%
2000-01	2,097	1,807	86.2%	77	3.7%	164	7.8%	48	2.3%
2001-02	2,042	1,759	86.2%	74	3.6%	162	7.9%	47	2.3%
2002-03	1,907	1,645	86.3%	69	3.6%	149	7.8%	43	2.3%
2003-04	1,941	1,673	86.2%	71	3.7%	152	7.8%	45	2.3%
2004-05	2,195	1,887	86.0%	81	3.7%	176	8.0%	51	2.3%
2005-06	2,258	1,942	86.0%	83	3.7%	181	8.0%	52	2.3%
2006-07	2,325	1,996	85.9%	86	3.7%	189	8.1%	54	2.3%
2007-08	2,456	2,113	86.0%	89	3.6%	197	8.0%	57	2.3%
2008-09	2,659	2,293	86.2%	93	3.5%	213	8.0%	60	2.3%
2009-10	2,646	2,277	86.0%	93	3.5%	217	8.2%	60	2.3%
2010-11	2,998	2,587	86.3%	104	3.5%	239	8.0%	68	2.3%
2011-12	2,912	2,511	86.2%	102	3.5%	233	8.0%	66	2.3%
2012-13	2,854	2,465	86.4%	100	3.5%	224	7.9%	64	2.3%
2013-14	2,901	2,506	86.4%	102	3.5%	229	7.9%	64	2.2%
2014-15	3,007	2,600	86.5%	103	3.4%	238	7.9%	66	2.2%
2015-16	3,089	2,673	86.5%	106	3.4%	241	7.8%	68	2.2%
2016-17	3,359	2,907	86.6%	116	3.5%	261	7.8%	74	2.2%
2017-18	3,412	2,954	86.6%	118	3.5%	266	7.8%	75	2.2%

Data

167. ONS data on Gross Value Added (GVA).⁶⁸ These are certified National Statistics.

Methodology

168. Receipts from Customs Duties are apportioned in line with sub-national GVA. Note: since Customs Duties are collected by HMRC on behalf of the EU they do not form part of the UK public finances.

⁶⁸ For more information see:

<http://www.ons.gov.uk/economy/grossvalueaddedgva/bulletins/regionalgrossvalueaddedincomeapproach/december2015/relateddata>

Child and Working Tax Credits

169. Working Tax Credit can be claimed by people who are aged from 16 to 24 and have a child or qualifying disability or people who are 25 or over, with or without children. Claimants must be in paid work for a minimum number of hours a week and awards are gradually reduced for those on higher incomes. The basic element of Working Tax Credit is worth up to £1,960 a year for 2016-17, and additional elements are payable for those working 30 or more hours, or where one of the adults is disabled. Additional tax credits can also be claimed to pay for some part of childcare costs whilst working. The amount that can be claimed is £175 a week for one child or £300 a week for 2 or more children, depending on circumstances and income.
170. Child Tax Credit can be claimed by people who are responsible for a child under 16 or under 20 if the child stays in approved further education or training. Entitlement does not depend on being in work. The amount that can be claimed is composed of a family element which is worth up to £545 a year and extra elements relating to the number of children, any disabled children, may be paid on top of this. Awards are gradually reduced for those on higher incomes.

Table 35 Child and Working Tax Credits, £m

	United Kingdom			England		Wales		Scotland		Northern Ireland	
			%		%		%		%		%
1999-00	0	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%
2000-01	0	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%
2001-02	0	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%
2002-03	0	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%
2003-04	13,361	10,916	81.7%	758	5.7%	1,177	8.8%	487	3.6%		
2004-05	15,896	13,023	81.9%	892	5.6%	1,379	8.7%	568	3.6%		
2005-06	17,332	14,270	82.3%	951	5.5%	1,447	8.4%	620	3.6%		
2006-07	18,684	15,460	82.7%	1,011	5.4%	1,532	8.2%	653	3.5%		
2007-08	20,030	16,628	83.0%	1,066	5.3%	1,625	8.1%	687	3.4%		
2008-09	24,099	20,042	83.2%	1,272	5.3%	1,906	7.9%	830	3.4%		
2009-10	27,601	23,011	83.4%	1,445	5.2%	2,141	7.8%	949	3.4%		
2010-11	28,879	24,116	83.5%	1,504	5.2%	2,203	7.6%	1,001	3.5%		
2011-12	29,830	24,947	83.6%	1,542	5.2%	2,222	7.4%	1,048	3.5%		
2012-13	29,888	25,025	83.7%	1,532	5.1%	2,195	7.3%	1,056	3.5%		
2013-14	29,710	24,936	83.9%	1,513	5.1%	2,128	7.2%	1,056	3.6%		
2014-15	29,732	25,005	84.1%	1,505	5.1%	2,094	7.0%	1,060	3.6%		
2015-16	28,539	24,027	84.2%	1,435	5.0%	1,996	7.0%	1,036	3.6%		
2016-17	27,429	23,095	84.2%	1,380	5.0%	1,903	6.9%	1,017	3.7%		
2017-18	25,940	21,842	84.2%	1,305	5.0%	1,800	6.9%	962	3.7%		

Note: Percentages may not sum to 100 due to a small % of the total that has not been apportioned

Data

171. Disaggregated entitlements (the number of claimants and the average value of an award) are already published as part of a certified National Statistics series that uses HMRC administrative data. The proportions for the last year are equal to the proportions for 2016-17 since finalised tax credits awards data is not available for 2017-18 yet.

Methodology

172. Tax credits expenditure is apportioned by the same proportion as the total entitlement for each sub-national area. Sub-national breakdowns for tax credits are based on geographical analysis of 2016-17 finalised awards.

Child Benefit

173. Child Benefit can be claimed by people responsible for a child under 16 or under 20 if the child stays in approved education or training. There are two Child Benefit rates – for the eldest or only child the weekly rate is £20.70 and for additional children it is £13.70 per child. The Child Benefit recipient may be liable to pay a tax charge if they or their partner has an individual income of more than £50,000 per year. Claimants affected by this charge may choose to opt-out of receiving Child Benefit as an alternative to paying the charge, thereby ceasing their payments.

Table 36 Child Benefit, £m

	United Kingdom	England	%	Wales	%	Scotland	%	Northern Ireland	%
1999-00	0	0	0.0%	0	0.0%	0	0.0%	0	0.0%
2000-01	0	0	0.0%	0	0.0%	0	0.0%	0	0.0%
2001-02	0	0	0.0%	0	0.0%	0	0.0%	0	0.0%
2002-03	0	0	0.0%	0	0.0%	0	0.0%	0	0.0%
2003-04	9,425	7,886	83.7%	462	4.9%	761	8.1%	310	3.3%
2004-05	9,593	8,023	83.6%	470	4.9%	767	8.0%	315	3.3%
2005-06	9,770	8,182	83.7%	477	4.9%	775	7.9%	318	3.3%
2006-07	10,156	8,520	83.9%	491	4.8%	796	7.8%	332	3.3%
2007-08	10,603	8,907	84.0%	512	4.8%	830	7.8%	343	3.2%
2008-09	11,262	9,470	84.1%	541	4.8%	879	7.8%	363	3.2%
2009-10	11,824	9,951	84.2%	564	4.8%	913	7.7%	380	3.2%
2010-11	12,160	10,247	84.3%	575	4.7%	931	7.7%	391	3.2%
2011-12	12,177	10,271	84.3%	574	4.7%	926	7.6%	391	3.2%
2012-13	12,167	10,243	84.2%	568	4.7%	915	7.5%	389	3.2%
2013-14	11,438	9,614	84.1%	547	4.8%	854	7.5%	377	3.3%
2014-15	11,582	9,743	84.1%	555	4.8%	859	7.4%	384	3.3%
2015-16	11,681	9,836	84.2%	558	4.8%	860	7.4%	389	3.3%
2016-17	11,640	9,814	84.3%	554	4.8%	855	7.3%	387	3.3%
2017-18	11,685	9,857	84.4%	554	4.7%	857	7.3%	388	3.3%

Note: Percentages may not sum to 100 due to a small % of the total that has not been apportioned

Data

174. The number of families receiving Child Benefit and the number of children in each family are already published as part of a certified National Statistics series that uses HMRC administrative data.

Methodology

175. The total amount of Child Benefit received in each sub-national area is calculated by multiplying the number of the first children and the number of subsequent children by the appropriate first child or subsequent Child Benefit rate. Actual Child Benefit expenditure is then apportioned by the same proportion as the total Child Benefit received in each sub-national area. There are a small number of recipients with an address that cannot be matched to the UK postal address; it is assumed that that these recipients are resident outside of the UK. Due to insufficient data it is also assumed that prior to 2007 the amount paid through the

higher lone parent rate is proportional to the total Child Benefit received in each sub-national area.

Other Taxes

176. The UK/Swiss Tax Cooperation Agreement came into force on 1 January 2013. It is designed to ensure UK tax compliance for UK residents with accounts or investments in Switzerland, either through the payment of charges at source or through the provision to HMRC of detailed information about capital, income and gains, which will then be compared with existing tax records. The miscellaneous category consists of old legacy taxes and repayments.

Table 37 Swiss Capital Tax, £m

	United Kingdom	England	%	Wales	%	Scotland	%	Northern Ireland	%
2012-13	342	287	84.0%	17	4.8%	29	8.3%	10	2.9%
2013-14	466	391	84.0%	22	4.8%	39	8.3%	13	2.9%
2014-15	66	56	84.1%	3	4.8%	6	8.3%	2	2.8%
2015-16	32	27	84.1%	2	4.8%	3	8.3%	1	2.8%
2016-17	-1	-1	84.2%	0	4.7%	0	8.2%	0	2.8%
2017-18	51	43	84.2%	2	4.7%	4	8.2%	1	2.8%

Table 38 Miscellaneous, £m

	United Kingdom	England	%	Wales	%	Scotland	%	Northern Ireland	%
1999-00	-24	-20	83.6%	-1	4.9%	-2	8.6%	-1	2.9%
2000-01	0	0	83.6%	0	4.9%	0	8.6%	0	2.9%
2001-02	-1	-1	83.7%	0	4.9%	0	8.6%	0	2.9%
2002-03	2	2	83.7%	0	4.9%	0	8.5%	0	2.9%
2003-04	-8	-7	83.7%	0	4.9%	-1	8.5%	0	2.9%
2004-05	0	0	83.7%	0	4.9%	0	8.5%	0	2.9%
2005-06	1	1	83.8%	0	4.9%	0	8.5%	0	2.9%
2006-07	1	1	83.8%	0	4.9%	0	8.4%	0	2.9%
2007-08	0	0	83.8%	0	4.9%	0	8.4%	0	2.9%
2008-09	0	0	83.8%	0	4.9%	0	8.4%	0	2.9%
2009-10	0	0	83.8%	0	4.9%	0	8.4%	0	2.9%
2010-11	0	0	83.9%	0	4.9%	0	8.4%	0	2.9%
2011-12	0	0	83.9%	0	4.8%	0	8.4%	0	2.9%
2012-13	0	0	84.0%	0	4.8%	0	8.3%	0	2.9%
2013-14	0	0	84.0%	0	4.8%	0	8.3%	0	2.9%
2014-15	0	0	84.1%	0	4.8%	0	8.3%	0	2.8%
2015-16	0	0	84.1%	0	4.8%	0	8.3%	0	2.8%
2016-17	0	0	84.2%	0	4.7%	0	8.2%	0	2.8%
2017-18	0	0	84.2%	0	4.7%	0	8.2%	0	2.8%

Annex A: Treatment of Missing Years

Data is not available for every year that is being estimated, so a number of assumptions and adjustments have been made, and are highlighted below.

Income Tax	The proportions for the last two years are equal to the estimates for 2015-16.
NICs	The proportions for the last year is equal to the estimate for 2016-17.
Value Added Tax	The VAT proportion is made up of proportions from four sectors: household, Government, housing and exempt. The last year for which all sectors have data is 2014-15. For later years, data from the latest year available is used.
Bank Levy	The proportions for the last year is equal to the estimate for 2016-17.
Bank Payroll Tax	The proportions for the last year is equal to the estimate for 2016-17.
Inheritance Tax	The proportions for years prior to 2006-07 are equal to the three-year averages from 2006-07 to 2008-09.
Stamp Tax on Shares	The proportions prior to 2007-08 are equal to the three year average from 2007-08 to 2009-10.
Stamp Duty Land Tax	The proportions prior to 2005-06 are equal to the three year averages from 2005-06 to 2007-08.
Tobacco duties	The proportions for the last year are equal to the estimates for 2016-17.
Spirits duties	The proportions prior to 2001-02 are equal to the three year averages from 2001-02 to 2003-04. The proportions for the last year are equal to the estimate for 2016-17.
Beer duties	The proportions prior to 2001-02 are equal to the three year averages from 2001-02 to 2003-04. The proportions for the last year are equal to the estimate for 2016-17.
Wines duties	The proportions prior to 2001-02 are equal to the three year averages from 2001-02 to 2003-04. The proportions for the last year are equal to the estimate for 2016-17.
Cider duties	The proportions prior to 2001-02 are equal to the three year averages from 2001-02 to 2003-04. The proportions for the last year are equal to the estimate for 2016-17.
Betting & Gaming	The proportions for the first two years are equal to the three year averages from 2001-02 to 2003-04. The proportions for the last year are equal to the estimate for 2016-17.
Air Passenger Duty	The proportions prior to 2006-07 are equal to the proportions in 2006-07. The proportions for the last year are equal to the estimates for 2016-17.
Insurance Premium Tax	The proportions for the last year are equal to the estimates for 2016-17.
Landfill Tax	The proportions for the last two years are equal to the proportions for 2015-16, after accounting for devolution.
Climate Change Levy	The proportions prior to 2005-06 are equal to the proportions for 2005-06. The proportions for the last year are equal to the estimates for 2016-17.
Aggregates Levy	The proportions for the last 3 years are equal to the proportions for 2014-15.
Corporation Tax (Onshore)	Liability data up to 2016-17 is used to calculate the percentage shares for each region. A three year average of 2014-15, 2015-16 and 2016-17 is used to estimate 2017-18 proportions.
Capital Gains Tax	HMRC administrative data on self-assessment available until 2016-17. The receipts data for 2017-18 at UK level is estimated from the 2016-17 data and then the difference between published receipts and estimated receipts for 2017-18 is applied to each UK country's estimate from 2016-17 data.
Tax Credits	The proportions for the last year is equal to the estimate for 2016-17.

Annex B: HMRC UK Tax Receipts Methodology

177. HMRC accounts form the basis of these statistics. For some revenue streams adjustments are made to the figures to ensure the definitions align with international accounting requirements. Adjustments are made to National Insurance Contributions for amounts paid out in pension contributions and statutory sick/maternity/paternity pay recoveries.
178. Prior to July 2015, adjustments were also made to income tax and corporation tax to include negative tax credits and company tax credits respectively. Following changes generated by revisions to the European System of Accounts (ESA2010) and the Public Sector Finances Review, all receipts are now published gross of all tax credits.
179. For all other taxes the definitions used in the accounts align with international requirements so no adjustments are necessary.

Data Quality

180. The HMRC accounts which are audited by the National Audit Office (NAO) form the basis of these statistics. The HMRC accounts are published on an accruals basis and differ from these, which are on a cash basis. At the end of each year the statistics are reviewed against the audited annual accounts and adjustments are made to bring the statistics in line with the cash based account.

Payovers to the Consolidated Fund compared with total receipts

181. The consolidated fund is essentially a general bank account for the Government. The total paid over to the consolidated fund is the value received by HMRC.
182. Total receipts are the amount recorded on HMRC accounting systems.
183. The two figures are different due to varying methods of payment and the speed at which HMRC systems are updated. Total HMRC Receipts includes all payments into the Consolidated Fund and all payovers of NICs including those of Northern Ireland.