



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

27 January 2022

Dear,

RE: SILAGE FILM AND THE PLASTIC PACKAGING TAX

Thank you for your letter of 14 January 2022 on the inclusion of silage film within the scope of the Plastic Packaging Tax and the impact of this on the farming industry.

Following careful analysis of the additional information provided, HMRC has confirmed that silage film falls under an exemption in the primary legislation for packaging that is permanently set aside for a non-packaging function.¹ The intention of this exemption is to exclude items which meet the definition of packaging, but are manufactured or imported for a different primary purpose.

Representations made by you and others have demonstrated that silage film is a highly specialised product, the primary purpose of which is to enable the fermentation process needed to produce the silage.

Whilst silage film is within the scope of the Plastic Packaging Tax as it meets the definition of a packaging component (on the basis it is "suitable for 'use' in the containment, protection, handling, delivery or presentation of goods in the supply chain"²), the primary purpose of the product is to enable the fermentation process,

¹ Finance Act 2021, s52(6)(a)

² Finance Act 2021, s48(1)

which is a non-packaging function. On this basis, silage film falls within the exemption set out in section 52(6)(a) of Finance Act 2021.

HMRC will shortly publish updated guidance which will reflect this position.

Thank you for your constructive engagement on this issue.

Yours sincerely,

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

Helen Whately
Exchequer Secretary to the Treasury