



**PRESS RELEASE**  
Immediate 25<sup>th</sup> June 2015

**ALL BAA MEMBERS**

On 27 March 2015 the European Commission published a press release announcing its conclusions that all but one of the exemptions for the aggregates levy were free of State aid. It found that the exemption for shale was not justified when it was deliberately extracted to produce aggregate or when produced as a by-product of the quarrying of any new material which was itself subject to the levy. The Commission decided that shale should not be considered to be commercially exploited as aggregate (and therefore should be excluded from the levy) when a by-product of coal extraction, when used in ceramic processes, when used as a source of aluminosilicate in the manufacture of cement or when demonstrably used for purposes other than aggregate.

I attach:

- the Articles attached to the Commission's decision which set out details of the operative part of the decision; the decision has not yet been published as the Commission are still consulting those that provided potentially commercially sensitive information
- the draft clause which gives effect to reinstatement from the date the suspension came into effect - this will enable businesses that have paid levy on these materials since 1 April 2014 to reclaim that levy (interest will be paid on claims).
- the draft explanatory note for the clause
- the draft Tax Information and Impact Note (TIIN) for the measure - this contains more details about how the reinstatement is being enacted
- a draft of the Statutory Instrument needed to amend the registration requirements for certain businesses as a consequence of reinstating the exemptions
- the draft explanatory memorandum relating to the registration SI.

Businesses should be able to submit repayment claims from 1 August 2015, subject to the inclusion of this clause in a Finance Bill. Further details about the repayment process will be announced in a Revenue and Customs Brief to be issued in July.

The legislation and documents need to be finalised by early July 2015. **I would therefore welcome any comments on the draft legislation or accompanying documents no later than 1 July 2015. Please note that we can only consider comments that relate to whether the clause accurately gives effect to the removing the suspension of exemptions while being consistent with the Commission's decision of 27 March.**

Regards

Catherine Osborne