

# **Plastic Packaging Tax: Mass Balance Approach for Chemically Recycled Plastic**

**Mark Palmer**

**25 February 2026**



**HM Revenue  
& Customs**

# When Can MBA Be Used?

- For packaging reaching the tax point from 1 April 2027 onwards
- Evidence of recycled content can predate that start point, but must meet HMRC minimum standards for certification schemes



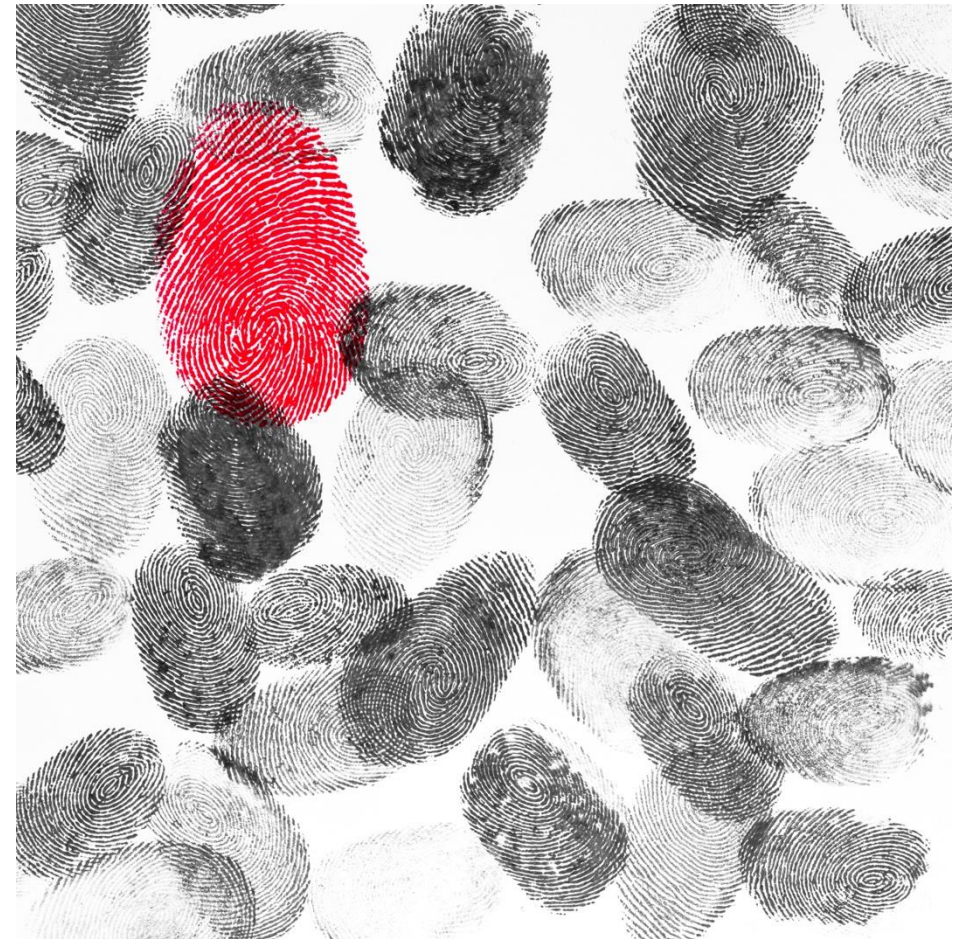
# Who Can Use MBA?

- Anyone in a supply chain dealing with chemically recycled plastic
- Whole supply chain must be certified to HMRC standards
- Certification must cover from initial recycling to tax point – last substantial modification to packaging
- Importer must hold evidence of certification if not in that part of the chain



# How Do I Use MBA for PPT?

- By ensuring that everyone in the supply chain for PPT is certified in a scheme meeting HMRC standards
- By holding evidence demonstrating content is covered by the scheme
- Further detail on this to come in the months ahead



# What are the Minimum Standards for a Certification Scheme?

- Fuel exempt
- Site level balancing
- No negative balance
- Accreditation
- Regular audits
- Precise details in regulations in 2026



# What Happens Next?

- Primary legislation in Finance Bill
- Secondary legislation technical consultation in 2026
- Guidance and other business readiness activities
- Ongoing work with TWG
- Lots to do to meet timetable requested!



# Questions?

