

Finance Committee

The Land and Buildings Transaction Tax (LBTT)

Submission from North Ayrshire Council

1. *The impact on both the residential and commercial property market of the various rates and bands*

North Ayrshire Council's property transactions are at a level which tends to be below the higher rate bands introduced through LBTT. As a result we have seen minimum impact on the residential and commercial property market in which we operate.

2. *The level of receipts for residential and non-residential transactions in relation to the forecasts*

Since LBTT has only been in place since the 1st April 2015 and given the limited transactions which we undertake each year, it is too early to comment on whether LBTT is impacting on the level of receipts being generated.

3. *The extent to which higher priced transactions were brought forward to avoid the higher rates*

North Ayrshire Council did not bring forward higher priced transactions to avoid the higher rates.

4. *The extent to which lower-priced transactions were delayed until after 1 April*

North Ayrshire Council did not delay any lower priced transactions until after 1 April.

5. *Whether there should be any changes to the rates and bands for residential transactions in the draft budget for 2016-17*

A reduction in any tax band would always be welcome and there could be an opportunity to insert a further band level at £500,000 to £1,000,000 which may have a potential positive impact on the residential market.

6. *The performance of Revenue Scotland in administering and collecting the tax.*

Any interactions with Revenue Scotland have been satisfactory to date.