

Draft Budget Scrutiny 2016-17: Scottish Rate of Income Tax (SRIT)

Adviser briefing 18 September 2015

1. As part of its scrutiny of the Scottish Budget for 2016-17, the Finance Committee issued a Call for Evidence requesting views on what the rate of SRIT should be and why, how any additional resource should be allocated or reduction funded and how well the introduction of SRIT had been publicised to employers and tax payers.¹ Twenty four responses were received² and are summarised below in four sections corresponding to the questions asked by the Committee and a fifth short section on other points made by individual respondents. One of the submissions, from CIPFA, deals exclusively with issues arising from the Smith Commission recommendations and subsequent Command Paper and Scotland Bill and I have not commented on it. CIPFA's response perhaps illustrates the extent to which awareness of SRIT, introduced by the Scotland Act 2012, has been masked by the post referendum debate.

What should the rate be for SRIT and why?

2. A range of views was expressed, some for raising SRIT above 10%, some for reducing it below, others for keeping it the same and finally the professional bodies who declined to make a recommendation but commented upon issues that needed to be taken into account. Amongst those for keeping SRIT at 10%, some saw continuing benefit in doing so while others expressed this as a temporary measure until the economy improved or until the introduction of the Scotland Bill 2015 measures.

3. **For increasing SRIT above 10%.** This was the least represented view amongst the respondents but NHS Health Scotland argued the case for an increase. In their view, nations that have improved health and reduced health inequalities have done so through generous and universal public services funded by increased taxation applied with inequality reducing progressivity. They quote the results of modelling they have carried out which shows that a 1p increase in SRIT would reduce the relative index of inequalities in all-cause mortality by approximately 0.5%. Further, they suggest that if this increased revenue were redistributed or used to fund

¹ <http://www.scottish.parliament.uk/parliamentarybusiness/CurrentCommittees/91814.aspx>

² http://www.scottish.parliament.uk/S4_FinanceCommittee/General%20Documents/SRIT_submissions_201509.pdf

effective public services, it would also have a positive impact on mean population mortality.³

4. Lucy Hunter Blackburn proposed a 1.5% addition to SRIT to tackle a funding gap resulting from the Council Tax Freeze. On the premise that the revenue from a higher rate of SRIT would be used to promote jobs, WA Johnston was in favour of an increase. The resulting increased tax base could in turn be used to fund a future increase in the pre-tax threshold.⁴

5. **For reducing SRIT below 10%.** A larger number, mostly individuals, favour a reduction in the rate with the Scottish Retail Consortium (SRC) as the principal institutional proponent. They find the current performance of the retail sector lacklustre, despite lower prices in shops and at the petrol pump and a more optimistic outlook for employment, and they counsel against doing anything that might adversely impact on consumer confidence. Like a number of business respondents, they have concerns at the difficulties that might follow an increase in SRIT in recruiting skilled workers from outside Scotland. A reduction on the other hand would help promote a vibrant retail sector which in turn would lead to increased tax revenue, principally VAT. When the Scotland Bill 2015 powers are activated, the SRC would support an examination of the tax burden faced by low earners, taking into account the personal allowance and the state of public finances.⁵

6. Individual respondents saw a reduction in SRIT as attracting entrepreneurs and investment and as discouraging Scots from leaving Scotland to work. The longer-term impact of this will be a growth in the tax base and revenues. Ben Thomson suggested a reduction to 8%, reducing the tax burden by £660m principally for the benefit of lower paid taxpayers at a time of economic difficulty. He also saw a reduction as signalling the Scottish Government's commitment to good fiscal management. In his view, an increase in SRIT is regressive, as the proportionate increase in tax is greater for lower income groups, while a reduction in tax is correspondingly progressive. Reynold Galbraith considered that a reduction would have a disproportionately positive psychological impact while Ron Kane saw it as demonstrating that the Scottish Government is on the side of the worker,

³ NHS Health Scotland, section 1

⁴ Lucy Hunter Blackburn; WA Johnston

⁵ Scottish Retail Consortium, paras 8 - 10

business and economic growth.⁶

7. For keeping SRIT at 10%. With the exception of the Scottish Retail Consortium mentioned in paragraph 5 above, the general view from business respondents was that SRIT should be maintained at 10%. The accountants, Johnston Carmichael and Pricewaterhouse Coopers, saw this as giving HMRC and payroll systems time to bed and for the concept of a Scottish Taxpayer to become established in advance of the introduction of greater power over rates and bands under the Scotland Bill 2015 powers.⁷ Young's Seafood Ltd also gave avoiding this additional complexity, risk and cost, on top of that already imposed by the introduction of the devolved power, as a reason not to change the rate, particularly at a time when economic recovery is still under way.⁸

8. Possibly more important in the eyes of business, is the need to maintain mobility of labour within the UK, with the construction industry, retail and seafood industries specifically mentioned. The Scottish Building Federation report that the construction industry workforce is flexible and mobile so a higher rate of tax in Scotland could lead to difficulties with recruitment and retention of skilled labour (a scarce resource following downsizing during the recession).⁹ Young's Seafood Ltd. point to limited recruitment possibilities in some of the remote and rural areas where they operate which requires them to recruit widely and often from outside Scotland.¹⁰ The greater risk of behavioural effect at the high end of the income spectrum is highlighted by PricewaterhouseCoopers. Migration for tax reasons is more likely amongst additional rate taxpayers than basic or even higher rate taxpayers. (Estimated distribution in Scotland: 2.1 million basic rate taxpayers; 370k higher rate taxpayers; 18,000 additional rate taxpayers.) Thus the extent to which SRIT can diverge from 10% without a distorting effect on the tax base may be limited. Modelling of behavioural responses and their impact on revenues is essential before making any change to the rate of tax.¹¹

⁶ Andrew Watson; Ben Thomson; Reynold Galbraith; and Ron Kane

⁷ Johnston Carmichael; PricewaterhouseCoopers, sect. 1

⁸ Young's Seafood Ltd., sect. 3

⁹ Building Federation, page 4

¹⁰ Young's Seafood Ltd., sect. 3

¹¹ PricewaterhouseCoopers, sect. 2

9. Other potential behavioural effects were set out by the Scottish Building Federation. Average wages in the industry are relatively high and the proportion of employees who are basic rate taxpayers is also relatively high which suggests that a significant proportion of employees are towards the upper end of the basic rate band where income tax and NIC together may be perceived as a significant burden. An increase could lead employees to protect after-tax income by demanding increased wages, leading to inflation. It might also encourage employees into self-employment, real or sham, or even into the black market as cash-in-hand operators. The Federation were also concerned that a reduction in SRIT below 10% would place pressure on budgets in key areas such as housing and infrastructure, hence their caution against differentiating SRIT from the UK rate.¹²

10. Economic, fairness and distributional consequences are the reasons the STUC recommends that SRIT should be 10% for 2016-17. Recovery from recession is far from complete, the global economic outlook is highly uncertain, as is the impact of potential interest rate increases on still highly indebted households. Low oil prices raise specific concerns for Scotland. Within SRIT, tax rates on higher and additional rate taxpayers cannot be increased without also increasing the basic rate. The STUC would be concerned if the tax burden on lower-wage workers were increased at time when wages have barely started to recover. While 2016-17 is not the time, the STUC would countenance a rise at a future date to counter the effect of spending cuts on society's most vulnerable and would welcome a comprehensive statement on tax policy from the Scottish Government.¹³

11. In the longer term, an increase in total tax revenues is necessary to support a more equal, fair and democratic society, say the STUC, and everyone will have to contribute through both income and consumption taxes. International evidence, in their view, suggests that the scale of taxation is more important for reducing inequality than its progressivity. They are critical of the fact that the Scottish Government claims to prioritise inequality while proposing only cuts in those taxes which it currently controls. They consider that there is very little evidence to support the claim that cutting the SRIT below 10p will boost growth and jobs. Taxes are not high by historical standards and cutting the taxes of the highest paid encourages the boosting

¹² Scottish Building Federation, pages 3 & 4

¹³ STUC, page1

of pay and bonuses rather than investment and jobs. Tax cuts for the low paid, who have a higher propensity to spend, may provide an economic boost in a recession but a cut in SRIT would not target this sector specifically. They quote research by SPICe which suggests that the reduction of revenue is immediate while the impact on growth takes time. Income tax cuts in present circumstances will not pay for themselves.¹⁴

12. The SCVO consider the introduction of SRIT to be an opportunity to open a new dialogue about tax and its role in society. While the Scottish Government's powers over tax are limited, principally the Council Tax and SRIT, these powers should be used as far as possible to increase the progressiveness of the overall tax system and to enhance subsidiarity, the principle that levels of government should raise what they spend. Subsidiarity, by increasing transparency and accountability, offers citizens the opportunity to have a real say in how collective money is spent and how political decisions are made. While not taking a view on whether there should be an increased rate of SRIT, if there is such an increase, the Scottish Government should take the opportunity to state how the increased revenue will be used to improve the lives of specific people, developing a conversation around the topic. With the current challenges faced by the poorest in our society, the coming challenges of further welfare reform and public spending cuts and the adverse impact on society and the economy of wealth and income inequality, the SCVO do not support any cut in the level of taxation.¹⁵

13. Issues identified by professional bodies. The professional bodies responding, ICAS, CIOT and LITRG, do not express a view on the appropriate rate for SRIT but raise matters that should be considered in setting a rate. As already mentioned, they share concerns regarding the administrative costs for HMRC and employers of a rate different from the UK rate and the impact on revenue of potential behavioural responses by taxpayers. They also point out that income tax on employment income interacts with tax on savings and dividend income and with other taxes such as Capital Gains Tax. The SRIT may also have to take into account interaction with local income taxes, if such is the outcome of current consultations on a replacement for Council Tax. LITRG focus on the interaction of the income tax rate for low earners on tax credits and benefits. The interaction can have a significant impact on the

¹⁴ STUC, page 2

¹⁵ SCVO, pages 3 & 4

living standards of low-income individuals. A reduction in the rate of tax, by increasing net income, may lead to a loss of means tested benefits and to the loss of other benefits to which the means tested one was a "passport". For example, Universal Credit will be reduced if after-tax income increases. While a reduction in tax rate may not benefit the low-income individual as anticipated, the means tested benefit system will at least partially protect such individuals from the impact of an increased tax rate.¹⁶

If SRIT should be above 10%, how should the additional funding be allocated?

14. Having identified some specific issues arising from the long standing Council Tax freeze, Lucy Hunter Blackburn proposes that additional funding from a higher rate of SRIT should ameliorate these while the seemingly intractable issue of Council Tax reform is dealt with. In her view, the Council Tax freeze has created cost cutting pressures at Scottish Government and Council level. As those who benefit most from the freeze tend to have higher incomes, an addition of 1.5% to SRIT would approximately fund the freeze and would also be borne to a greater extent by those who have benefitted most. Some of the money raised should be recycled into local government funding for schools, social work services, early years provision, social care at home, day centres and libraries to offset some of the impact on local service reduction on the most vulnerable. The balance of the money should be used to rebalance the student grant which is skewed to the disadvantage of lower income and mature students who are forced to borrow more to cover living costs than students from a better off background.¹⁷

15. NHS Health Scotland identified the areas of potential spending that would have the most impact in improving health. These include increasing the income of the lowest income groups, funding high quality universal services (where possible skewing the greatest support to those with greatest needs) and funding preventative interventions. Particular focus should be given to mitigating the impact of reduced value and increased conditionality in the social security system which impact most severely on particularly vulnerable groups with negative impacts on their health. Some preventative measures, such as regulating the production and marketing of unhealthy food and further regulation of the sale and pricing of alcohol and tobacco, could be tackled

¹⁶ ICAS, paras 4, 6 & 7; CIOT, sect. 3; LITRG, sect. 3

¹⁷ Lucy Hunter Blackburn

initially but, while providing continuing benefit and reduction in the demand for public services, these may not need continuing revenue support. Other preventative measures, such as investment in high quality early years education and childcare, will require continuing support which could be funded from this sustainable additional revenue.¹⁸

16. The SCVO also saw the protection of low-income, vulnerable groups as the key beneficiaries of increased tax revenues. The additional revenue should be used in conjunction with the increased power over benefits to move towards a supportive and person-centred, rather than punitive, social security system which would support the health and wellbeing of claimants. This revenue could also be used to explore the testing of a "Citizen's Income" which seeks address many of the issues faced by those who cannot work due to full-time caring responsibilities, illness and so on.¹⁹

17. In contrast, the Scottish Retail Consortium considered that, if SRIT was to be increased, the resulting higher revenues should be spent on measures to increase the economic and productive capacity of the economy, for example, digital or transport infrastructure or skills development. Ranny Hall, on the other hand, would like to see additional revenue used to fund an increase in statutory paternity leave and on financial and career education for the nation's poorest with help to get them into work.²⁰

If SRIT should be below 10%, how should the reduction be funded from existing expenditure?

18. In paragraph 14 above Council Tax featured as a revenue source that could be supplemented by an increase in SRIT. In contrast, Ben Thomson proposes a reform of and an increase in Council Tax to fund a reduction in SRIT. Council Tax is regressive and the out of date bands make no allowance for the relative change in the value of homes since 1991. While it would take a 33% increase in Council Tax to fund a 2% reduction in SRIT, the additional burden would fall principally on the occupiers of higher value properties. Such a reform could also return control of Council Tax to local government.²¹

¹⁸ NHS, sect. 2

¹⁹ SCVO, page 4

²⁰ SRC, para. 9; Ranny Hall

²¹ Ben Thomson

19. A reduction in over-60s and other universal benefits was suggested by Andrew Watson while Reynold Galbraith suggested a modest charge for free travel and administrative savings as means to fund a reduction. Ron Kane referred to past expenditure and underspend as evidence of the scope for future savings.²²

Has the introduction of SRIT been sufficiently well publicised to employers and taxpayers?

20. The providers view. HMRC have set out in their response the planned communication programme. The groups requiring information about SRIT and their different information needs have been identified along with the appropriate timing of provision, earlier for those maintaining payroll software and for employers, pension providers and payroll agents and nearer the time of implementation for Scottish Taxpayers. Research commissioned from Ipsos MORI determined that notification letters were the most appropriate method for informing individuals of SRIT while HMRC pages on GOV.UK together with general publicity and specific points of contact for technical enquiries were the principle channels for other communication. This research will be published in the autumn.²³

21. HMRC has been using existing channels to communicate with employers and software providers, for example, the Employer Bulletin, most recently in June 2015. Technical specifications and guidance for software developers were also published in June 2015. Frequency of engagement with representative groups of employers, pension providers, software developers and the tax industry is increasing through direct presentation at events and through publications and a new page on the GOV.UK site. Representatives of the legal and accountancy professions were consulted on the details of the legislation and draft technical guidance on the rules for Scottish Taxpayer status were issued for consultation in June 2015 with comment requested by the end of July. Face to face events have been held in London and Edinburgh with representatives of groups, including ICAS and LSS, to discuss the guidance.²⁴

²² Andrew Watson; Reynold Galbraith; Ron Kane

²³ HMRC, pages 1 & 2

²⁴ HMRC, page 2

22. HMRC expect the main information exercise for individuals to take place in December to ensure the most up-to-date information is available for the issuance of 2016-17 PAYE codes. Letters will be sent to taxpayers living in Scotland and, if they have been correctly identified as Scottish Taxpayers, they need take no further action. There will be a publicity campaign including advice on what individuals should do if they have not received a letter but believe themselves to be Scottish Taxpayers. The content of the proposed letter has been tested with taxpayers, discussed with the Scottish Government and is informed by the Ipsos MORI research. Identifying Scottish Taxpayers is key to appropriate implementation and a clear strategy has been developed, centred on issuing the letters but also including contacting those whose main residence may be in Scotland but who have no Scottish address on HMRC's systems. Taxpayers will be encouraged to make HMRC aware of change of addresses and HMRC has started and will continue to check its address data against third party sources such as the electoral register.²⁵

23. HMRC will build on the working relationship developed with the Scottish Government in relation to the two 2015-16 devolved taxes. HMRC's communication of the operational aspects of SRIT and its implications for taxpayers will be linked to the Scottish Government's communication of decisions on the level of the Scottish Rate in the Scottish Budget.²⁶

24. The Cabinet Secretary for Finance, Employment and Sustainable Growth reports that the Scottish Government continues to be represented on the relevant HMRC project and programme boards and is consulted on options and decisions that have a potential impact on Scottish Taxpayers and Scottish employers including matters of communication and engagement. HMRC's programme is designed to ensure that all those affected by SRIT have the information they need at the appropriate time.²⁷

25. The recipients' views. The CIOT advise that accurate and comprehensive guidance for advisers, employers and taxpayers is key to ensuring the smooth introduction and operation of SRIT. There appears to be low awareness of SRIT, which may be assumed by some to be an extension of the never used power to vary the basic rate of income tax or be lost in the

²⁵ HMRC, pages 2 & 3

²⁶ HMRC, page 3

²⁷ CSFESG letter to Convener

publicity around the devolved powers proposed by the Smith Commission. Publicity for SRIT has yet to start properly but HMRC have consulted with stakeholders and appear to be working to a timetable. Key questions for taxpayers and employers are:

- the rate of SRIT;
- who is a Scottish Taxpayer (am I one? are there Scottish Taxpayers on my payroll?);
- what are the responsibilities of Scottish Taxpayers and employers of Scottish Taxpayers;
- what impact, financial and otherwise, does SRIT have on me.

26. The answers to these question must be available at the time of the publicity campaign or the campaign will lose effectiveness. While the optimal time for the campaign will be around the time the SRIT is announced, there should be gentle awareness raising in advance and the guidance should be fully worked out and consulted on beforehand.²⁸

27. In the CIOT's view it is disappointing that HMRC and the Scottish Government have jointly concluded that SRIT will not be shown separately on the end of year P60 or indeed on payslips. This will significantly reduce taxpayers' understanding of what tax they are paying and to whom. The CIOT call on HMRC and the Scottish Government to reconsider this decision and, while it is now too late for 6 April 2016, record the SRIT paid by Scottish Taxpayers who are employees or pensioners on Forms P60 in future.²⁹

28. Tax agents will be a key group in explaining SRIT to taxpayers and employers but have received relatively little guidance from HMRC. Employers, pension providers and payroll software providers have received greater guidance but more tailored guidance and something in addition to the helpful guidance in the June 2015 Employer Bulletin would be appropriate. HMRC are working on a range of guidance and products for the general public (and with the MoD for service personnel) with a target date of late autumn to coincide with the announcement of the proposed rate of SRIT. Some general

²⁸ CIOT, sect. 5

²⁹ CIOT, para. 5.16

awareness raising in advance of this would have been helpful.³⁰

29. The LITRG agree that the decision not to publicise SRIT too early, for example before 6 April 2015, was correct as that could have created confusion. For most people, the impact of SRIT on their financial position will be the key point of interest so publicity in advance of the announcement of the rate may be ignored and publicity before there is detailed guidance available may well be unsuccessful. It is also important to raise awareness with employers and pension providers in advance of a general publicity campaign. However, some general awareness raising might have been helpful as the public seem largely unaware of SRIT. The publicity surrounding the Smith Commission proposals has drawn public attention away from SRIT.³¹

30. The LITRG also considers that the HMRC plan to engage employers and pension providers first is appropriate and they need to be in a position of knowledge to deal with employee enquiries. HMRC are using the Employer Bulletin for this purpose but should expand this to other media, for example, a YouTube video on answering employees' SRIT questions.³²

31. As for the CIOT, the decision of HMRC and the Scottish Government, announced in the June Employer Bulletin, not to show SRIT separately on the P60 end of year return disappoints LITRG. This will significantly reduce transparency for taxpayers in terms of what tax they are paying and to whom. While recognising concerns about cost and complexity for employers, LITRG calls on HMRC and the Scottish Government to reconsider their decision.³³

32. The letters issued to Scottish Taxpayers concerning their status and notices of PAYE coding bearing the "S" prefix are expected in late autumn. This information must be accurate, comprehensive and set out clearly taxpayer responsibilities such as what to do if you think you are a Scottish Taxpayer but do not receive a notice. While the focus of publicity should coincide with the announcement of the Scottish Budget and the rate of SRIT set, some earlier awareness raising would be helpful. LITRG has received several communications from individuals with some awareness of SRIT but

³⁰ CIOT, paras 5.7 to 5.18

³¹ LITRG, paras 5.1 to 5.5

³² LITRG, paras 5.7 & 5.8

³³ LITRG, para. 5.9

who believe it will be administered and collected by Revenue Scotland. For them, it is essential that the SRIT publicity makes it clear that HMRC are the responsible authority.³⁴

33. ICAS has attended a number of meetings with HMRC on the introduction of SRIT. They agree that timing of publicity is crucial, too early and it may be ignored or cause confusion, too late and there is lack of awareness when needed. HMRC is well placed to judge the timing following recent implementation of other payroll changes such as Real Time Information (RTI). Different strands of publicity are required for different audiences, taxpayers, tax professionals and payroll specialists.³⁵

34. Anecdotal evidence suggests that the general public are largely unaware of SRIT. Public discussion has been of devolution of taxes in general terms and better awareness is needed of the fact that SRIT is simply a rate of tax applied to income which continues to be measured under the UK rules and which remains the responsibility of HMRC and PAYE operators. This needs to be distinguished from further powers to set income tax rates and bands proposed in the Scotland Bill 2015 and placed in the context of the different ways in which "devolved" taxes work. A joint public awareness campaign by the Scottish and UK Governments around the time of the setting of the rate of SRIT would be helpful in providing greater understanding and accountability. The public should be aware of sources of information and how to contact HMRC on questions and uncertainties.³⁶

35. ICAS considers that giving a clear message to the public is not helped by the lack of a succinct term for the income subject to SRIT. It is negatively defined as non-savings, non-dividend income. Scottish Taxpayers need to be aware of the fact that their savings and dividend income remain liable to UK rates and that an increased proportion of Scottish Taxpayers will need to submit self-assessment returns to ensure that the correct rates of tax are applied to savings and dividend income. This issue may be somewhat mitigated by the announced Personal Savings Allowance which will remove much savings income from tax and from the simplified tax arrangements for dividends, both measures to apply from 5 April 2016. Mobile taxpayers need

³⁴ LITRG, paras 5.10 to 5.13

³⁵ ICAS, para. 9

³⁶ ICAS, paras 10 to 13

to be made aware of the value of keeping a day-count record and diary as a basis for determining whether or not they are Scottish Taxpayers.³⁷

36. Guidance already prepared for employers should be issued as soon as possible as employers are expressing concern about their role and responsibilities. They need reassurance, for example, that they are not required to identify which of their employees are Scottish Taxpayers and they need to be aware of the rules for SRIT in advance of receiving questions from employees who generally use their employer as first port of call over tax queries. Taxpayers outwith Scotland need to be made aware that they may need to apply "S" codes if they have Scottish Taxpayers on their payroll. ICAS members have had some concerns about draft HMRC guidance on Scottish Taxpayer Status. These concerns have been provided to HMRC and ICAS trust that revised guidance will be issued shortly.³⁸

37. PwC research has consistently shown that the current allocation of powers to the Scottish Government and the issues of managing the fiscal deficit are widely misunderstood and that when citizens are better informed, their views on such matters alter significantly. Engagement with their client base reveals that there is a very low level of knowledge and understanding of SRIT and that a surprisingly high number of organisations have no knowledge of SRIT at all. For PwC, the Scottish and UK Governments together with HMRC need to take steps now to increase awareness levels especially among taxpayers. A targeted campaign aimed at taxpayers and employers is required using a range of social and broader media platforms such as TV and radio advertising, social media blogs (eg LinkedIn and Twitter), HMRC Employer Bulletins, GOV.UK and other publications. Revenue Scotland should be ready for misdirected queries on SRIT and place links on their web page to HMRC information on income tax.³⁹

38. The Federation of Small Businesses report that HMRC, the Scotland Office and the Scottish Government have offered excellent cooperation with business organisations. However from informal discussion, most small businesses are unaware of the introduction of SRIT. Employers must be given information on the introduction of SRIT prior to the issue of new Scottish

³⁷ ICAS, paras 14 to 16

³⁸ ICAS, paras 17 to 22

³⁹ PwC, page 3

PAYE codes, scheduled from November 2015 onwards so that they can answer queries from employees.⁴⁰

39. Individual respondents report that determination of "living in Scotland" and "source of taxable income" require clarification and that SRIT, and particularly the fact that it does not apply to savings, has not been sufficiently publicised.⁴¹

40. On a positive note, the Scottish Retail Consortium is not aware of any difficulties that have arisen in HMRC's communication of the introduction of SRIT other than some disquiet that the detailed technical guidance was not published until June 2015. The SRC would encourage Scottish Ministers to provide as much predictability and certainty as possible in advance of future changes to rates and bands to assist HMRC and employers to implement necessary changes. They should also ideally provide in the forthcoming Budget a clear vision and sense of direction for the medium to long term.⁴²

Other comments

41. Apart from the CIPFA submission which dealt with the implementation of the Smith Commission proposals, Alexander Reid offered a suggested scale of rates and bands which will not be within the power of the Scottish Government until these powers are implemented. Mr and Mrs Sussames made a plea for reduced tax rates for pensioners.

42. Finally, WA Johnston considered that the Committee's terminology is misleading. In "calling for evidence" members of the public may think that their opinions are not valued or required as they lack an evidential base.⁴³

Gavin McEwen, CTA
18 September 2015

⁴⁰ FSB

⁴¹ Alexander Reid; Reynold Galbraith

⁴² SRC, para. 11

⁴³ CIPFA; Alexander Reid; Mr & Mrs Sussames; WA Johnston