Brexit: impact on the Scottish Budget

General Features

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The CIOT provided written evidence to the Scottish Parliament's Finance and Constitution Committee on its inquiry into the economic impact of Brexit. The submission focused on evidence provided to other Scottish Parliamentary committees over the past year that highlighted concerns on the possible tax implications of the UK's decision to leave the EU.

The Chartered Institute of Taxation provided written evidence to the Finance and Constitution Committee of the Scottish Parliament as part of its inquiry into the impact of Brexit on the Scottish Budget.

Although the majority of questions posed by the committee fell outwith the remit of the CIOT, the Institute highlighted past submissions to the Scottish Parliament that focused on the possible tax implications of Brexit. These were: a submission to the Culture, Tourism, Europe and External Relations Committee from September 2016 and a November 2016 submission to the Economy, Jobs and Fair Work Committee.

In respect of these submissions, the CIOT highlighted concerns over areas including the potential tax implications for Scottish exporters, non-UK companies investing in Scotland as well as potential labour market implications of leaving the EU. Potential issues relating to VAT, customs duties and social security issues were all considered, with the proviso that, at the time of writing, no immediate changes were expected until such time as the UK formally withdraws from the EU. It was also noted that the tax implications for Scotland were the same as those for the rest of the UK, subject to further changes in the devolution of tax powers to the Scottish Parliament.

Copies of the CIOT's submissions can be found on the CIOT website.