Influencing the Scottish tax debate: authoritative comment and analysis

Briefings

22 April 2022

The CIOT has underscored its position as a go-to source for authoritative comment and analysis on devolved taxes with recent media comments on the debate around further Scottish tax reform.

Following comments made by Scottish ministers in March that fundamental reform of council tax was unlikely before the next Scottish election, CIOT Director of Public Policy John Cullinane told the *Herald* newspaper that this statement – along with previous commitments to retain the existing Scottish income tax and land and buildings transaction tax regimes as they are – suggested we were in for 'a tax reform-free parliament'.

CIOT also set out a series of options available to ministers and stressed that existing plans to establish a Citizens' Assembly to discuss council tax reform needed to include a clear indication from government about its priorities for reform.

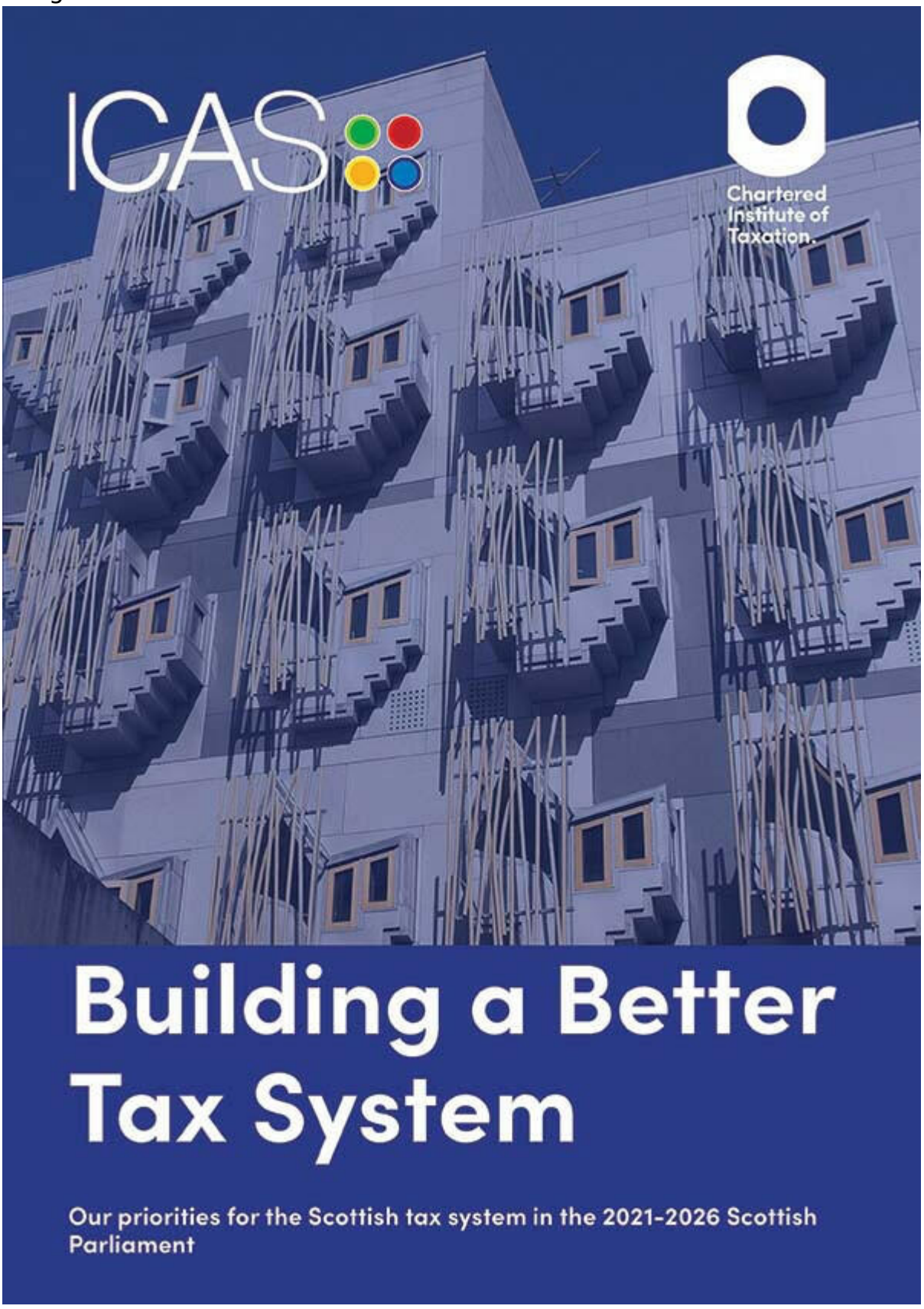
Comments originally made by CIOT in November that the Scottish government may not be using its tax-raising powers to full effect were repeated at the start of April, when it was confirmed that proposals to allow councils to introduce new taxes on tourists had been delayed again.

Last year CIOT, along with ICAS (Institute of Chartered Accountants of Scotland), published a tax manifesto (pictured) for the Scottish Parliament setting out a number of changes the two institutes would like to see over the course of the parliamentary term. These include a move away from tax as a source of 'last-minute budget concessions' and towards a longer-term, strategic approach to tax policy making.

It's not just the media where CIOT is active. The Institute was a participant in the discussions to establish the Scottish government's Framework for Tax, which aims to

provide stakeholders with clarity and certainty in Scottish government tax policy.

Image



Image

THREE MAIN AREAS FOR ACTION FROM THE CIOT AND ICAS

1 Improved oversight over the way that tax decisions are taken in the Scottish Parliament to ensure they receive an appropriate level of scrutiny.

2 A more strategic, longer-term approach to introducing and reforming taxes in order to avoid last-minute 'rabbits from the hat'.

3 A renewed effort to improve public awareness and understanding of devolved taxes in Scotland.

Image

John Cullinane, CIOT Director of Public Policy, quoted in *The Herald*, 28 March 2022

'With Scottish ministers having already ruled out major changes during this parliamentary term to two of the main taxes under their control – Scottish Income Tax and Land and Buildings Transaction Tax – it looks increasingly like this will be a tax reform-free Parliament.

'A Citizens' Assembly on council tax reform will allow a range of opinions to be heard and it is welcome that the Scottish Government is committed to consultation and engagement. But the Scottish Government needs to set out what it wants from reform too.'