Scotland: Inquiry into the Scottish Budget process in practice: CIOT response

General Features



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The Finance and Public Administration Committee of the Scottish Parliament published an inquiry into the Scottish budget process in practice. The CIOT responded.

The CIOT responded to the Finance and Public Administration Committee's inquiry into the Scottish budget process. The aim of the inquiry was to identify improvements that could be made to the budget process, ahead of the next five-year session of Parliament.

The CIOT focused their submission on the lack of a legislative vehicle that the Scottish government can use to implement the tax policy changes that are set out in the Scottish Budget.

There have been several instances where changes to tax policy have taken a considerable length of time to resolve. This is because there has been a lack of time available to introduce primary legislation into the parliamentary calendar. The Aggregates Tax and Devolved Taxes Administration (Scotland) Act 2024 is a recent example of tax legislation that highlights the need for a finance or tax bill, as a number of long-awaited legislative changes were tagged onto Part 2 of the Act. The CIOT believe that a finance or tax bill would lead to more coherent and timely delivery of tax legislation, improving the effectiveness of the Scottish Budget and tax policy making.

The CIOT also touched on the importance of Scottish Budget engagement evolving with the way that Scottish taxpayers interact with the tax system and obtain their information on Scottish taxes. Budget Day generates a natural peak of engagement and interest in Scottish taxes but perhaps different communication strategies could be used to sustain engagement and improve understanding of devolved taxes.

The CIOT's response to the consultation can be found here: www.tax.org.uk/ref1464

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