

## CALL FOR EVIDENCE: A SCOTTISH APPROACH TO TAXATION

As a result of the devolution of taxation powers via the Scotland Act 2012 and 2016 the structure of devolved public finance will shift from a focus upon expenditure to consideration of revenue-raising and the principles which should underpin the Scottish approach to taxation. Reflecting this shift in the nature of devolved public finance, the Finance Committee wishes to initiate a debate on the approach which should be followed in developing a Scottish approach to taxation. Notably, the Scottish Government has stated that four principles will underpin its approach to taxation policy. These four principles are that taxation policy should:

- Be proportionate to the ability to pay
- Provide certainty to the taxpayer
- Provide convenience / ease of payment, and
- Be efficient.

Accordingly, the Finance Committee has agreed to undertake an Inquiry on a Scottish approach to taxation.

The Committee is interested in hearing views on the approaches and principles which should guide the development of a Scottish approach to taxation. In particular, the Committee would be interested in hearing views with regard to the following issues:

- How can the Scottish Government's four principles to underpin Scottish taxation policy best be achieved?
- How does the current taxation regime and proposals for newly devolved taxes align against these four principles?
- Is there scope for a fundamentally different approach to taxation in Scotland?
- Should future tax changes be ring-fenced and if so, how? If not, why?
- To what extent do potential behavioural responses limit options for tax changes in Scotland?
- To what extent do the mechanisms for administering the Scottish income tax system via HMRC limit the scope for a different tax system in Scotland to develop?
- Are there any other administrative limitations to the emergence of a Scottish tax system?

### How to submit your evidence

The closing date for responses is **Friday 30 September 2016**.

All responses should be sent electronically (in Word format – no confirmatory hard copy required) to [finance.committee@parliament.scot](mailto:finance.committee@parliament.scot). Written responses will be handled in accordance with the Parliament's [policy for handling written evidence](#) received in response to calls for evidence. All written evidence received may be published by the Parliament and will be treated as a public document. If you wish to submit evidence in confidence or anonymously please read the policy at the link above.

**What happens next?**

The Committee will consider all written evidence received before deciding upon those witnesses from whom it wishes to hear oral evidence in due course.

**Contact**

Should you require alternative formats of this information or further assistance in making a written submission to the Committee, please do not hesitate to contact the clerking team of the Committee via the email address above or by telephone on 0131 348 5205.