

CONDUCT of MEMBERS of the SCOTTISH PARLIAMENT

Report by

The Commissioner for Ethical Standards in Public Life in Scotland

on

Complaint no. MSP/2245/18-19/18

Complainers: Mr Jim Ramage

Respondent: Ms Rachael Hamilton, MSP

30 May 2019

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CONDUCT of MEMBERS of the SCOTTISH PARLIAMENT

Report on complaint no. MSP/2245/18-19/18 to the Scottish Parliament

Complainer: - Mr Jim Ramage

Respondent: - Ms Rachael Hamilton MSP

1.0 Introduction

- 1.1 The Code of Conduct for Members of the Scottish Parliament (“the Code”) has been approved by the Scottish Parliament under its Standing Orders to provide a set of principles and standards for its Members. For the purpose of considering this complaint, the relevant edition of the Code is edition 7 which was approved by the Parliament on 30 August 2017.
- 1.2 Other relevant provisions relating to the conduct of MSPs for the period in question include: the Scotland Act 1998 - “the 1998 Act”; The Scotland Act 2012 – “the 2012 Act”; The Interests of Members of the Scottish Parliament Act 2006- “the 2006 Act”, as amended by the Interests of Members of the Scottish Parliament Act 2016 – “the 2016 Act”; and the Interests of Members of the Scottish Parliament Act 2006 (Declaration of Interests) Determination 2017 - “the Determination”.
- 1.3 The applicable provisions of the Code are set out in part 7 of this Report.
- 1.4 Investigation of the complaint has been undertaken in terms of the Scottish Parliamentary Standards Commissioner Act 2002 (“the 2002 Act”) and the Directions by the Standards Procedures and Public Appointments Committee dated 27 March 2018.
- 1.5 This Report falls to be submitted to the Parliament in terms of section 9 of the 2002 Act.

2.0 Complaint

- 2.1 The complainer is Mr Jim Ramage (“the complainer”). His complaint is about Ms Rachael Hamilton MSP (the respondent). Ms Hamilton is the MSP for Ettrick, Roxburghshire and Berwickshire and was elected in May 2016. She is currently a member of the Public Petitions Committee.
- 2.2 The complaint was made by letter dated 20 February 2019. This is attached as **Appendix 1**. The complaint deals with the alleged failure of the respondent to make an oral declaration of her registered business interests when participating in a Parliamentary Debate on 19 February 2019 about the Scottish Government’s Rate Resolution.

- 2.3 The complainer refers to the entry in the respondent's Register of Interests confirming her shareholding in Borders Hotels Limited. The complainer submits that the respondent should have made an oral declaration in the Debate when speaking about the transient visitor levy and workplace parking charge in view of her interest in a business in the hospitality and tourism sector.

3.0 Response

- 3.1 The respondent provided a written response to the complaint, dated 29 May 2019. This response is attached as **Appendix 2**.
- 3.2 The respondent refutes the suggestion that she has breached the Code about the need for making an oral declaration as alleged in this instance. In essence, it is her position that her contribution to the Debate was about national taxation effects of the Government's proposals on taxpayers. It is her position that she did make some references to regional issues by way of illustration.
- 3.3 In view of the written information already available to me, I decided that it was not necessary to interview the respondent.

4.0 Admissibility of the complaints

- 4.1 Stage 1 of the investigation of a complaint requires an assessment of admissibility as set out in section 6 of the 2002 Act. In assessing admissibility, the key tests are whether the complaint is relevant, whether the complaint meets the requirements for form, content and execution and whether the complaint warrants further investigation if it appears after an initial investigation that the evidence is sufficient to suggest that the conduct complained about may have taken place.
- 4.2 I concluded that the details of the complaint and its apparent relevance to the respondent's obligations under the Code enabled me to find that the complaint was admissible (Stage 1). I advised the Committee accordingly on 25 April 2019. I indicated I would proceed further with my investigation (Stage 2).

5.0 Investigations and Findings

- 5.1 A copy of the respondent's Register of Interest is attached as **Appendix 3**. It records that the respondent has a 49% shareholding in Borders Hotels Limited. The terms of that register entry are not in dispute.
- 5.2 The purpose of the parliamentary debate which is the subject of this complaint was the Scottish Rate Resolution. A copy of the Official Report is attached as **Appendix 4**. The respondent contributed to the debate at some length. The specific contribution of the respondent is set out in page 16 (of 28) and page 17(of 28) of the Official Report.

- 5.3 In her opening remarks, the Minister for Public Finance and Digital Economy confirmed the purpose of the debate was to take a decision on setting all the rates and bands for Scottish income tax (for 2019/20). MSPs from all political parties took place in the debate. They debated at length the economic consequences of the Government's tax proposals often with reference to their local effects on their constituents.
- 5.4 Appendix 4 records the whole content of the respondent's remarks and, like all other contributing MSPs, she dealt with the decision to be taken on the income tax bands and their economic effects - with various political party positions being argued. The respondent contributed on that basis. All her contribution (like all the other participants) related purely to the effects of overall taxation.
- 5.5 The respondent referred to particular categories of taxpayers, the financial effects on individual taxpayers, the need for attracting businesses, industries and job creation. Her remarks included comments, by way of illustration, on the effects of taxation on her own constituents. This included remarks on the difficulty in attracting key workers to the Borders.
- 5.6 She made reference to the "SNP Government asking councils to increase council tax, tax our tourists and then to charge ordinary working folk to park at their workplace". She commented on the unanimous decision of Scottish Borders Council to oppose the "tourist tax". She commented on the opposition by Scottish Borders Council to the workplace car parking levy and said it could affect some 250,000 people in Glasgow and Edinburgh and many people being her constituents who commuted from a rural area to work in the cities".
- 5.7 It is clear from the whole content of the Debate, and its subject matter, that Parliament was debating and taking a strategic decision about national taxation which was of a universal nature and effect. The respondent's reference to the Scottish Borders and her constituency was by way of an illustration of taxation consequences for all. The issue was one of national taxation policy. As such, it could not reasonably be argued that the respondent's business interests attracted the individual required need for declaration on this occasion.
- 5.8 Relevant extracts from the Code are set out in part 7 of this report, along with relevant paragraphs from the additional Guidance provided. In particular, paragraph 4 of section 3 of the Code makes clear that the requirement to declare an interest applies when the interest relates to "the particular matter being addressed" in the proceedings. This is further reflected in paragraph 8 of section 3 of the Code, which requires the declaration of an interest in a debate "where that interest relates to the subject being debated." As set out at paragraphs 5.2 and 5.3 of this report, the subject of the parliamentary debate on 19 February 2019 was the Scottish Rate Resolution, the purpose of which was a decision on setting the 2019-20 income tax rates and bands nationally.

6.0 Conclusion

- 6.1 On the basis of my Investigation and Findings as contained in Section 5 of this report, I have concluded, in respect of the complaint (reference MSP/2245/18-19/09) made by Mr Jim Ramage that Ms Hamilton has not breached the statutory and Code requirements to make an oral declaration of her interests when participating in the Parliamentary Debate on 19 February 2019 as set out in Appendix 4 to this report.

7.0 Extracts from the Code of Conduct and Guidance

SECTION 3: DECLARATION OF INTERESTS

The statutory requirements

1. Sections 12 and 13 of the 2006 Act set out the legal requirements in relation to declaration of interests.

Section 12, Declarable interests

- (1) *In this Act, a “declarable interest” means a declarable financial interest.*
- (2) *A member has a declarable financial interest in any matter if that member has, or had, a registrable financial interest in that matter which is registered in the entry relating to that member.*
- (3) *A member has a financial interest for the purposes of paragraph (b) of section 39(2) of the 1998 Act [the Scotland Act] if that member has a declarable financial interest.*

Section 13, Declaration of interests

- (1) *Any member who has a declarable interest in any matter shall declare that interest before taking part in any proceedings of the Parliament relating to that matter.*
- (2) *For the purposes of subsection (1), a member shall declare an interest by making, in such circumstances as the Parliament may determine, either an oral or, as the case may be, a written declaration of that interest.*

2. An interest about which a declaration must be made is referred to as a ‘declarable interest’.

3. Under the statutory requirements, a member has a ‘declarable interest’ in relation to any matter if that member has a registrable financial interest relating to it. Registrable financial interests are those which must be registered under one of the categories set out in the schedule to the Act. These categories are explained in Section 2 of the Code.

4. Before taking part in any proceedings of the Parliament a member should consider whether they have a ‘declarable interest’ in relation to the particular matter being addressed in those proceedings. The onus is on individual members to decide.

5. Declarations may be either oral or written. [The Interests of Members of the Scottish Parliament Act 2006 \(Declaration of Interests\) Determination 2007](#) sets out when oral and written declarations apply.

Oral declarations

6. Where a member has a declarable interest in any matter, the member must make an oral declaration of that interest before speaking in any meeting of the Parliament relating to that matter. This includes initiating, contributing to or intervening in any debate whether—

- during a meeting of the Parliament; or
- during a meeting of a Parliamentary committee (or a joint committee meeting or sub-committee meeting).

7. A member is not required to make an oral declaration where the member simply attends or votes at a meeting but does nothing else. The effect of the determination mentioned in paragraph 5 is that the member's register entry is sufficient declaration of their interest. If the member wishes to take part in the meeting in any way, other than simply attending or voting, they must make an oral declaration. Where the proceedings occur after the member has lodged a written statement with the clerks but before it is published in the Register, members are encouraged to make an oral declaration of that interest.

8. A member must declare an interest when speaking or intervening in a debate where that interest relates to the subject being debated. The Act requires that only such interests as actually appear in the member's entry in the Register must be declared (section 12(2)). Following the lodging of a written statement of an interest with the Standards Clerks (in relation to initial registration, newly acquired interests, or late registrations), there could be a period of up to 30 days before the statement actually appears on the Register and so becomes publicly known. In this situation, members are encouraged to make a declaration of that interest (either orally or in writing as appropriate to the proceedings) in order to avoid the suggestion of undue influence of which only they will be aware prior to the registration being published.

Written declarations

9. Where a member has a declarable interest in any matter, and takes part in any proceedings of the Parliament relating to that matter otherwise than as described above, the member must make and lodge with the Clerk (usually understood to be the clerks in the Chamber Desk) a written declaration of that interest before taking part in any such proceedings relating to that matter. The Guidance on the Code of Conduct includes instructions on how this is done.

10. Taking part in proceedings of the Parliament includes any of the following—

- (a) lodging questions for oral or written answer,
- (b) lodging motions, amendments to motions,
- (c) introducing a Bill, or lodging a proposal for a Member's Bill,
- (d) lodging amendments to Bills, or
- (e) adding the member's name in support of any of the proceedings referred to in (a) to (d) above.

11. Members should be aware that other requirements of the Act, for example, in relation to paid advocacy, also apply to voting and other proceedings.

Failure to comply with or contravention of the rules on declaration of interests

12. Failure to comply with, or contravention of, the Rules on declaration of interests may by virtue of section 15, 16 and 17A of the Act result in the Parliament, by resolution, applying sanctions to a member. In terms of section 17 of the Act, as with the failure to register interests, a member who fails to make a relevant declaration commits a criminal offence and is liable on summary conviction to a fine not exceeding level 5 on the standard scale. Enforcement of the Rules in the Code is explained in Section 9.

SECTION 3: GUIDANCE ON DECLARATIONS OF INTERESTS

Responsibility of the member

1. Where a member has a declarable interest in any matter, the member is required to make an oral or written statement declaring the nature of the registrable financial interest before taking part in Parliamentary proceedings relating to that matter. Responsibility for ensuring compliance with the rules on declaration of interests lies with the individual member. Since declarations are required by the Code of Conduct and are also a legal requirement under the Interests of Members of the Scottish Parliament Act (2006), members are advised to err on the side of caution. For example, a member who had received and registered a benefit or remuneration from a particular company would have to make a declaration before participating in any proceedings in relation to that company, but the member should also consider whether or not to declare it before participating in any proceedings relating generally to the industry to which that company belongs.

2. If a member is uncertain about how the rules apply, the member may ask the Standards clerks for advice.

Voluntary entries in the Register

3. A member is not required to make a declaration in respect of interests registered under the —Voluntaryll category of the Register, but may make reference to such interests if the member so wishes.

How a declaration should be made

Oral declaration

4. A declaration should be brief but sufficiently informative to enable a listener to understand the nature of the member's interest. It is not necessary to rehearse all the details of an interest which may appear in the member's entry in the Register of Interests if this is more than is required to explain the nature of the interest. A member may wish to preface the declaration with the words —I declare an interestll, explain briefly the interest, and then move on to the business in hand. *Procedure in meetings of the Parliament*

5.

Written declaration of an interest

9. A written declaration of relevant interest is required when—

- (a) lodging questions for oral or written answer;
- (b) lodging motions or amendments to motions;
- (c) introducing a Bill, or lodging a proposal for a Member's Bill;
- (d) lodging amendments to Bills; or
- (e) adding the member's name in support of any proceedings referred to in (a) to (d) above.

10. In the case of written declarations of interests, the clerks accepting the notice assume that no interest is declarable unless the notice clearly indicates an interest: this should be done by ticking the appropriate box which appears on the Questions & Motions app. Whenever such an interest is declared, the symbol R is published in the Business Bulletin after the relevant text in the case of parliamentary questions, motions, Bills and amendments and after the member's name in the case of a member supporting a motion or amendment.

11. If the interest to which the member is drawing the attention of the Parliament is already entered in the Register and provided it is readily apparent which of the member's registered interests are applicable, the member need simply make reference to the entry in the Register. If this is not the case, or if the interest is a new interest which is not yet available for inspection in the Register, then the member, when giving notice, should send to the Standards clerks a brief written description of the interest which is being declared. This will then be available for inspection by members on request.

12. A written declaration does not replace the need for an oral declaration. For example, in the case of oral questions which are selected for answer, a member with a relevant interest should declare that interest orally when the question is formally asked in the Parliament even though the member will already have made a written declaration when lodging the question. The member should make the declaration, before asking the question, following the format for oral declaration described above.

Caroline Anderson FCA
Ethical Standards Commissioner

30 May 2019

RECEIVED

25 FEB 2019

Office of ESC

Mr Bill Thomson
Commissioner for the Ethical Standards in Public life in Scotland
Thistle House
91 Haymarket Terrace
Edinburgh EH12 5HE

20th February 2019

Dear Mr Thomson,

Complaint regarding Rachael Hamilton MSP

I write regarding a failure by the abovementioned MSP to declare an interest in the course of debate in the Scottish Parliament.

Section 3 of the Code of Conduct for MSPs ('Declaration of Interests') states:

"Any member who has a declarable interest in any matter shall declare that interest before taking part in any proceedings of the Parliament relating to that matter. For the purposes of subsection (1), a member shall declare an interest by making, in such circumstances as the Parliament may determine, either an oral or, as the case may be, a written declaration of that interest."

Under 'Oral Declarations' at S3.6 it is further stated:

"Where a member has a declarable interest in any matter, the member must make an oral declaration of that interest before speaking in any meeting of the Parliament relating to that matter."

In the course of the Scottish Government's Rate Resolution debate on 19th February, Rachael Hamilton said:

"I'm glad that Scottish Borders Council were unanimous in their opposition to the tourist tax and to the carpark tax. Given the damage this would cause to our area. It is rich of the SNP government to ask councils after years of funding cuts to increase council tax, tax our tourists, then charging ordinary working folk to park at their workplace."

She also said:

"Let us be clear: these income tax rises will hit hard-working families the most, as well as businesses." ... "Given that people can travel over the border to work every day, the tax gap is detrimental to attracting the best... I am concerned about the impact of higher taxes on our ability to draw from the pool of talent that exists across the UK."

According to Rachael Hamilton's Register of Interests, she "own[s] 49% of the issued share capital in Borders Hotels Ltd. (of the Green, St Boswells, Melrose, Roxburghshire, TD6 0EW). These are ordinary shares with a market value of £161,158."


Borders Hotels Ltd operates the Buccleuch Arms Hotel, a business in the hospitality and tourism sector. On that basis she should have orally declared her interest when referring to the transient visitor levy, or 'tourist tax' as it's commonly known.

Furthermore, as an employer who could be affected by a charge on workplace parking she should have declared an interest on that basis also.

By failing to register her interest, Ms Hamilton appears to have breached the abovementioned section of the Code of Conduct for MSPs.

I would be grateful if you could investigate this matter and consider whether there has been a breach of the Code.

Yours sincerely,



Jim Ramage



From: [Hamilton R \(Rachael\), MSP](#)
To: [Douglas Winchester](#)
Subject: Reply to Ethical Standards
Date: 29 May 2019 15:43:11

Dear Mr Winchester,

Here is a brief response to Mr Ramage's claims:

- **For the assertion made on the car parking levy:**
 - the Buccleuch arms has no designated staff car parking- therefore would not be liable
 - the hotel has car parking designated for visitors only
- **For the assertion made about income tax:**
 - By referring to businesses, I was implying that possible new staff from England will be deterred due to a widening tax gap, particularly in Berwickshire which is so close to the Border. The Buccleuch Arms does not employ anyone from South of the Border.
 - By referring to 'our ability to draw from the pool of talent', I was not referring to the Buccleuch's ability; rather Scotland's ability to draw talent in general in roles that are very much vacant, such as consultants, GP's or senior management jobs that pay well.
- **For the assertion made about tourist tax and 'damage' it would cause:**
 - The SBC had already unanimously ruled it out, before the Rates Resolution Bill had even passed- so therefore it was referred to in a hypothetical manner, one which would have only become a reality had SBC agreed to implement a TVL
 - By 'damage' I was not referring to loss of income or revenue of my business or any other hospitality business, as TVL is not paid for by businesses, but by tourists themselves dependent on the length of their stay.
 - By 'damage' I was referring to the reputational damage that would be done to Scotland and the Borders when it comes to attracting tourists and of Scotland being a welcoming country.

Kind regards,
Rachael Hamilton MSP

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-

Register of Interests

Member's Name: Rachael Hamilton

Constituency: South Scotland

Date on which initial statement lodged: 01 June 2016



- [Guidance for MSPs: how to update the Register of Interests \(111KB pdf\)](#)

All MSPs are required to provide details of their interests under the [Interests of Members of the Scottish Parliament Act 2006 \(asp 12\)](#). The Register of Interests of Members of the Scottish Parliament lists details of interests registered under categories such as remuneration, heritable property and gifts. More information about the exact nature of information required under each category of interest can be found at Volume 2: sections 1 and 2 of the [Code of Conduct for Members of the Scottish Parliament](#).

Information on the exact nature of the requirement under each category can be found in the [Interests of Members of the Scottish Parliament Act 2006 \(asp 12\)](#).

Remuneration and related undertaking:

No registrable interests.

Gifts:

No registrable interests.

Overseas visits:

From 6 to 10 September 2018 I travelled to Qingdao, Shandong Province, China to participate as a panellist in the World Tourism Cities Federation Summit. The costs of the visit were met by the BBC (a public services broadcaster, of Portland Place London W1A 1AA). The trip cost a total of £1,234. [Registered 13 September 2018].

Controlled transactions:

No registrable interests.

Heritable property:

I own a 50% share of a house in the Scottish Borders with a market value of between £90,001 and £100,000. I receive no rental income for this property. [Amended interest 26 September 2018]

Interest in shares:

I own 49% of the issued share capital in Borders Hotels Ltd. (of the Green, St Boswells, Melrose, Roxburghshire, TD6 0EW). These are ordinary shares with a market value of £161,158. The company is a privately owned limited company therefore market value is difficult to determine. The value given is the net asset value based on the latest accounts filed with Companies House.

Voluntary:

No registrable interests.

Contact

- [Full Contact Details](#)
- Email: [Rachael Hamilton](#)

Further information

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Official Report

Expand All

• Meeting of the Parliament 19 February 2019

• ☒ Time for Reflection

• ☒ Topical Question Time

• ☒ Brexit (Response to European Union Exit Vote in Westminster)

• ☒ Scottish Rate Resolution

• The Deputy Presiding Officer (Linda Fabiani):

The next item of business is a debate on motion S5M-15879, in the name of Derek Mackay, on the Scottish rate resolution.

15:20

• The Minister for Public Finance and Digital Economy (Kate Forbes):

Today, the Scottish Parliament will vote to set all rates and bands for Scottish income tax as we use the Parliament's powers to build a fairer and more prosperous country. This is our opportunity to show our commitment to funding essential public services, to investing in our economy and to caring for those who are most in need.

Parliament should also be aware that the Cabinet Secretary for Finance, Economy and Fair Work has written to the Presiding Officer about the procedural connection between the motion for the Scottish rate resolution and the Budget (Scotland) (No 3) Bill. The effect of rule 9.16.7 of the standing orders is that stage 3 of the bill cannot begin until Parliament has agreed to the Scottish rate resolution motion.

This is an important day. As a Parliament, we will set income tax rates for 2019-20, which are forecast to raise more than £11.5 billion to support the best outcomes for the people of Scotland. In the budget, we have taken responsible decisions to ensure that Scottish income tax is progressive and will raise the revenue that is needed to support essential public services and the economy. It does so in the context of continuing United Kingdom austerity, and against a backdrop of a UK Government that is careering toward Brexit at any cost—at the cost of our economy, of free movement of skills and talent, and of our public finances. In sharp contrast to the chaos and uncertainty of the UK Government, the Scottish Government will keep on delivering good governance for Scotland.

Our income tax proposals will continue to follow the four key tests that we introduced in 2017. First, our income tax policy will protect the lowest-paid taxpayers. Secondly, it will improve progressivity. Thirdly, it will raise additional revenue to maintain and promote Scottish public services. Fourthly, when taken in conjunction with our spending plans, it will support the Scottish economy. The proposals that are before the chamber today pass those four tests, so I am asking

the Scottish Parliament to agree to the Scottish rate resolution motion, which will, for the tax year 2019-20, raise additional revenue to invest in public services, to tackle poverty and to support Scotland's economy. It will also continue to protect lower-earning and middle-earning taxpayers, thereby making the system fairer and more progressive.

• James Kelly (Glasgow) (Lab):

On tackling poverty, does the minister think that the tax proposals that the Government has put before Parliament are fair, given that 99 per cent of taxpayers will pay less tax while there are 230,000 children in the country living in poverty?

• Kate Forbes:

As James Kelly will know, our tax policies will raise an extra £68 million to invest in public services and, crucially—in conjunction with various budget spending plans—to tackle poverty.

My question to Labour is this: what is its tax policy this week? What would Labour's mysterious tax policy have raised to deal with the critical issues that the country faces? A cornerstone of the Scottish approach to taxation is certainty, which is why we will not raise any of the rates of income tax in 2019-20. It is important, however, that we will increase the starter and basic-rate bands by inflation in order to protect the lowest-earning and middle-earning taxpayers.

• Elaine Smith (Central Scotland) (Lab):

Can the minister tell us why Scottish National Party manifesto after manifesto supported reinstating the 50p top rate of tax, but now, in this session of Parliament, the SNP does not support that?

• Kate Forbes:

We base all our decisions on evidence to ensure that we have certainty about public revenue for our public spending plans, in order that we can deal with the critical issue of poverty. We require certainty about revenue; pulling tax rates out of the sky will not guarantee that revenue.

Labour has had several months to come to the finance secretary with its proposals and with spending plans that have actually been costed, but it has failed to do so. In sharp contrast to that, our Government's policies will ensure that there is public revenue to back up our public spending plans. Our tax policies will ensure that 55 per cent of Scottish taxpayers continue to pay less than they would pay if they lived elsewhere in the UK. Now is not the time to pass on the UK Government's tax cuts for the highest earners. Under our proposals, the higher-rate threshold will remain frozen at £43,430 in 2019-20. That is a decision that the Scottish Fiscal Commission has forecast will raise, for the budget next year, an additional £68 million above an inflationary increase.

• Mike Rumbles (North East Scotland) (LD):

Will the minister give way?

• Kate Forbes:

I hear the scintillating tones of another member.

• Mike Rumbles:

I thank the minister for taking my intervention. Would she call it progressive for the state to take more than half of the income of people who earn more than £43,000? Is it progressive to take more than half for the state?

• Kate Forbes:

What I do not think is progressive is the Liberal Democrats piping up now in a debate when they have had months to engage meaningfully, to negotiate and maybe—just maybe—to have shaped the budget. It is a classic example of their being all talk and absolutely no action to deliver their policies.

Our decisions on tax have enabled us to mitigate the decade-long bite of austerity that has been inflicted by the UK Government on our resource budget, and to continue to invest in our public services, our people and our businesses. Since the Scottish Parliament acquired powers over income tax, this Government has been clear in its ambition that income tax revenues should support the delivery of vital public services and enable investment in the economy.

Overall, the Scottish Government's progressive approach to taxation will deliver additional revenue next year to support a budget that will protect our public services that are free at the point of use, increase spending on health and care services by nearly £0.75 billion, provide local government with a real-terms increase in revenue and capital funding, and provide more than £5 billion of capital investment to grow and modernise Scotland's infrastructure.

I am also proud that, as a Government, we are transforming the social security landscape with the creation of a compassionate and just Scottish social security system that has at its heart dignity, fairness and respect.

I am confident that the income tax proposals that we have put before Parliament will deliver the best outcomes for the people and the economy of Scotland. Tax powers are not a political toy; they have an impact on individuals and the economy. The decisions that this Government has made have to be seen in the context of the UK Government's continued pursuit of budget cuts. Scotland's discretionary resource budget allocation will be £1.9 billion lower in real terms in 2019-20 than it was in 2010-11. That is a fall of 6.5 per cent. That puts a huge strain on public spending, which the budget works hard to manage.

A key principle, born of Adam Smith, is that taxes should be proportionate to the ability to pay. In the present context, that means that we must ensure that those who are least able to pay are not shouldering the burden of austerity.

Some members are desperate to claim that our tax policy is a major risk to Scotland's economy, despite the fact that even under the most pessimistic assumptions, our income tax policies would still raise additional revenues and our economy would continue to grow. It is interesting that those same members are sitting idly by as their party at Westminster presides over the shambles of Brexit, which all business organisations identify as the greatest threat to the Scottish economy. Unlike those members, we want our decisions to be based always on the best evidence.

The cabinet secretary has asked our Council of Economic Advisers to expand its analysis of the impact of potential behavioural effects of tax policy changes and the possible impact on future revenues. I look forward to seeing the council's advice, which will—as always—form an important part of future budget decisions on income tax.

The delivery of Scottish income tax has been a major achievement. However, while Westminster retains control over key elements of income tax and the administration of Scottish income tax, we continue to work closely with Her Majesty's Revenue and Customs to ensure that the devolved and reserved aspects of income tax work together as smoothly as possible. The status quo is not perfect, and we continue to be limited in our ability to use the tool to best effect while the administration of income tax, national insurance and income tax on dividends and savings remains with the UK Government.

Notwithstanding those limitations, as income tax receipts now account for about 30 per cent of Scottish Government revenues, we continue to invest in the Scottish economy and its workforce in order to improve the prospects of economic and employment growth. The Scottish economy, which is the powerhouse that fuels ambition for Scotland, has seen positive growth in all seven quarters since the start of 2017. Our annual growth rate remains at 1.5 per cent, which is in line with the UK rate, and unemployment in Scotland is at a record low, as statistics released today have proved once again. Furthermore, since 2007, Scotland's productivity growth has been faster than that in all other countries and regions of the UK, including London and south-east England.

Our on-going investment in the economy comes at a time when Scotland's economic performance has remained resilient despite heightened economic uncertainty, as the UK Government recklessly moves closer to crashing out of the European Union. Against that backdrop, our income tax proposals start from a strong base. Since we introduced our fairer tax system, our economy has grown in line with that of the UK, which demonstrates that those who predicted that our tax policy would hit the economy were wrong.

Future revenues for the Scottish Government will be driven by our policy choices and by the relative growth per capita in our tax receipts. On 12 December, the Scottish Fiscal Commission published its latest set of independent economic and fiscal forecasts, in which forecasts of GDP growth were revised upwards for every year. The commission expects the Scottish economy to

grow by 1.2 per cent in 2019, by 1 per cent in 2020 and 2021, by 1.1 per cent in 2022 and by 1.2 per cent in 2023. We will do everything in our power to exceed those forecasts, but the commission makes it clear that Brexit is a key factor that is expected to lead to slower growth in productivity, population and trade in future years.

At a time of constrained growth, prolonged austerity and growing economic uncertainty—all of which are exacerbated by the current UK Government—we propose to protect the lowest-earning taxpayers, to deliver a progressive tax system and to raise additional revenue to support vital public services.

I move,

That the Parliament agrees that, for the purposes of section 11A of the Income Tax Act 2007 (which provides for income tax to be charged at Scottish rates on certain non-savings and non-dividend income of a Scottish taxpayer), the Scottish rates and limits for the tax year 2019-20 are as follows—

- (a) a starter rate of 19%, charged on income up to a limit of £2,049,
- (b) the Scottish basic rate is 20%, charged on income above £2,049 and up to a limit of £12,444,
- (c) an intermediate rate of 21%, charged on income above £12,444 and up to a limit of £30,930,
- (d) a higher rate of 41%, charged on income above £30,930 and up to a limit of £150,000, and
- (e) a top rate of 46%, charged on income above £150,000.

15:33

• Murdo Fraser (Mid Scotland and Fife) (Con):

I am disappointed that, after the Cabinet Secretary for Finance, Economy and Fair Work spent all that money on improving his speaking skill, he did not get the chance to show it off in the debate this afternoon. I hope that we will return to that on Thursday.

The Scottish Conservatives will oppose the Scottish rate resolution because we do not believe that it is fair to burden hard-working Scots with yet more taxes and to widen the income tax gap between Scotland and the rest of the UK. In the debate, we will highlight the SNP's broken promises to the Scottish people, but it is first worth setting in context the decisions that the finance secretary has had to make on taxation. According to the Scottish Parliament information centre, in 2019-20 the block grant from Westminster will increase in real terms by around £521 million. That means that, despite all the rhetoric that we hear from those on the SNP benches about Westminster cuts, the Scottish Government will have more money to spend in the coming year than it has in the current one. Indeed, looking at the Scottish Government's entire budget, it is up in real terms compared with when the Conservatives first came to power in Westminster in 2010.

We should remember what the SNP promised the voters of Scotland at the last election. In 2016, its manifesto said:

"We will freeze the Basic Rate of Income Tax throughout the next Parliament to protect those on low and middle incomes."

Nicola Sturgeon herself said, in this Parliament:

"I have been very clear that the Government will not increase income tax rates."—[*Official Report*, 2 February 2017; c 10.]

Well, Presiding Officer, it did not take long for that promise to be broken.

• John Mason (Glasgow Shettleston) (SNP):

Does Murdo Fraser accept that a party's manifesto pledges are dependent on its being able to form a majority Government, and that minority Governments always have to negotiate their positions?

• Murdo Fraser:

The Scottish Conservatives would have been delighted to sit down with the SNP Government and deliver a tax policy for Scotland that was about growing the economy and tax revenues, but the SNP Government was more interested in talking to its friends in the Scottish Green Party than it was in having constructive discussions with us. But who knows? There is always next year, Mr Mason. We live in hope.

In last year's budget we saw higher taxes in Scotland compared with those in the rest of the UK for some 45 per cent of the Scottish population, breaking that manifesto pledge. In the rate resolution that we see today, the SNP is going even further. Thanks to its tax changes, everyone in Scotland who earns more than £26,990 a year will pay more in tax than they would pay in the rest of the UK. They are not the rich or the wealthy people in our society; they are ordinary, hard-working families—some with a household income of just £27,000—who are being penalised by the SNP. In practical terms, that means that a police sergeant who earns just over £45,000 will be nearly £700 a year worse off than their counterpart south of the border, and that a principal teacher who earns £51,330 will be more than £1,500 a year worse off.

It is little wonder that we have heard those in business raising concerns about the impact of such tax changes. The Confederation of British Industry Scotland has warned that divergence in income tax will be a major issue for companies that are keen to attract the best talent. The Scottish Chambers of Commerce has warned that it

“could take years to repair”

the damage of higher taxes. In March 2018, the Scottish Lifesciences Association told the First Minister that it had “strong concerns” about tax increases that would damage the ability to recruit highly skilled people. After stage 1 of the Budget (Scotland) (No 3) Bill, just three weeks ago, the Federation of Small Businesses Scotland said that the Cabinet Secretary for Finance, Economy and Fair Work's budget changes would

“erode the small business community's trust”.

That there will be behaviour change as a result of such tax increases is beyond doubt. The Scottish Fiscal Commission has predicted that Scotland will lose approximately £34 million over the next five years, because people will be encouraged to leave Scotland, or not to come here to begin with. That may prove to be an underestimate if the tax gap continues to grow. Just today, we have seen the Chartered Institute of Taxation warn that the 15 per cent of all Scottish taxpayers who contribute almost 60 per cent of the entire tax revenues could take legitimate steps to limit their tax liabilities—for example, by working fewer hours or by putting more money into pension payments rather than taking it as salary—which would have a detrimental impact on both the Scottish economy and our overall tax revenue.

The saving of £20 a year that we have seen for the lowest-paid taxpayers pales into insignificance against the additional costs that we are seeing from other tax changes in the budget. Although we are talking about the rate resolution today, we must put that into the context of the wider tax changes that we are seeing. For example, increasing the council tax cap from 3 to 4.78 per cent—another broken manifesto promise from the SNP—will hit lower-income families in the pocket. Worse than that, we have the new car park tax—the workplace parking levy—that could cost each taxpayer up to £500 per year. That would be a regressive tax, one that is not based on the ability to pay and will hit the lowest earners the hardest.

Patrick Harvie (Glasgow) (Green) rose—

• Murdo Fraser:

I will give way in a second.

In moving the motion for the debate, the minister made the point that the tax changes that are being announced today will protect the lowest paid. However, those who will suffer the most from a £500-a-year flat charge will be the lowest paid, many of whom have no option but to use cars as their means of getting to work.

• Patrick Harvie:

I am grateful to Murdo Fraser for giving way. Twice, now, he has used a specific figure for what the workplace parking levy will actually cost people. Presumably, then, he is aware of some

Scottish local authorities that have developed specific proposals and set out what their levies would be. Can he name those local authorities or does he just want to tie the hands of all of them to forbid them from even considering whether they might use the policy?

- Murdo Fraser:

Mr Harvie knows perfectly well that the reason why we are using the figure of £500 is that the only existing model for this in the United Kingdom is in Nottingham, where the charge is £419 a year, to which must be added VAT if it is charged out by employers to employees. If Mr Harvie wants to come forward with a suite of alternatives, we will be happy to debate them with him, and I am sure that local government will want to do that, too. However, I think it is reasonable to proceed on the assumption that that is the sort of level of charge that is likely to be imposed here, and we know that SNP-run councils, for example here in Edinburgh, are already enthusiastically talking about the charge. The SNP leader of the City of Edinburgh Council is already saying that he wants the charge to be paid not by employers but by employees. The low-paid employees that this Government says it wants to protect are facing a flat charge of £500 a year: a regressive flat-rate tax.

We know that the Scottish economy has been underperforming that of the UK as a whole, and the Scottish Fiscal Commission's forecasts show that that situation will continue in each of the next four years. We see the impact of that in the income tax projections from the Fiscal Commission, with a £500 million black hole at the heart of the Scottish Government's income projections for the current year.

- The Deputy Presiding Officer:

Please come to a close.

- Murdo Fraser:

Those forecasts may prove to be incorrect, but if they do not, there will be a large gap to be filled in two years' time.

I could go on at great length, but let me reiterate that the resolution that we are discussing today breaks manifesto promises from the SNP, and for that reason this Parliament should reject it.

15:41

- James Kelly (Glasgow) (Lab):

Scottish Labour will oppose the rate resolution that is before the Parliament today. We do not favour giving tax cuts to chief executives while penalising councils and asking them to make service cuts. It is simply unfair that high earners on six-figure salaries will pay less tax while councils face the prospect of having to make workers redundant.

Against the background of the Government bringing the rate resolution forward must be set the Fiscal Commission's forecasts for 2019-20, which show income tax down by £1 billion. Once that is fed into the block grant adjustment, it could mean £500 million less money. The main driver for that is the lower number of higher and top rate taxpayers, which has come as a result of the HMRC outturn report. That is not the Government's fault, but it needs to take account of the circumstances in setting tax policy, particularly when assessed against the situation in the country. We continue to see big issues around poverty and inequality, and 230,000 children in Scotland are living in poverty. Many wards, including in the cabinet secretary's constituency, have poverty rates running at 30 per cent. That is why charities and third-sector groups favoured raising child benefit by £5 a week—something that was also given some support recently by Kevin Pringle, who is obviously respected on the SNP benches.

The other factor that needs to be taken into account is the public service cuts that we are starting to see as councils begin to set their budgets. At the weekend, we saw workers in Dundee demonstrating in the streets because the council there is looking at proposals in education alone to cut school budgets by 3 per cent, which could result in a reduction of 26 teaching posts. That does not say much for the Government's commitment to education. In Aberdeenshire, there are proposed cuts to schools and libraries, with a potential loss of 150 positions. In Clackmannanshire, the citizens advice bureau faces the threat of its support being cut altogether. Against that backdrop, the tax policy that has been introduced by the SNP Government is simply unfair.

- Kate Forbes:

In order to fund all those additional asks, by how much would the higher-rate tax rate have to be increased?

- James Kelly:

The SNP Government should charge top-rate taxpayers 50 pence. In addition, the higher-rate band between £43,430 and £150,000 is too wide. Additional tax should be raised from that band, which would raise significant amounts of money to mitigate the council cuts that I have outlined, as well as tackle child poverty. The reality is that the SNP Government has made a choice to introduce a tax cuts budget that will favour 99 per cent of taxpayers, but at the same time it continues to penalise local councils and lacks the ambition to tackle child poverty.

- Patrick Harvie:

Mr Kelly knows that a large bulk of the tax cuts that he is talking about result from changes to the personal allowance, which is a UK change. Can he remind us how Labour voted on that? Did Labour argue against the change to the personal allowance, or vote for it, in the same way that it voted for the cuts to the higher rate?

- James Kelly:

We made our position in Scotland absolutely clear in relation to that matter, as we will make our position clear when we vote this evening against a tax policy that lacks ambition. There has been a lot of commentary on and coverage of the 20-year anniversary of devolution. If we went back to 1999 and said to someone that, in 20 years' time, the Scottish Parliament will set a tax rate that will result in tax cuts for bankers in Bearsden, lawyers in Lossiemouth and chartered accountants in Carnoustie, but at the same time, a pool attendant in a local leisure centre might be out of a job because the leisure centre is closing, they would not have believed it. They would have said that the Tories must be in power, but this policy is coming from a supposedly progressive SNP Government. It is simply not good enough. The reality is that the cuts, which will pass on austerity, will also blunt economic growth.

We see from analysis that was published yesterday that there have been £417 million of cuts to university education. We need to invest in education and in universities if we are to produce the appropriate graduates who have the skills that will contribute to the growth of the Scottish economy.

- The Cabinet Secretary for Finance, Economy and Fair Work (Derek Mackay):

Will the member take an intervention?

- James Kelly:

I am sorry, I am running out of time.

Labour will not support a rate resolution that puts more money in the pockets of higher earners and poses the threat of P45s for council workers. We need a plan that uses the powers of devolution positively, to stop the cuts and tackle child poverty. The plan that is being proposed by the SNP Government lacks ambition and misses a chance to help many people in communities across the country; it should be rejected.

15:48

- Patrick Harvie (Glasgow) (Green):

I rise with mixed feelings, because I see a rate resolution that, although not perfect, is a great deal better than James Kelly, for example, gave it credit for. We are not seeing a rate resolution that itself includes cuts for high earners—the cuts for high earners are the result of UK policies. We are seeing a rate resolution that could do better.

In the 2016 election, the Greens were the only party to suggest creative proposals for the use of new devolved income tax powers. We were not refusing to act, but we were not hiking tax for low earners. We were finding ways to show that it is possible to raise revenue while cutting inequality.

After the election, it took us another year and a half of consistently making the case before the Scottish Government accepted that that was what should be done. The shift to a five-band system last year was absolutely the right move, and it was underpinned by the right priorities: raising revenue, protecting low earners, cutting inequality and so on. I was pleased to see that policy

implemented last year and pleased that it has proved to be more popular than the Scottish Government thought it might be. Late last year, I was even pleased to see the Scottish Government picking up a gong for innovation at the Scottish public service awards for developing the new policy with rigorous analysis and open, participative public and civic engagement. That is how we should do these things.

- Elaine Smith:

Is Patrick Harvie pleased to see cuts of £230 million to local government?

- Patrick Harvie:

I am pleased that we have done what we could to prevent cuts to local government. I only wish that every political party in this place was putting forward positive, well worked-out, costed proposals and seeking improvements to the Scottish budget. If we all did that, the result would be better than what we have managed to achieve on our own.

- Murdo Fraser:

Will Patrick Harvie give way?

- Patrick Harvie:

I am sorry, but I need to move on.

The open, participative approach to setting tax policy contrasts with the shallow rhetoric that we often hear from the Conservatives, who want to portray Scotland as the highest-taxed part of the UK, to which Derek Mackay has sometimes replied that we are the lowest-taxed part. The reality is that we are both: we are the lowest-taxed part of the UK for low earners and the highest-taxed part for high earners, which is as it should be. If Murdo Fraser wants to intervene to address that point, I am happy to let him.

- Murdo Fraser:

The debate has moved along a little from the point that I was going to make. When Patrick Harvie negotiated the extra £90 million for local government, was he aware that there was another £54 million that he could have had and that Mr Mackay was keeping quiet about?

- Patrick Harvie:

We have had this out in the Finance and Constitution Committee. I do not think that anything has been kept quiet. The very clear commitment to fund the teacher pay settlement is something that even the Scottish Conservatives ought to welcome, because they know that we need it to attract the teachers whom we need.

After the progress that we made last year, it is regrettable that the Scottish Government still resists the case for building on that progress and going further, especially in the context of the UK change that I mentioned to James Kelly: the uplift in the personal allowance. There are always people who say that we have lifted more people out of taxation altogether by raising the personal allowance, but increasing the personal allowance is not a progressive measure. The bulk of what that policy costs goes to high-income households; it achieves nothing at all for the lowest earners, who are already below where the threshold was. The increase in the personal allowance is not a positive step. It would have been possible for the Scottish Government to recoup the costs not from everybody, but from high earners, to prevent that tax cut from benefiting those who need it the least.

- Mike Rumbles:

Could you make it clear whether you will vote for the resolution or abstain?

- Patrick Harvie:

We have made that clear already. When we reached an agreement with the Scottish Government on the budget, we agreed that we would abstain on the rate resolution because we do not believe that it goes far enough. However, we are not willing to risk the wider achievements that we have made through amendments to the budget, which will fall if the rate resolution falls.

The tax gap that the Conservatives are concerned about and the tax cuts at the top end that the Labour Party is concerned about—which I, too, oppose—are the result of UK policies, as is the national insurance anomaly. National insurance is not a progressive means of funding public services or the social security system. Its tax base is income, but its tax rate goes down when income goes up—an absurd notion. While the regressive system of national insurance remains reserved and the ability to take a progressive approach to income tax is devolved, a situation in which there will be no anomalies is not achievable.

We have a more progressive approach in Scotland. I wish the Scottish Government was going further to build on it, boost the budget further and decrease inequality, but I will abstain on the rate resolution to allow it to pass. I will continue to make the case for a wider context of creative, innovative approaches to taxation on wealth as well as on income, on consumption as well as on production, and at national as well as at local level. All of those are needed.

15:55

• Willie Rennie (North East Fife) (LD):

I read in Dundee's *The Courier* this morning that Patrick Harvie is really angry: angry that the SNP Government is not putting tax up enough. I would have thought that that level of anger and the concern that he has just expressed would have led Patrick Harvie to vote against the rate resolution today, but no. As we have just heard, he is going to oppose it by abstaining at 5 o'clock. As he has just outlined and as his budget letter to Derek Mackay makes clear, that will allow the SNP to win the vote this evening. The Greens are so angry that they will oppose the Scottish rate resolution by letting the SNP win.

It is curious, because last year this tax package was devised by the Greens. Now they have reflected, they are angry about it. If the people who invented the tax system are not even going to vote for it, I am not surprised that nobody else in the chamber is going to vote for it either.

• Derek Mackay:

Will the member give way?

• Willie Rennie:

No, not just now.

Back in 2016, the Liberal Democrats were the first to advocate the use of the new income tax powers gained by the Scottish Parliament as a result of the Calman commission. They are powers that we drew up under the Steel commission and the Campbell commission and we are determined to use them responsibly. We said that a modest tax rise could secure a significant financial investment for education without resulting in adverse behavioural change. We were never in favour of ramping up tax at every budget and at every opportunity—it was about balance.

Everyone knows that the SNP broke its 2016 election manifesto commitment on income tax. It said there would be no rise for basic-rate taxpayers. It then rebranded a lot of the basic-rate taxpayers as something else and stuck up their tax. It was dishonest. The SNP told taxpayers that there would be no tax increase, before putting up their tax.

However, I am thankful that the SNP's 2016 manifesto was wrong. It is early days, but there seems to be no evidence of which I am aware that the tax increase has driven taxpayers out of the country. However, it is a delicate balance. Sometimes, it is about perception and future intentions. If taxpayers believe that tax increases will come with every budget, we may see adverse behavioural change. The issue should be treated with care.

So far, with this budget, the Government has been careless. This budget agreement has five separate tax rises. There is a freeze in the higher-rate tax threshold; a council tax increase above the 3 per cent promised by the SNP in its manifesto, which is another broken promise; the plastic bag tax increase, which breaks the important link between charities and the charge and gives some of the money to councils; the tourism tax; and the workplace parking levy—a last-minute, poorly prepared amendment to the Transport (Scotland) Bill.

Irrespective of the merits of those individual changes, the overall impression is one of a Government that is ramping up tax in a wide range of areas and at every budget. None of those five increases was in the SNP manifesto. Many of them were not even in the Green manifesto. The Government is making it up as it goes along, without a mandate for change and with a tax agenda that is apparently unstoppable.

- Derek Mackay:

Most of the subject areas that Willie Rennie has just mentioned are powers that Liberal Democrats in local government are asking me for. Is Willie Rennie saying that Liberal Democrats in local government are wrong to be asking not necessarily for tax rises but for the powers that the Government is proposing to give them through localism?

- Willie Rennie:

I do not support giving local government a bunch of taxes that do not raise the money that is necessary and calling it local government finance reform. It is a con and it is disrespecting councils. It is not proper local government finance reform, so I urge the Government to be very delicate and careful with its proposals.

This is bad news for those of us who support modest, progressive tax changes that deliver a benefit to public services. It is bad news, as some of the taxes will not work. They will not deliver the investment that we need for public services and they will give progressive Governments a bad name. Flaws in the Government's approach cannot be hidden by the fig leaf of local government finance reform. Handing councils a bunch of taxes that will not work and will not raise the funds that councils need is not reform; it is another example of this Government treating councils with the disrespect that has become the norm for it.

We must win the argument that modest, progressive tax changes can work. I want to give confidence that progressive, modest change is possible and is good for public services. This budget does not help that mission.

We will oppose the rate resolution today. If the Greens are really angry, they will join us. However, as ever, it is all about independence and keeping the independence majority together. No matter what the damage to progressive politics, those two parties will always be together.

- The Deputy Presiding Officer:

We move to the open debate. Time is really tight, so I ask for speeches of under six minutes, please, to avoid penalising members towards the end. Just before I leave the chair, I remind all members that they should always speak through the chair, even in an intervention.

16:00

- John Mason (Glasgow Shettleston) (SNP):

I welcome this resolution as a continuing effort to move to a more progressive and fairer income tax system and, eventually, to a fairer overall tax system. Our focus today is clearly on income tax, but that is not a devolved tax and we have very limited or no control over many aspects of it. Many of us would agree that income tax is one of the fairest taxes because it is linked to income and those who earn more rightly pay more. Property taxes such as council tax or rates and sales taxes such as VAT are also necessary and have their place. However, a criticism of them is that they do not take account of the ability to pay—at least the ability based on income—whereas income tax does take the ability to pay into account.

The UK's income tax system is overly complex and has many weaknesses. A main criticism, which Patrick Harvie touched on, is that we actually have two income taxes: income tax itself and national insurance. National insurance is particularly unfair, because it is regressive, with a starting rate of 12 per cent that reduces to 2 per cent for those on higher incomes. Someone on 20 per cent income tax and 12 per cent national insurance pays 32 per cent on a fairly low income while, at the upper end, 46 per cent plus 2 per cent gives a total of 48 per cent. If we combine the two, we have a range from 32 per cent at the bottom to 48 per cent at the top, which is far too narrow in my opinion.

It has been repeatedly suggested to Westminster Governments that it would be fairer and much simpler if income tax and national insurance were to be combined, but they have repeatedly refused to do that. Perhaps that is because the media focus tends to be on income tax and not on national insurance, so, if the two were combined, taxpayers throughout the UK would see much more clearly what an unfair and regressive system the UK currently has. Frankly, I would rather have a combined rate of tax and national insurance that started at about 10 per cent and went up in steps to perhaps 60 per cent. I have argued for that before, and I will continue to do so. The issue is a reminder that any Scottish Government of any party has to build on a very second-rate UK income tax system—so, our first problem is a flawed UK system.

The second major problem that we face is that this Parliament has control or influence over only a very limited range of taxes. The UK controls corporation tax, VAT and inheritance tax, to name but three. If we were able, as a free country, to use a whole basket of taxes, there might be less emphasis on the rates of income tax and we would be able to put more of the burden on to those people who are very wealthy.

The main reason why we are only assigned a share of VAT in due course, instead of being allowed control over it, has been that the EU does not allow VAT variations within a state. If we leave the EU—which I am totally opposed to—it appears that it will be possible for VAT to be devolved. We would have to look at each of those taxes individually and consider how best to use them if they were devolved. However, Ireland has used variations of corporation tax to its advantage, and even states in the US can and do vary sales taxes.

I understand that the Conservatives argue that the level of income tax in Scotland is too high and that we should cut tax while also cutting expenditure. To be clear, the Tories are arguing that they want to cut expenditure on schools, hospitals and local government. They are entitled to that position—that is fair enough—but I am glad that a majority in this Parliament disagree with that view. On the other hand, I think that the Greens—and possibly Labour—would feel that income tax is not high enough or progressive enough, and my sympathies are certainly more towards them than towards the Conservatives.

• Elaine Smith:

To come back to the powers that we actually have, what is the member's opinion about the fact that those earning just over £43,000 are paying the same level of income tax as those earning up to three times that amount?

• John Mason:

As I have tried to explain, I would like to see a more progressive system right across the board. I am just going on to the issue of comparisons with England, because we have to be a bit careful about that.

Frankly, I do not like constant comparisons with our neighbours down south. It is not healthy for an individual, a family or a country to be constantly comparing with the folk next door. We know, in particular, the pressure that children can put on parents when they want the same clothing brands or the same information technology products as their school peers have. I believe that, as a country, we must look at our income and expenditure and decide what is right for us without being fixated on what England is doing. At the same time, I accept that we are in bed with an elephant and that we have to tread carefully with a tax such as income tax. Residence can be changed fairly readily, and the last thing that we want is to lose taxpayers—and, subsequently, all their tax—from Scotland to the rest of the UK or anywhere else.

• Rachael Hamilton (Ettrick, Roxburgh and Berwickshire) (Con):

Will the member take an intervention?

• John Mason:

I am sorry, but I do not think that I have time.

• The Deputy Presiding Officer (Christine Grahame):

The member is just concluding. He has only six minutes.

• John Mason:

I therefore think that the gradual move to differentiate our tax rates—in fact, our whole tax system—is the right approach. We do not yet know how many people will choose to be in Scotland in the longer term because there are higher taxes and better public services here or, on the other hand, how many people will want to go to a low-tax, low-service regime such as England aspires to.

I certainly support the motion. As I have tried to argue, we are dealing with a very flawed UK tax system. However, we are where we are, and I support the plan for Scotland that will make us a bit more progressive and a bit fairer than we have been.

16:07

• Bill Bowman (North East Scotland) (Con):

As the third chartered accountant to speak in the debate, I hope that everybody is still managing to keep awake.

Today, the SNP seeks this chamber's agreement to the proposed rates and bands for Scottish income tax. This income tax proposal will punish hard workers, raise taxes and damage Scotland's overall economic growth. As has been said in the chamber before, the SNP, in its endeavour to deliver these policies, has broken its promises to the Scottish people. Derek Mackay has forced more tax rises on Scotland against the wishes of almost two thirds of Scots, who, in the Scottish Parliament election, voted for parties that promised not to raise taxes.

Two years in, the only thing that Mr Mackay has stayed true to is his willingness to use the ever eager Greens to push through his budget—as with the poorly conceived car park tax, on which he admits he has done no economic analysis but through which he has the audacity to propose fining businesses pounds for every day that they do not comply fully with the rules on declaring car parking spaces. Hard-working Scots and businesses are rightly appalled by that proposal, and dissent among his own supporters should tell him what a disaster that tax is going to be.

Irrespective of the SNP's and the Greens' grubby deal, the SNP's budget was increasing by £521 million in real terms in 2019-20 thanks to the Conservatives and the UK Government. The block grant from the UK Government will rise by 1.7 per cent in real terms next year and the Scottish Government's budget will increase by £1.1 billion in cash terms in 2019-20. That is on top of the increase in the tax-free personal allowance to £12,500, meaning that the spending cuts and tax rises proposed today are Mr Mackay's choices, not a necessity.

Those decisions have real-time consequences. We are talking about Scotland's fiscal deficit under the SNP being three and a half times the size of the UK's deficit and nearly double that of any other EU country; we are talking about the gap between the UK's and Scotland's deficits as a percentage of GDP being the largest since "Government Expenditure and Revenue Scotland" records began, in 1998-99; and we are talking about the erosion of trust between the Scottish Government and ordinary Scots.

Since 2010, the Conservative UK Government has cut income tax for Scots on the basic rate by over £1,000 and has increased the tax-free personal allowance.

- Tom Arthur (Renfrewshire South) (SNP):

I wonder whether Mr Bowman can clarify a point for me. Is it Scottish Conservative Party policy that income tax rates in Scotland should not be a penny higher than they are in the rest of the UK and that income tax rate thresholds in Scotland should not be a penny lower than they are in the rest of the UK?

- Bill Bowman:

We say that the taxation here should be competitive with that in the rest of the UK.

In response to the decision that I mentioned, the SNP has broken a 2016 election promise and has raised taxes for anyone who earns over £26,990. They will now pay more in tax than they would in the rest of the UK. Is the decision to put those on low and middle incomes and Scotland's larger economy at risk through the budget a responsible thing to do?

The Scottish economy is suffering under a decade of SNP mismanagement and incompetence. According to the Scottish Retail Consortium, that has produced

"the worst real term December sales figures in twenty years."

- Patrick Harvie:

Will the member take an intervention?

- Bill Bowman:

I do not have time. I have taken an intervention.

Calls have been made for the SNP to cut business rates, support business improvement districts across Scotland, free up planning restrictions in town centres and increase the use of public

procurement to support the local economy. Firms across my areas of Dundee and the wider north-east know all too well the frustration of watching the Government at work. Incidents such as the administration of McGill and the closure of Michelin production are becoming more frequent in response to the SNP's failings. Moreover, increased public spending and higher economic growth in Scotland have been helped by a significantly larger block grant.

With that harmful record and the damage that it is doing to our wider economic productivity in mind, I repeat that the proposed spending cuts and tax rises are Derek Mackay's choice; they are not a necessity. The SNP's damaging tax proposals have been condemned by respected bodies including the Federation of Small Businesses, the Scottish Lifesciences Association, the Scottish Retail Consortium, the Confederation of British Industry Scotland and the Chartered Institute of Taxation. They argue that income tax could become a major adverse issue for companies that are keen to attract the best talent, that the income tax rises that the SNP proposes would mean that anyone who earned over £26,990 would pay more in tax than they would pay in the rest of the UK and that those who pay the top rates will legitimately rearrange their affairs so that the tax that is paid in Scotland reduces.

The saddest aspect of all of this is that the attack on Scottish income tax is being exacted willingly. Inflicting economic hardship on Scottish workers and risking the Scottish economy is a political choice by Derek Mackay and the SNP. Although the SNP and the Greens might be content to view hard-working Scots as a golden goose, the Conservatives stand up for public services, hard-pressed Scots and their families, fair taxation and supporting Scotland's economy. The SNP has promised much but it has failed to deliver on the economy for more than a decade. It is time that it was held to account for that—and it will be.

16:13

• Iain Gray (East Lothian) (Lab):

This should be an annual debate of substance: after all, the debate is in many ways the symbol of the maturing of our Parliament. This year is the 20th anniversary of the formation of the Parliament, which was, of course, formed following a referendum that—uniquely in referendums that have been held during my lifetime—brought the country together, rather than splitting it apart. James Kelly was correct: the referendum brought the country together in the belief that the Parliament would strive to make Scotland fairer, not less fair.

The people of Scotland even voted in the referendum for the Parliament to have taxation powers. However, as we all know, the powers, as originally introduced, were flawed and were therefore never used. There was a correction first by the Calman commission and later through the work of the Smith commission. Those were six weeks of my life and the lives of others here that we will never get back. Much of that time was spent trying to thrash out a scheme for devolution of tax—in particular, income tax—that would maintain a balance between that taxation and the capacity to pool and share resources across the United Kingdom through the Barnett formula.

That negotiation was difficult, but it left Parliament far more powerful than it had been, and the debate should reflect that. Sadly, the debate is rather constrained, for reasons to which John Mason referred. In the run-up to and during today's debate, the loudest voices have been those of the Tories, who seem to be offended by any difference between taxation in Scotland and taxation in the rest of the UK—which makes me wonder what they were arguing for in those weeks on the Smith commission—and those of SNP members, who also seem to be determined to compare their tax plans with those for the rest of the UK.

On some occasions, the SNP argues that it is taxing more in order to appear progressive, and on other occasions, the SNP argues that it is taxing less in order to appear more popular. In each case, everything is seen through the prism of comparison with the neighbours, as John Mason said.

However, that is not what the debate should be about; it should be about the tax that we need to raise, and how we raise it for the responsibilities that we have. It should be about our capacity to respond to our citizens' needs and about the breadth of our vision to invest in our nation's future.

To be fair, I think that Patrick Harvie and the Greens get that. It is clear from the press release that they issued earlier today that they believe that the plans that have been presented today fall well short of that approach. The Greens warn the Scottish Government that

"it cannot afford to"

keep stalling

"on action to reduce inequality and protect public services",

and they complain that

"we have a government reluctant to anger right-wing voices by going further on Income Tax."

I am therefore puzzled as to why, in this evening's vote, the Greens intend to exercise all the political pragmatism of Pontius Pilate by abstaining and allowing a tax plan to which they object to proceed.

- Patrick Harvie:

I hope that Iain Gray heard in my speech that I acknowledged that the proposals are not perfection. Surely the kind of maturity in a Parliament that he asks for would involve all political parties making positive suggestions for change and trying to achieve something different in budgets. That is what we have done: Parliament would be a lot better if every other party did so, too.

- The Deputy Presiding Officer:

I will give back Mr Gray's time; he was anxious about that.

- Iain Gray:

Perhaps Mr Harvie should reflect on the fact that the budget might be better if he was willing to exercise, with us, the leverage that a different vote this evening would give us, which might allow us to do more to address the cuts to public services and the other issues that many members have brought up.

- Kate Forbes:

Will Iain Gray take an intervention?

- Iain Gray:

No. I do not have time.

The question for us must be whether the tax plans will provide us with the support that we need for people who are vulnerable. It is clear that they will not. One in four of our children lives in poverty, so how can it be right that anyone who earns up to £124,000 will pay less tax in the coming year than they did this year? That cannot be the right decision to take in such circumstances. A different decision would have allowed us to provide an additional £5 in child benefit and to raise 30,000 children out of poverty.

What about the nation's future? How can it be right to give a tax cut—it is a tax cut—to the wealthiest people in our society? *[Interruption]*

.] People talk about the UK making a choice about the personal allowance, but the powers that we have allow us to take away that change and to ensure that people who earn more pay more. That is what we should have done, instead of producing a budget that will cut investment in our future, cut funding for our universities, cut funding for our colleges and cut hundreds of millions of pounds from local authorities, which are responsible for funding our schools.

We will not support that abdication of responsibility and lack of ambition for our nation. We will oppose the motion this evening.

16:19

- Emma Harper (South Scotland) (SNP):

I am pleased to speak in this important debate on the Scottish rate resolution settlement as a member of the Parliament's Finance and Constitution Committee. *[Interruption.]*

• The Deputy Presiding Officer:

Just a wee minute, Ms Harper. I ask members not to carry on a conversation across the chamber when somebody is speaking.

• Emma Harper:

I will focus my points on income tax and the uncertainty that Brexit has caused, and is continuing to cause, for businesses and our economy, which are issues that I have analysed as part of my work for the committee.

As members will know, income tax remains a partially devolved tax, with the responsibility for defining the income tax base, including the changing or setting of income tax reliefs and exemptions such as the personal allowance, being reserved to the UK Government. It can choose whatever rate it wants when setting those tax bands. However, the Scotland Act 2016 gave the Scottish Parliament the power to set all income tax rates and the thresholds of bands that apply to the non-savings and non-dividend income of Scottish taxpayers. That—the income tax that is paid to HMRC by Scottish taxpayers—is then given to the Scottish Government. I am pleased that HMRC has committed to ensuring that its database of Scottish taxpayers is kept up to date and regularly checked. I ask the Scottish Government to ensure that that commitment is honoured.

The income tax bands that have been set by the Scottish Government will ensure that middle-earning to lower-earning taxpayers—the majority of nurses, teachers, social workers and healthcare professionals—remain protected. That has been delivered by an inflationary increase in the starter and basic-rate bands, and by there being no changes to tax rates.

I remind members that I am a nurse. The majority of nurses—68 per cent when the matter was last reported on in 2016—are in receipt of a band 5 salary of between £22,128 and £28,746. The rate protection means that they will either be on the proposed Scottish basic 20 per cent tax rate or on the intermediate rate of tax, paying just 21 per cent. Nurses on a starter band 5 rate will pay the lowest tax levels in the UK for a person on that rate of income, which is welcome and fair.

The SNP Government is committed to fairness and equality across all aspects of taxation policy, while raising additional revenue to invest in public services and the economy. I am pleased that the Scottish Government has proposed freezing the higher-rate threshold at £43,000 and freezing the top rate at £150,000. I mention that step because it will allow Scotland to remain an attractive place for business and higher-rate earners, and an attractive place to grow our skilled workforce. That will allow the Scottish economy to continue to grow. That is important especially because, given our increasing ageing population, we need inward migration—in particular to our national health service, social care and agriculture sectors.

Attracting people to live, work and study in Scotland is crucial for our economy, so I would be wrong not to mention the impact that Brexit is having on the rate settlement and the uncertainty that it has caused for business and the economy. The Finance and Constitution Committee's report on the 2019-20 budget highlights the problems that Brexit has caused for our economy. It states:

"Since November 2016 the OBR's forecasts have reflected provisional broad-brush adjustments to incorporate the possible impact of Brexit. These are 'notably that trade intensity, net inward migration, business investment and productivity growth would be weaker than would otherwise have been the case'"

had the UK voted to remain part of the EU. Indeed, the OBR told the committee that its forecast prior to the referendum showed—assuming a vote to remain in the EU—that the economy would have grown by about 4.5 per cent between the time of the referendum and now. That is staggering. Had the people of the rest of the UK—I say "the rest of the UK", because Scotland voted by 62 per cent to 38 per cent to remain—decided to remain part of the world's most successful union and single market, we would have seen a sharp rise in our economic prosperity.

Instead, business is leaving the UK, consumer confidence is falling and there has been a negative impact on the economy. That reaffirms the need for Scotland to remain part of the

customs union and the single market, and the need for us to maintain free movement of people for the interests and benefit of our economy. That is absolutely what we need to support.

In conclusion, I record my support for the Scottish Government's proposed budget for 2019-20 because it will allow Scottish taxpayers on average salaries to remain protected while also remaining the lowest-taxed people in the UK. The budget will also allow Scotland to have some stability, particularly in this time of Brexit uncertainty, and to remain a welcoming and attractive place for businesses, workers and families to come to live, work and study, which is key for our economic success.

16:25

• Rachael Hamilton (Ettrick, Roxburgh and Berwickshire) (Con):

The SNP has gone tax crazy, in whatever form the tax comes—income tax, council tax or car parking tax. As we get further into the current session of Parliament, the SNP seems determined to raid the pay packets of hard-working Scots.

Let us get the facts straight first. Promises have been broken. In its 2016 manifesto, the SNP promised not to increase taxes, but 1 million Scots are now paying more in income tax. The UK block grant has increased by £500 million, yet the cuts keep coming. As ever with this tired and out-of-touch Government, it is pay more, get less.

Almost two thirds of Scots voted for parties that promised not to raise taxes; we were one of those parties. That cannot be said of the SNP now.

• Stuart McMillan:

Will Rachael Hamilton tell the chamber what the level of UK national debt is, compared with the level in 2010 when the Tories came into power?

• Rachael Hamilton:

The SNP's voters will no longer support the party after Nicola Sturgeon's broken tax promises. The SNP needs to think about that and to focus on today's rate resolution debate rather than any other issues.

The FSB warned against more taxes in Scotland. Andy Willox said:

"This budget breaks new ground, and ... it must not open the floodgates to a host of Scottish supplements, charges and levies."

Now that the SNP has had to do a back-of-a-fag-packet deal with the Greens, for years it will be impossible to predict when the stream of new taxes will end, and by how much taxes will increase. Let us be clear: these income tax rises will hit hard-working families the most, as well as businesses.

We are not talking about the bankers; we are talking about headteachers, police sergeants and senior nurses. Those people treat our sick, teach our children and keep our communities safe. Neither they nor any hard-working Scot should have to pay more just because they live in Scotland. Anybody who earns more than £26,990 will pay more tax than they would in the rest of the UK. As a representative of the Borders, I am concerned about the impact that the widening tax gap will have on my constituents. I completely disagree with John Mason's earlier intervention about the behavioural change that might happen.

I am glad that Scottish Borders Council was unanimous in its opposition to the tourist tax and car parking tax, given the damage that those would cause in our area. After years of funding cuts, it is rich of the SNP Government to ask councils to increase council tax, tax our tourists and then to charge ordinary working folk to park at their workplace. Although the Borders has come out against a workplace car parking levy, some 250,000 people could be affected by a car parking levy in Glasgow or Edinburgh, for example; many of those people are my constituents who commute from a rural area to work in the cities.

• Patrick Harvie:

The member is plucking numbers out of the air.

- Rachael Hamilton:

Patrick Harvie, from a sedentary position, says that the numbers are not out yet. Where are the figures?

- Patrick Harvie:

The point that the centralising Conservatives do not seem to understand is that the local authorities are being given the power to design a scheme that is right for their area; if they think that it is wrong for that area, they will not do it. What on earth is wrong with enabling councils to make their own choices in their own local contexts?

- Rachael Hamilton:

That was rather a long intervention. The Conservatives believe in empowering local authorities by devolving financial powers to councils. We support the devolution of measures that will improve accountability and drive local growth. That is important for growing the economy. The member sits there and laughs, but growing rather than shrinking the tax base is important. Surely we should have that as a common goal.

In the Borders, we need to attract more businesses and industries, to create jobs. If the area is to prosper, it needs more highly skilled and highly paid jobs, to attract people to live there.

Given that people can travel over the border to work every day, the tax gap is detrimental to attracting the best. Would a senior teacher in Northumberland, for example, think twice about moving up the career ladder and applying to become a headteacher in Coldstream, when they could stay in the north of England and pay less income tax?

The NHS in the Borders continues to struggle to recruit specialist staff and doctors. Our constituency has a lot to offer, but higher taxes, including land and buildings transaction tax, certainly discourage people from moving. I am concerned about the impact of higher taxes on our ability to draw from the pool of talent that exists across the UK.

The full impact of the tax gap is yet to be realised. It will definitely be more pronounced in the Scottish Borders, where people can travel over the border for work. We know that the Scottish Fiscal Commission has said that Scotland will lose approximately £34 million over the next five years, because of behavioural change. The reality of the widening tax gap will hit hard and Scotland will suffer because of it.

Members on my party's benches cannot support the Scottish rate resolution motion. It is bad news for hard-working Scots and it is bad news for the economy. This Government has broken its promises and Scottish taxpayers will pay the price.

This SNP Government has well and truly made it clear that if a person is aspirational or is climbing the career ladder, Scotland is not the place for them. This Government has repeatedly failed to grow and develop the Scottish economy. With the SNP, it is always pay more and get less.

16:31

- Richard Lyle (Uddingston and Bellshill) (SNP):

I express my pleasure at contributing to this debate on our income tax rate and, ultimately, on a holistic view of the resources that are available to the Scottish Government to deliver for the people of Scotland.

Delivering for the people of Scotland is exactly what we are doing. We are doing the day job, as some people would say. This Scottish Government is investing in essential public services, while ensuring that 55 per cent of income taxpayers in Scotland pay less tax than those who earn the same income in the rest of the UK—that is a fact that members on the Opposition benches do not like. As with Brexit, the Conservatives enjoy a political hokey cokey. They are in and then they are out.

Our budget deal will provide additional funding and flexibility of up to £187 million to local authorities next year, including additional funding of £90 million for the local authority core revenue grant. We have also raised the cap on council tax increases by inflation, to 4.79 per cent. That keeps the cap below the 5 per cent cap in the UK and maintains Scotland's place as the lowest-taxed part of the UK.

- Elaine Smith:

Will the member take an intervention?

- Richard Lyle:

No. I have no time.

Has anyone checked what is being charged in some English councils? Members should go and check.

The Scottish Government has been encouraging local authorities to take account of household budgets and keep increases at a flat 3 per cent.

- Mike Rumbles:

Will the member take an intervention?

- Richard Lyle:

No, I will not.

Local authorities will be able to offset 2.2 per cent of their contribution to adult social services in the coming year, to help them to manage their budgets, while the £160 million of investment from the Scottish Government is protected. That means that if local authorities use their full tax powers, they will have £620 million more in the next financial year.

Let me turn to our hard-working public sector staff, such as our police and NHS workers, who are paid more and better off as a result of the tax and spending decisions that have been made in Scotland. People in a host of public sector posts in Scotland will earn more than their equivalents elsewhere in the UK after the SNP's tax proposals for 2019-20 take effect, thanks to the higher salaries for public sector workers such as our police and NHS staff.

A hospital porter at the top of band 2 on the NHS pay scale will be £634 a year better off than their English counterpart. A staff nurse at the bottom of band 5 will be £208 better off than their English counterpart. A paramedic on band 6 will be £571 better off than their English counterpart. A police constable at the top of their pay scale will be more than £1,200 better off than their English counterpart.

The Tories would prefer to offer tax breaks to our highest earners. The SNP is committed to creating a more progressive, prosperous and equal society for everyone in Scotland. I agree with that approach.

- Mike Rumbles:

Will Mr Lyle take an intervention on that very point?

- Richard Lyle:

No—I had to listen to absolute rubbish from some members, and I want to come back at them with what I believe is the truth.

The Scottish Government is protecting lower and middle-earning taxpayers and making the tax system fairer and more progressive. By taking a different approach from the rest of the UK, the Scottish Government will ensure that the Scottish tax system is more progressive and supports additional investment in our public services. That investment will allow us to continue to deliver spending on the NHS that is increasing beyond the spending on health in other parts of the UK. Businesses are benefiting from our investment in infrastructure, broadband, research and development, business rates support and skills and training. On top of that, our social contract, which includes childcare, personal care and—I draw this to Rachael Hamilton's attention—the absence of tuition and prescription fees, which we abolished, exceeds what is provided elsewhere in the UK and ensures that taxpayers in Scotland have the best deal in the UK. Overall, taxpayers get a better deal from the Scottish Government than they get from other Governments on these islands.

The SNP Government is doing all that while it continues to face austerity measures from Westminster, which have resulted in Scotland's discretionary resource block grant being reduced by 6.5 per cent since 2010—in real terms, it is £2 billion lower than it was then. I wonder where the Tories get their figures from. The real fact is that Scotland's discretionary resource budget allocation has reduced by 6.5 per cent and is almost £2 billion lower than it was in 2010. Some parties live in a fantasy land, and that really angers me.

Of course, the Tories will point out that, in 2019-20, the discretionary resource block grant is increasing in real terms. However, after we remove the uplift in health funding, we realise that the 2019-20 fiscal resource budget allocation is lower in real terms than it was in 2018-19. Once again, the Tories are fooling no one. Indeed, this year's budget process is set against the backdrop of a Westminster system that is crumbling into further chaos before our eyes. The UK Government is ceasing to function, while the Scottish Government is doing well.

I say to the Cabinet Secretary for Finance, Economy and Fair Work and the excellent Minister for Public Finance and Digital Economy that I think that they have done a good job and continue to do so, and I will continue to support them.

- The Deputy Presiding Officer:

I call Elaine Smith to close for Labour.

16:37

- Elaine Smith (Central Scotland) (Lab):

In closing for Labour, I remind the chamber—as Iain Gray did—that it was Labour that delivered the Scottish Parliament more than 20 years ago. I recall that, at the time, the SNP said that Labour could not deliver a pizza, never mind a Parliament. Well, the SNP was wrong, just as it is wrong to propose a rate resolution that will increase wealth inequality in Scotland. We know that the gap between rich and poor continues to increase. The rate resolution is regressive, in that people who earn £43,430 will pay the same level of income tax as those who earn up to three times that amount, and it will leave councils struggling to deliver statutory services and having to cut other essential provision, such as music tuition, swimming pools and libraries.

The council tax rises are, of course, included in the Government's budget presentation, but if Labour councils raise council tax by the 4.8 per cent that Richard Lyle mentioned, in an effort to reduce the cuts, Derek Mackay will undoubtedly say that he recommended that council tax be increased by only 3 per cent. However, if Labour councils increase council tax by only 3 per cent, he will undoubtedly say that his cuts cannot be that bad, given that those councils did not use their full council tax powers. I think that Derek Mackay could and should use his fiscal levers to stop the cuts. Instead, he is forcing councils to make difficult decisions, which he is calling empowerment. Orwell's doublethink and Newspeak could have been written for Derek Mackay.

Of course, there is still time to change the budget. The SNP could be made to change the budget if the Greens were to take the principled position of voting against the rate resolution at decision time; abstaining on a vote on a regressive taxation proposal is hardly principled.

- Kate Forbes:

The Labour Party has had the past few months to engage and negotiate on the budget and, potentially, to change it, as the member claims could be done tonight. What would Labour's proposal be for the higher-rate tax?

- Elaine Smith:

The Labour Party did engage on the budget, as Derek Mackay well knows. James Kelly engaged on it but, unfortunately, Derek Mackay was not listening. We have been consistent in saying that we would reintroduce the 50p top tax rate, which the Tories took away—we are consistent in that. [Interruption.] I remind the member that that was also in the SNP manifesto.

When Scotland's first First Minister, the late Donald Dewar, was delivering the Scotland Bill, he pointed to the first sentence,

"There shall be a Scottish Parliament",

and memorably said, "I like that." The point about devolution being a process not an event—and clearly not an end in itself—is also attributed to Donald Dewar, and so it has been. More and more

powers have been devolved, making this one of the most powerful devolved Parliaments in the world. Of course, as Iain Gray also noted, the Scottish Parliament started out with tax-varying powers; the second question that was put in the 1997 vote—for those who are old enough to remember it—was about that. We should not forget that it was John Swinney, as finance secretary, who secretly gave up those tax-varying powers in 2007—powers that were specifically and democratically voted for by the people of Scotland.

It certainly was an historic year, in 2017, when the Scottish Parliament regained powers over tax and set the rates and bands for the first time. However, that went off with a whimper rather than a bang, when the new powers were not used fully to stop the cuts and challenge Tory austerity. *[Interruption.]* Perhaps members on the front bench would like to listen to these points.

Last year, the SNP was neither bold nor ambitious in its rate resolution and, once again, we witnessed a cuts budget. Now, here we are again, building on the accumulated cuts.

- Derek Mackay:

Will the member give way?

- Elaine Smith:

I do not think that I have time to give way—I have already given way to the minister.

These are tax plans that give a tax cut to the rich and inflict cuts of £230 million on our communities. Labour would ask the richest to pay their fair share and to invest in our public services, but Derek Mackay said no to that—to answer the minister's earlier question.

This resolution also shores up a budget that does nothing to tackle child poverty right here, right now. Labour asked Derek Mackay for £5 per child per week as a top-up to child benefit. Churches, trade unions, poverty academics and charities all agreed that that would make a huge difference. However, when we asked Derek Mackay, again he said no. Despite the rhetoric around the shocking Tory two-child policy and rape clause, when it comes to taking action to mitigate them, once again, Derek Mackay has said no. *[Interruption.]* Yes, indeed, he did—he said no when he was asked to do that. No wonder the public is wondering what the SNP's priorities actually are.

Overall, this has been a predictable debate. The Tories will never want to fairly tax the rich; they prefer to attack the poor with their shocking two-child policy and their utterly discredited universal credit. The Greens talk about fair tax, but tonight they intend to abstain and then justify their support for an SNP budget that cuts local government beyond the bone. Patrick Harvie intervened earlier, but I do not see that the Greens have fully costed his parking at work scheme. Judging by Mike Rumbles's comments earlier, I see that the Liberals are none too keen to fairly tax the rich either.

SNP members in opposition at Westminster call for the reinstatement of the 50p tax rate that George Osborne removed, but here, where they are the Government and have the power, they refuse to tax the rich; instead, they prefer to preside over cuts to jobs and services in local government—services that are needed by the poorest and most vulnerable in society.

- Mike Rumbles:

Will the member take an intervention?

- Elaine Smith:

I cannot take an intervention—I am closing.

The SNP argues that Westminster holds all the power, but in reality this Government has the devolved power to change our income tax brackets to ensure a more progressive and fairer tax system, to tackle child poverty immediately and to stop the vicious cuts to local government.

Scottish Labour stands for the many, not the few, and we will not support this timid tax proposal that simply passes on turbo-charged Tory austerity to our councils and sees poverty continue. Cuts to councils are cuts to communities. The SNP's tax policy—and its cuts budget—has been

influenced by the Tories; it has been aided and abetted by the Greens; and it will not be supported by Labour.

16:43

• Dean Lockhart (Mid Scotland and Fife) (Con):

I will start with some consensus and agree with something that the finance secretary said during the stage 1 budget debate.

When I asked Derek Mackay how he would deal with massive cuts to public spending in an independent Scotland, he told the chamber that the priority must be to grow the economy—not to increase tax but to grow the economy. For once, I agree with Derek Mackay. I am glad that he has finally come round to our side of the argument and thinks that the only sustainable way to deliver increased public spending in Scotland is by growing the economy, not by increasing the tax burden on hard-working families.

• Kate Forbes:

Will the member give way?

• Dean Lockhart:

I will in a second.

However, that is exactly what today's rate resolution does—it increases the tax gap between Scotland and the rest of the UK and it will further damage an already stagnating economy. That is why we will be voting against the rate resolution at decision time.

• Kate Forbes:

Does the member believe that the Tories' Brexit and immigration policy will help to grow the economy?

• Dean Lockhart:

It is interesting that the minister runs to Brexit as an excuse for the SNP's failure to grow the economy over the past 11 years. The SNP has had 11 years in which to grow the economy and it has failed miserably.

I will pick up on three of the wide range of issues that have been raised. The first is the growing list of broken promises when it comes to SNP tax policy. Murdo Fraser and Rachael Hamilton reminded everyone that the SNP Government was elected on a clear manifesto promise not to increase the basic rate of income tax. The wording of the SNP's Holyrood manifesto could not have been clearer. It stated:

"We will freeze the Basic Rate of Income Tax throughout the next Parliament to protect those on low and middle incomes."

The Deputy First Minister was even more explicit, when he told the Parliament:

"I want to say to teachers and public service workers ... that the last thing that I am going to do is put up their taxes."—[*Official Report*, 3 February 2016; c 19-20.]

However, here we are with more than 1 million workers in Scotland paying more income tax as a result of that broken manifesto pledge.

The SNP's broken promises do not end there. The SNP Government also promised not to raise the cap on council tax but, thanks to the SNP once again caving in to the Greens, low-income households now face council tax hikes of almost 5 per cent, which could mean an increase in tax bills of £500 a year. Willie Rennie listed a number of other broken promises from the SNP, including on the tourist tax and the plastic bag tax.

Kate Forbes claimed in her opening remarks that the SNP's tax policies are fair and progressive. We also heard the SNP's standard line that the Scottish Conservatives want tax cuts for the rich. However, as always, once we look beyond the SNP spin, we see that the facts tell us something

very different. The UK Conservative Government has delivered tax cuts for more than 2.4 million lower-paid workers by increasing the personal tax threshold every year since it was elected.

- Tom Arthur:

Will Mr Lockhart give way?

- Dean Lockhart:

I need to make progress.

In contrast, the SNP has increased income tax for middle and low earners. Everyone in Scotland earning more than £27,000 will pay more tax as a result of the SNP broken promise.

The SNP is also introducing the new car parking tax, which could cost up to £500 a year. That is a regressive tax, as it is not based on the ability to pay, and it will hit the lowest earners the hardest. It is no wonder that the people of Scotland are now asking, "Where is the fairness in that?" The SNP Government is out of touch.

Instead of increasing the tax burden on low and middle earners, it is time that the finance secretary realised that the real priority should be to expand the tax base in Scotland. That need to expand the tax base is clearly highlighted by the Scottish Fiscal Commission and the OBR, whose most recent forecasts show that Scotland has pro rata a lower number of higher and additional rate taxpayers than the rest of the UK and that income tax revenues for the UK as a whole are forecast to grow significantly more than income tax receipts in Scotland. Those forecasts paint a grim fiscal outlook and will mean only one thing: less money available for public spending in Scotland.

The answer to that fiscal challenge is not to increase the tax burden on the diminishing tax base in Scotland; the answer is to expand the tax base in Scotland by growing the economy and attracting more higher-paid workers. The Finance and Constitution Committee heard in evidence that attracting an extra 2,000 additional rate taxpayers would give the Scottish Government an extra £100 million annually to spend on public services. That is why the Scottish Chambers of Commerce has told the SNP:

"The sooner our politicians realise that supporting economic growth, rather than hiking up taxes, is the route towards increasing revenues and improving investment in ... services, the quicker Scotland will prosper."

We agree with that.

The final issue that I want to touch on is the size of the Scottish budget. We have again heard from the SNP its standard line that UK funding to Scotland has been cut, but that is simply not the case. According to SPICe and the Fraser of Allander institute, the overall budget from the UK Government is increasing, and not just in this financial year, as the overall budget has increased since the Conservatives came to power in 2010. In fact, the only reason why the tax burden in Scotland has to increase now is because the additional £1 billion in increased funding from the UK Government has been offset by a £500 million decline in tax revenues in Scotland as a result of the SNP's failure to grow the economy. The consequence is that the hard-working people of Scotland will have to pay for the SNP's economic incompetence over the past 11 years. That is not fair or progressive, which is why we will vote against the rate resolution at decision time.

- The Deputy Presiding Officer:

I call Kate Forbes to close the debate on behalf of the Government. You have until decision time, minister.

16:50

- Kate Forbes:

If we had been playing budget bingo in the debate we would have had a full house pretty early on, with the usual rhetoric coming from the Opposition parties. The Tories often talk about making this country an attractive place for people to work, live and invest in. I happen to agree wholeheartedly with that, but the irony is that not only have they just made the UK an even less attractive country, they are now actively preventing people from moving here, with their anti-immigration policies. Dean Lockhart rightly talked about expanding the tax base. However, the CBI, the FSB

and many others have condemned the Tories' immigration proposals as being catastrophic for the economy, with one organisation saying that the UK Government

"seems hell-bent on ignoring the business community".

Of course, that is consistent with the SFC's analysis, which is clear that Brexit is a key factor in the subdued outlook, as is—and this was the other part of my question to Dean Lockhart—slow population growth, which is being utterly exacerbated by the Tories' failed immigration policies of the past and their current proposals.

When it comes to income tax, the Tories know that there is no appetite for a further £500 million cut to our public services, which their tax policies would cause. That is not just the analysis of the Scottish Government. Other independent forecasters, including the Fraser of Allander institute, have produced analysis that supports such claims.

• Mike Rumbles:

Will the minister give way on that point?

• Kate Forbes:

With pleasure.

• Mike Rumbles:

I ask the minister to clarify a point of information. The Government has taken the deliberate decision not to raise the threshold for the 41p taxpayers in line with inflation, but will she tell us how many Scottish taxpayers have now been brought into that higher level simply because the Government has not raised the threshold along with inflation?

• Kate Forbes:

As I made clear in my opening remarks, our commitment in the budget is to have certainty for taxpayers. That is why we have not raised the rates, and why we have frozen the threshold. However, we do want to protect lower-earning and middle-earning taxpayers, which is why we have increased the threshold for them. We value Scotland's unique social contract, which is attractive—and we want to make the country attractive. We have provided, defended and extended core universal services, rights and benefits. For example, we have committed to free tuition; 600 hours of free early learning and childcare, which will increase to more than 1,000 hours; free school meals for all primary 1 to P3 children; free personal care; the abolition of prescription charges; and national concessionary travel schemes for older and disabled people. In this year's budget we have increased spend on colleges' resource budgets, contrary to Iain Gray's accusation. We have also increased the health resource, and the total core funding package for local government is £11.2 billion.

• Iain Gray:

Will the minister accept, though, that college budgets, resources and capital have been slashed?

• Kate Forbes:

I will accept—and it is quite clear in this year's budget—that their resource spend has increased, which is why it was incorrect to say that their resource budgets had declined.

Although we will continue to invest in the economy, statistics that have been published today show that it is resilient. We see that unemployment rates for Scotland's women and young people are at record lows. Our youth employment rates are higher than those for the UK, as are our female employment rates. Unemployment in Scotland has fallen to 3.5 per cent—the lowest rate on record—and our employment rate has risen again, to 75.5 per cent. All that has happened in light of fears, as claimed by the CBI in January, that a no-deal Brexit would cost the Scottish economy £14 billion a year by 2034.

Dean Lockhart *rose*—

• Kate Forbes:

Dean Lockhart might want to listen to this first, then I will take his intervention.

The CBI claimed that that was more than the annual public spend on hospitals, general practitioner services and other health services. Will the Tories take the threat of there being no deal off the table? I do not know, but perhaps Dean Lockhart can answer that.

- Dean Lockhart:

The minister mentioned the labour market statistics that are out today, which show that inactivity levels in Scotland are higher than those in the rest of the UK. Will she explain why they are higher?

- Kate Forbes:

Unemployment rates are moving in the right direction. As I said on that point in my opening speech, we are not taking our eyes off the ball. We are aware that, if we are facing challenges now, they are only going to be exacerbated over the next few years—indeed, over the next few months—so we will continue to target our investment to support people into work and ensure that we are tackling the key issues of poverty.

After this debate, however, we are none the wiser about Labour's tax policies. Labour members do not know how much tax they would have to raise to fund their additional requests, and the shadow chancellor said a number of months ago that he would not reverse the Tories' tax gift to the rich.

The Lib Dems seemed to claim credit as the architects of the SNP's income tax policy, but they will vote against it tonight, jeopardising £11.5 billion of investment in all the things that they profess to care about. The Lib Dems are the party of apparent localism—until, of course, the SNP tries to devolve powers to local authorities. All parties, incidentally, appear to be localist when it comes to local authority elections—even the Tories. I understand that, at the City of Edinburgh Council in August last year, they voted for the principle of pursuing consent to introduce a workplace parking levy.

I return to the rate resolution that is before us. Our income tax policy is forecast to raise over £11.5 billion to support the best outcomes for Scotland's people and economy. The Opposition, with one exception, would prefer chaos and uncertainty to the certainty of revenue for our precious public services. To put that £11.5 billion in perspective, I note that it is approximately the same amount as the total core funding package for local authorities.

Tonight is our opportunity to use the powers of this Parliament to build a fairer and more prosperous country. Our income tax policy is key to delivering that. We have reversed the UK Government's continued pursuit of budget cuts. Our income tax policy proposals freeze all rates, increase the starter and intermediate rate bands by inflation and freeze the higher and top rate thresholds. That ensures that 55 per cent of Scottish taxpayers will continue to pay less than they would pay if they lived elsewhere in the UK, and Scotland will continue to be the fairest-taxed and the lowest-taxed part of the UK. We will not pass on UK Government tax cuts for higher earners.

Our tax proposals protect those on low incomes and make the tax system fairer and more progressive. They will raise an extra £68 million to invest in public services, tackle poverty and support Scotland's economy.

- Murdo Fraser:

Does Kate Forbes not accept that the proposed workplace parking levy will be a regressive tax that will hit hardest those who are lowest paid? Is that not the case?

- The Deputy Presiding Officer:

Before the minister answers, I ask members to keep their chatter down; it is building and I cannot hear the minister.

- Kate Forbes:

What I do accept is the whole concept of empowering local authorities and ensuring that they have the powers that they need. In conversations with local authorities, they are clear that they want to be able to make local decisions about local assets that serve local interests, and as a Government we are committed to making sure that that includes tax powers as well.

- James Kelly:

Will the minister take an intervention?

- Kate Forbes:

I am mindful that I have only a minute and a half left, but the member can go for it.

- James Kelly:

On a point of clarification, I note from looking at the motion that the higher rate of 41 per cent is set for income from £30,930 up to £150,000. That is not what was proposed in the draft budget, which mentioned £43,430 to £150,000. I just mention that for accuracy.

- Kate Forbes:

The proposed rates are as in the budget. Apparently it is due to a technicality to be consistent with the legislation.

I go back to the substance of the debate. We will deliver an additional £182 million in revenue against the associated block grant adjustment. Our budget will deliver an NHS that is well funded. Families will have access to free childcare. Students will have access to free tuition. There will be no prescription fees and we will ensure that our older generation can benefit from free personal care. That is all delivered by sound, certain and evidence-based tax policies. Our income tax proposals in the rate resolution that is before us today, along with the spending plans for 2019-20, will ensure that Scotland is an attractive place to live, work and raise a family.

- The Presiding Officer (Ken Macintosh):

Thank you. That concludes the debate on the Scottish rate resolution. Under standing orders, although it is not decision time, we will move straight to the vote on the motion. Before I put the question, I advise members that, under rule 9.16.7, stage 3 proceedings of the Budget (Scotland) (No 3) Bill cannot begin unless the Scottish rate resolution is agreed to.

The question is, that motion S5M-15879, in the name of Derek Mackay, on the Scottish rate resolution, be agreed to. Are we agreed?

Members: No.

- The Presiding Officer:

There will be a division.

For

Adam, George (Paisley) (SNP)
 Adamson, Clare (Motherwell and Wishaw) (SNP)
 Allan, Dr Alasdair (Na h-Eileanan an Iar) (SNP)
 Arthur, Tom (Renfrewshire South) (SNP)
 Beattie, Colin (Midlothian North and Musselburgh) (SNP)
 Brown, Keith (Clackmannanshire and Dunblane) (SNP)
 Campbell, Aileen (Clydesdale) (SNP)
 Coffey, Willie (Kilmarnock and Irvine Valley) (SNP)
 Constance, Angela (Almond Valley) (SNP)
 Crawford, Bruce (Stirling) (SNP)
 Cunningham, Roseanna (Perthshire South and Kinross-shire) (SNP)
 Denham, Ash (Edinburgh Eastern) (SNP)
 Dey, Graeme (Angus South) (SNP)
 Doris, Bob (Glasgow Maryhill and Springburn) (SNP)
 Dornan, James (Glasgow Cathcart) (SNP)
 Ewing, Annabelle (Cowdenbeath) (SNP)
 Ewing, Fergus (Inverness and Nairn) (SNP)
 Fabiani, Linda (East Kilbride) (SNP)
 FitzPatrick, Joe (Dundee City West) (SNP)
 Forbes, Kate (Skye, Lochaber and Badenoch) (SNP)
 Freeman, Jeane (Carrick, Cumnock and Doon Valley) (SNP)
 Gibson, Kenneth (Cunninghame North) (SNP)
 Gilruth, Jenny (Mid Fife and Glenrothes) (SNP)
 Gougeon, Mairi (Angus North and Mearns) (SNP)

Grahame, Christine (Midlothian South, Tweeddale and Lauderdale) (SNP)
Harper, Emma (South Scotland) (SNP)
Haughey, Clare (Rutherglen) (SNP)
Hepburn, Jamie (Cumbernauld and Kilsyth) (SNP)
Hyslop, Fiona (Linlithgow) (SNP)
Kidd, Bill (Glasgow Anniesland) (SNP)
Lochhead, Richard (Moray) (SNP)
Lyle, Richard (Uddingston and Bellshill) (SNP)
MacDonald, Angus (Falkirk East) (SNP)
MacDonald, Gordon (Edinburgh Pentlands) (SNP)
MacGregor, Fulton (Coatbridge and Chryston) (SNP)
Mackay, Derek (Renfrewshire North and West) (SNP)
MacKay, Rona (Strathkelvin and Bearsden) (SNP)
Macpherson, Ben (Edinburgh Northern and Leith) (SNP)
Maguire, Ruth (Cunninghame South) (SNP)
Martin, Gillian (Aberdeenshire East) (SNP)
Mason, John (Glasgow Shettleston) (SNP)
Matheson, Michael (Falkirk West) (SNP)
McAlpine, Joan (South Scotland) (SNP)
McKee, Ivan (Glasgow Provan) (SNP)
McKelvie, Christina (Hamilton, Larkhall and Stonehouse) (SNP)
McMillan, Stuart (Greenock and Inverclyde) (SNP)
Neil, Alex (Airdrie and Shotts) (SNP)
Paterson, Gil (Clydebank and Milngavie) (SNP)
Robison, Shona (Dundee City East) (SNP)
Ross, Gail (Caithness, Sutherland and Ross) (SNP)
Russell, Michael (Argyll and Bute) (SNP)
Somerville, Shirley-Anne (Dunfermline) (SNP)
Stevenson, Stewart (Banffshire and Buchan Coast) (SNP)
Stewart, Kevin (Aberdeen Central) (SNP)
Swinney, John (Perthshire North) (SNP)
Todd, Maree (Highlands and Islands) (SNP)
Torrance, David (Kirkcaldy) (SNP)
Watt, Maureen (Aberdeen South and North Kincardine) (SNP)
Wheelhouse, Paul (South Scotland) (SNP)
White, Sandra (Glasgow Kelvin) (SNP)
Yousaf, Humza (Glasgow Pollok) (SNP)

Against

Baillie, Jackie (Dumbarton) (Lab)
Baker, Claire (Mid Scotland and Fife) (Lab)
Balfour, Jeremy (Lothian) (Con)
Ballantyne, Michelle (South Scotland) (Con)
Beamish, Claudia (South Scotland) (Lab)
Bibby, Neil (West Scotland) (Lab)
Bowman, Bill (North East Scotland) (Con)
Briggs, Miles (Lothian) (Con)
Burnett, Alexander (Aberdeenshire West) (Con)
Cameron, Donald (Highlands and Islands) (Con)
Carlaw, Jackson (Eastwood) (Con)
Carson, Finlay (Galloway and West Dumfries) (Con)
Chapman, Peter (North East Scotland) (Con)
Cole-Hamilton, Alex (Edinburgh Western) (LD)
Corry, Maurice (West Scotland) (Con)
Findlay, Neil (Lothian) (Lab)
Fraser, Murdo (Mid Scotland and Fife) (Con)
Golden, Maurice (West Scotland) (Con)
Grant, Rhoda (Highlands and Islands) (Lab)
Gray, Iain (East Lothian) (Lab)
Greene, Jamie (West Scotland) (Con)
Griffin, Mark (Central Scotland) (Lab)
Halcro Johnston, Jamie (Highlands and Islands) (Con)

Hamilton, Rachael (Ettrick, Roxburgh and Berwickshire) (Con)
 Harris, Alison (Central Scotland) (Con)
 Johnson, Daniel (Edinburgh Southern) (Lab)
 Kelly, James (Glasgow) (Lab)
 Kerr, Liam (North East Scotland) (Con)
 Lennon, Monica (Central Scotland) (Lab)
 Leonard, Richard (Central Scotland) (Lab)
 Lindhurst, Gordon (Lothian) (Con)
 Lockhart, Dean (Mid Scotland and Fife) (Con)
 Macdonald, Lewis (North East Scotland) (Lab)
 Mason, Tom (North East Scotland) (Con)
 McArthur, Liam (Orkney Islands) (LD)
 Mitchell, Margaret (Central Scotland) (Con)
 Mountain, Edward (Highlands and Islands) (Con)
 Mundell, Oliver (Dumfriesshire) (Con)
 Rennie, Willie (North East Fife) (LD)
 Rumbles, Mike (North East Scotland) (LD)
 Sarwar, Anas (Glasgow) (Lab)
 Scott, John (Ayr) (Con)
 Scott, Tavish (Shetland Islands) (LD)
 Simpson, Graham (Central Scotland) (Con)
 Smith, Elaine (Central Scotland) (Lab)
 Smith, Liz (Mid Scotland and Fife) (Con)
 Smyth, Colin (South Scotland) (Lab)
 Stewart, Alexander (Mid Scotland and Fife) (Con)
 Stewart, David (Highlands and Islands) (Lab)
 Tomkins, Adam (Glasgow) (Con)
 Wells, Annie (Glasgow) (Con)
 Whittle, Brian (South Scotland) (Con)

Abstentions

Finnie, John (Highlands and Islands) (Green)
 Greer, Ross (West Scotland) (Green)
 Harvie, Patrick (Glasgow) (Green)
 Johnstone, Alison (Lothian) (Green)
 Ruskell, Mark (Mid Scotland and Fife) (Green)
 Wightman, Andy (Lothian) (Green)

• The Presiding Officer:

The result of the division is: For 61, Against 52, Abstentions 6.

Motion agreed to,

That the Parliament agrees that, for the purposes of section 11A of the Income Tax Act 2007 (which provides for income tax to be charged at Scottish rates on certain non-savings and non-dividend income of a Scottish taxpayer), the Scottish rates and limits for the tax year 2019-20 are as follows-

- (a) a starter rate of 19%, charged on income up to a limit of £2,049,
- (b) the Scottish basic rate is 20%, charged on income above £2,049 and up to a limit of £12,444,
- (c) an intermediate rate of 21%, charged on income above £12,444 and up to a limit of £30,930,
- (d) a higher rate of 41%, charged on income above £30,930 and up to a limit of £150,000, and
- (e) a top rate of 46%, charged on income above £150,000.

• The Presiding Officer:

As the Scottish rate resolution has been agreed, the Budget (Scotland) (No 3) Bill can proceed to stage 3, which will take place on Thursday.

-  Social Security Committee Announcement

- ☐ Decision Time

- ☐ St Rollox Railway Works