

## **PE2096/A: Review the council tax system**

### **Scottish Government submission, 22 May 2024**

The Scottish Government is grateful for the opportunity to contribute towards the Committee's consideration of this petition.

The Scottish Government is committed to a fairer, more inclusive and fiscally sustainable form of local taxation. In recent years the Scottish Ministers have pursued various means to identify an alternative to the current Council Tax system that can be supported by Parliament.

The Programme for Government 2021 committed to establishing a Joint Working Group to oversee deliberative engagement on local government funding, including Council Tax.

Scottish Ministers have convened the Joint Working Group on Sources of Local Government Funding and Council Tax Reform which is co-chaired by Scottish Ministers and COSLA. This group is considering proposals for meaningful changes to be introduced to Council Tax, and they have explored a broad range of measures with a core aim of providing fairness to the system. The group successfully agreed changes to the Council Tax treatment of second and long-term empty homes, and a 100% premium for second homes was introduced on 1 April 2024.

The group is now progressing the second phase of its work focused on longer-term reform, including developing plans for public engagement on the nature of reform.

I hope that you find this helpful.

**Local Government and Housing Directorate**