Local Government and Communities Committee

Consideration of the Council Tax (Substitution of Proportion) (Scotland) Order 2016

Submission from Tom Reilly

My views on the changes being proposed to Council tax

1. Overall, do you support the principles of the Government's plans to reform Council Tax?

   These changes are playing with the problem and the existing system. Local Authorities require funding and it makes sense to collect some of the money on a local area basis – but the money should be collected on the basis of ability to pay – the Rich residents should pay more the Poor residents should pay less. In a local area there should be a local income tax collected to help pay with local expenditure. In addition there should be a local property tax this being adjusted and I agree by bands with lower bands increasing less and higher bands by paying relatively more. This should be pooled across Scotland rather than – say one Authority with higher bands collecting more with a lesser need and another Authority with lower bands collecting less although they have greater need.

   Local income tax can be adjusted based on ability to pay – local property tax cannot be adjusted on ability to pay and should be pooled and adjusted across Scotland on the basis of local authority need. It should not be distributed on the basis of “free school meals” as the indicator of need.

2. To what extent will the Government's proposed reforms make the system of Council Tax fairer?

   As there would be local income tax and a property tax my proposals would allow the system to be adjusted and could be fairer.

3. To what extent will the changes be straightforward for local authorities to implement?

   The straightforwardness is not as important as getting a fair system of local taxation.

4. Do you support the Government's planned changes to Council Tax reductions?

   No. I do not support the existing planned changes – it needs more work.
5. Please add any other comments on any aspect of the proposed reforms.

The UK tax system should be examined to integrate the Taxation system and the Local taxation system. Computer systems should be considered to help with taxation and the collection of tax.

Tom Reilly