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The Scottish Parliament

09 December 2025

I am writing to you both to give you advance notice of a forthcoming Legislative Consent Memorandum (LCM) and to seek your help to deliver an expedited process.

As you may be aware, on the 26th November in the UK Budget the Chancellor of the Exchequer set out her intention to vary the rate of Income Tax that is due on income from Property from April 2027.

Property income is currently subject to Scottish Income Tax but the Scotland Act does not allow for a separate rate to be set apart from other non-saving non-dividends income. The UK Government intends to devolve to Scotland the ability to vary Scottish Income Tax on property income from April 2027 to give Scotland the same flexibility as they are taking for themselves. This will require an amendment to the Scotland Act, contained in the UK Finance (No. 2) Bill which was introduced on the 2nd December and can be viewed here - [Finance (No. 2) Bill - Parliamentary Bills - UK Parliament](#).

Under Rule 9B of Standing Orders, the Scottish Government is normally expected to lodge a Legislative Consent Memorandum by 2 weeks from the date of introduction, so by 16th December. We will do our best to meet that timescale, although I should flag that there is a risk this may slip slightly.

I am therefore writing to you to let you know to expect this LCM, in the hope that you can adjust your work programmes accordingly to accommodate consideration of this. I realise that this is an incredibly busy time. This was an unanticipated announcement at the Budget, with no prior consultation or advance notice. As such, timings are out of my control, and so this has not been included in any previous lists of work that we have shared with you to date.

An additional factor you will need to be aware of is that UK Finance Bills are not subject to the same procedures as other UK Government Bills in that there is no amending stage in the House of Lords. Therefore the last amending stage will be at the Report Stage in the Commons. We do not have a timetable for this yet but expect it to be **some time in February**. My officials are in regular contact with the Treasury bill team and will pass on any information we receive about the date of the Report Stage as soon as they have it.

With the above in mind, to enable the Scottish Parliament to take a motion on legislative consent before the last amending stage, it would be useful for your committees to have considered and reported on the LCM by the end of January if at all possible.

Finally, I would like to thank you in advance for your cooperation with this and reassure you that my officials and I are happy to do whatever we can to assist with your work. In particular we will update you as soon as the UK Government provides confirmation of the Bill timetable.

Yours sincerely,

Shona Robison

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