



The Scottish Parliament
Pàrlamaid na h-Alba

Finance and Public Administration Committee

By email

All correspondence c/o:

Finance and Public
Administration Committee Clerks
Room T3.60
The Scottish Parliament
Edinburgh
EH99 1SP

Tel: 0131 348 5219

Textphone: 0800 092 7100

FPA.committee@parliament.scot

21 December 2022

Dear All

The Land and Buildings Transaction Tax (additional amount: transactions relating to second homes etc.) (Scotland) Amendment Order 2022

The Finance and Public Administration Committee requires to consider [SSI 2022/375](#): The Land and Buildings Transaction Tax (additional amount: transactions relating to second homes etc.) (Scotland) Amendment Order 2022 by the end of January 2023. Whilst this Statutory Instrument came into force on 16 December, it needs Parliamentary approval to remain in effect.

The Scottish Government explains that the purpose of this statutory instrument is to increase the rate of the Additional Dwelling Supplement (ADS), as announced in the Scottish Budget 2023-24, from 4 to 6%. This supplement is only payable on residential transactions above £40,000 where the acquiring party owns more than one residence once the transaction is complete. The increase from 4% to 6% is expected to increase revenues from ADS by £34 million in 2023-24 (and will also result in increased revenue for the Scottish Budget in 2022-23 as it is in place for transactions which are agreed after 16 December 2022).

In order to inform its evidence session **the Committee is seeking written views on any impact of increase in additional dwelling supplement. Should you not support the increase then the Committee would welcome your views on how**

else the revenues of £34 million in 2023-24 might be raised, if not through this increase.

Given the statutory timescales within which the Committee must consider this SSI, the Committee is **seeking any written views by close on Friday 20 January 2023**. Should you wish to provide your views please email them to fpa.committee@parliament.scot. For more information about what happens when you send your written views to the Committee and your information is used please see the [privacy notices](#) page.

Yours sincerely

Kenneth Gibson MSP
Convener
Finance and Public Administration Committee