26 June 2017

Dear Graeme

AIR DEPARTURE TAX

I am writing to make the Committee aware that the Scottish Government has today launched two public consultations in accordance with the requirements of the Environmental Assessment (Scotland) Act 2005.

The first consultation is on the Scottish Government’s policy for an overall 50% reduction in Air Departure Tax (ADT) by the end of the current session of the Scottish Parliament. The second consultation is on the Environmental Report produced as part of the Strategic Environmental Assessment the Government is conducting in relation to the overall 50% ADT reduction policy. The Environmental Report outlines the findings of the assessment, which has considered the likely impacts of the proposed policy against a wide range of environmental topics such as climate factors, air quality, material assets and biodiversity.

Both consultations will be open for response until Friday 15 September 2017, and can be accessed at: https://consult.scotland.gov.uk/fiscal-responsibility/air-departure-tax.

The responses to both consultations will be used to help inform the Scottish Government’s final proposals for ADT tax bands and tax rate amounts which will be delivered in secondary legislation in the autumn.

In addition to these consultations, as I committed to doing at Stage 1 of the Air Departure Tax (Scotland) Bill process, Transport Scotland has today published an updated assessment of the estimated greenhouse gas emissions impact from a 50% reduction in ADT. The report, which takes into account the latest available data including the greenhouse gas emissions statistics published on 13 June 2017, can be accessed at: https://www.transport.gov.scot/air-dep-tax/emissions.
I hope the Committee finds this information helpful. I have written a similar letter to the Convener of the Finance and Constitution Committee.

DEREK MACKAY