The Scottish Parliament
Pàrlamaid na h-Alba

Published 20 November 2026
SP Paper 52
2nd Report, 2026 (Session 7)

Social Justice, Housing and Local Government Committee

The Visitor Levy (Amendment of Returns and Miscellaneous Amendment) (Scotland) Regulations 2026 [draft]

Published in Scotland by the Scottish Parliamentary Corporate Body.

All documents are available on the Scottish Parliament website at:
www.parliament.scot/documents

For information on the Scottish Parliament contact Public Information on:
Telephone: 0131 348 5000
Textphone: 0800 092 7100
Email: info@parliament.scot

© Parliamentary copyright. Scottish Parliament Corporate Body
The Scottish Parliament's copyright policy can be found on the website —
www.parliament.scot

Contents

Introduction 1

About the instrument 2

Consideration by the Delegated Powers and Law Reform Committee 4

Consideration by the Social Justice, Housing and Local Government Committee 5

Social Justice, Housing and Local Government Committee

To consider and report on matters falling within the responsibility of the Cabinet Secretary for Social Justice and Housing, and on matters relating to local government within the responsibility of the Cabinet Secretary for Finance and Local Government



SJHLG.committee@parliament.scot

Committee Membership



Convener
Craig Hoy
Scottish Conservative and Unionist Party



Steven Bonnar
Scottish National Party



Gary Bouse
Scottish National Party



Mark Griffin
Scottish Labour



Kate Campbell
Scottish National Party



Morven-May MacCallum
Scottish Liberal Democrats



Deputy Convener
Julie MacDougall
Reform UK

Introduction

1. This report concerns The Visitor Levy (Amendment of Returns and Miscellaneous Amendment) (Scotland) Regulations 2026 [draft], laid before the Parliament by the Scottish Government on 6 October 2026. The instrument, which was laid in draft, is subject to the affirmative procedure – which means it cannot be made unless it has been approved by a resolution of the Parliament.

2. It is for the Social Justice, Housing and Local Government Committee, as lead committee, to decide whether or not to recommend approval.

About the instrument

3. The purpose of this instrument is to establish the process by which a person liable may request an amendment to a return after it has been submitted. It also clarifies how penalties and interest on unpaid levy apply where a return is amended.

4. The regulations clarify how requests to amend submitted visitor levy returns interact with a local authority's power to substitute its own assessment where it considers that the amount of levy declared has been incorrectly calculated.

5. Section 28A of the Visitor Levy (Scotland) Act 2024 gives Scottish Ministers the power to make regulations allowing visitor levy returns to be amended after submission. Regulation 2 sets out the circumstances in which a person liable to pay the levy may request an amendment, the timescales for considering requests, evidence requirements and provisions should additional evidence not be submitted.

6. Regulation 3 clarifies how penalties for failure to pay the visitor levy apply when a return is amended. Penalties imposed before the amendment generally remain payable, but no further penalties relating to the original return may be imposed after the amended return is submitted. New penalties may apply if the levy due under the amended return remains unpaid for 14 days after the local authority issues a payment reminder.

7. An exception applies where an amended return establishes that a penalty imposed for non-payment of visitor levy would not have arisen had the correct amount been declared in the original return. In these circumstances, the penalty is no longer payable.

8. Regulation 4 clarifies how interest on unpaid visitor levy is calculated when a return is amended. Interest accrued under the original return remains payable, but no further interest accrues on that amount from the day after the amended return is submitted. Where levy remains unpaid under the amended return, interest begins accruing on the revised amount the day after the day it was sent.

9. Where the amended return reduces the amount of interest payable, the local authority must reimburse any overpayment within 30 days of the amended return being submitted, unless a longer period is agreed with the liable person.

10. Regulation 5 extends the circumstances in which a local authority has two months to give notice of its intention to substitute its own assessment of visitor levy liability where it considers that a return contains a careless or deliberate miscalculation. The additional circumstances include where an amended return has been submitted, where a request to amend a return has been refused, or where the authority reasonably expects an amendment request but none has been made.

11. Regulation 5 also clarifies the arrangements for calculating interest on unpaid levy where a local authority substitutes its own assessment following an apparent careless or deliberate miscalculation. Interest continues to accrue on the unpaid levy until the local authority notifies the liable person of the outcome of its assessment. At that point, no further interest accrues on the amount declared in the original return, although any interest already accrued remains payable. Interest may subsequently be charged on any unpaid amount arising from the local authority's

assessment, from the day after the revised payment deadline.

12. Where the reassessment results in a lower levy liability, any overpaid interest must be refunded within 30 days of notification, unless a longer period is agreed with the liable person.

13. Regulation 6 allows documents and notices relating to requests to amend visitor levy returns to be sent electronically, provided the recipient has agreed and the documents are accessible and available for future reference.

14. A Child Rights and Wellbeing Impact Assessment (CRWIA) was carried out, and no impacts were identified.

Consideration by the Delegated Powers and Law Reform Committee

15. The Delegated Powers and Law Reform (DPLR) Committee is required to consider every instrument laid before the Parliament and decide whether to draw it to the attention of the Parliament on any of the "reporting grounds" set out in Rule 10.3 of the Parliament's standing orders.

16. The DPLR Committee considered the instrument in its 8th meeting on 27 October 2026 and reported on it in its 13th Report. The report notes that the original draft of the instrument was withdrawn and the present version was re-laid following questions raised by the Committee with the Scottish Government. The Committee agreed that it did not need to be drawn to the Parliament's attention on any of the reporting grounds.

Consideration by the Social Justice, Housing and Local Government Committee

17. At its meeting on 18 November 2026, the Social Justice, Housing and Local Government Committee took evidence on the instrument from the Minister for Public Finance and Scottish Government officials.

18. The Minister made an opening statement, setting out the purpose and objectives of the instrument.

19. The Committee asked why the regulations would come into force on 1 December 2026, after Edinburgh accommodation providers were required to submit their first visitor levy returns by 30 October. The Convener highlighted concerns from Edinburgh accommodation providers that providers who promptly reported errors could still incur interest before the formal amendment process became available. The Minister stated that the Scottish Government had not wanted to delay Edinburgh's visitor levy and indicated that a grace period could be provided. Scottish Government officials explained that the City of Edinburgh Council had planned to accept amendment requests before the regulations came into force and confirmed that the six-month period for requesting amendments would cover the first returns.

20. The Committee sought clarification on how businesses could request amendments if Edinburgh's online portal could not accept them. Officials indicated that businesses could contact the Council through alternative channels.

21. Members questioned whether the Scottish Government had assessed local authorities' staffing, resources and digital infrastructure to process amended returns. The Minister expressed confidence that councils had sufficient staff, while acknowledging that businesses and councils would need time to adapt to the new system. The Minister also emphasised that local authorities could choose whether to introduce the levy.

22. Following the oral evidence, the Minister moved motion S7M-01472—

> That the Social Justice, Housing and Local Government Committee recommends that The Visitor Levy (Amendment of Returns and Miscellaneous Amendment) (Scotland) Regulations 2026 [draft] be approved.

23. The motion was agreed to.

Recommendation

24. The Committee recommends to the Parliament that The Visitor Levy (Amendment of Returns and Miscellaneous Amendment) (Scotland) Regulations 2026 [draft] be approved.

