

Finance and Public Administration Committee
5th Meeting 2026 (Session 6)
Tuesday 3 February 2026

Note by the Clerk on the Scottish Aggregates Tax (Applicable Rate of Tax) Regulations 2026 [draft]

Purpose

1. The Committee is invited to take evidence from the Minister for Public Finance and Scottish Government officials in relation to the Scottish Aggregates Tax (Applicable Rate of Tax) Regulations 2026 [draft]
2. After the evidence session, the Committee is invited to debate a motion in the name of the Minister on whether to recommend the approval of the instrument.
3. This is a draft Scottish Statutory Instrument (SSI), which requires approval by resolution of the Parliament before it can become law. More information about the instrument is summarised below.

Title of the instrument: [The Scottish Aggregates Tax \(Applicable Rate of Tax\) Regulations 2026](#)

Laid under: [Aggregates Tax and Devolved Taxes Administration \(Scotland\) Act 2024](#)

Laid on: 08/01/2026

Procedure: Affirmative

Lead committee to report by: 16/02/2026

Commencement: If approved, the instrument comes into force on 1 April 2026

Procedure

4. Under the affirmative procedure, an instrument must be laid in draft and cannot be made (or come into force) unless it is approved by resolution of the Parliament.
5. Once laid, the instrument is referred to:
 - the Delegated Powers and Law Reform (DPLR) Committee, for scrutiny on various technical grounds, and

- The Committee, whose remit includes the subject-matter of the instruments, for scrutiny on policy grounds.
6. The Committee, taking account of any recommendations made by the DPLR Committee (or any other committee), must report within 40 days of the instrument being laid.
 7. To inform the Committee's consideration of the motion, there is an opportunity to take evidence on the instrument from the Minister for Public Finance and his officials at Agenda item 3 before moving to formal consideration of the motion at Agenda item 4.
 8. During formal consideration of the motion, Standing Orders provide that only the Minister and Members may participate in the debate.

Policy objectives

9. The [Policy Note](#) (Annexe A) explains that the instrument "specifies the first applicable rate of Scottish Aggregates Tax, as announced in the Scottish Budget 2026-27".
10. The instruments sets, from 1 April 2026, the applicable rate of Scottish Aggregates Tax (SAT) at £2.16 per tonne of taxable aggregate.

Impacts and consultation

11. The Policy Note states that several impact assessments have been carried out. The impact assessments have not highlighted any unintended consequences.
12. No Business and Regulatory Impact Assessment has been prepared "as no impact upon business, charities or voluntary bodies is foreseen".
13. The Policy Note highlights that the Scottish Government has consulted "on the proposed administration regulations for SAT, including draft SSIs".
14. The SFC [forecasts](#) that SAT will raise £42 million in 2026-27.

Delegated Powers and Law Reform Committee consideration

15. The DPLR Committee considered the instrument on 20 January 2026 and reported on it in its [8th Report, 2026](#). The DPLR Committee made no recommendations in relation to the instrument.

Next steps

16. As lead Committee for consideration of this instrument, the Finance and Public Administration Committee is invited to consider and vote on the following motion lodged in the name of the Minister for Public Finance—

- [S6M-20364](#) - That the Finance and Public Administration Committee recommends that the Scottish Aggregates Tax (Applicable Rate of Tax) Regulations 2026 [draft] be approved.

17. Following today's meeting, the Committee will publish a draft report on the SSI.

Committee Clerking team
January 2026

POLICY NOTE**THE SCOTTISH AGGREGATES TAX (APPLICABLE RATE OF TAX)
REGULATIONS 2026****SSI 2026/XXX**

The instrument above was made in exercise of the powers conferred by 12(3) of the Aggregates Tax and Devolved Taxes Administration (Scotland) Act 2024. The instrument is subject to the affirmative procedure.

Purpose of the instrument.

This instrument specifies the first applicable rate of Scottish Aggregates Tax, as announced in the Scottish Budget 2026-27.

Policy Objectives

Section 12(3) of the Aggregates Tax and Devolved Taxes Administration (Scotland) Act 2024 (“the 2024 Act”) confers on the Scottish Ministers a power to make regulations specifying the applicable rate of Scottish Aggregates Tax (“SAT”) for the purposes of section 12 of the 2024 Act.

This instrument provides that from 1 April 2026, the applicable rate of SAT is £2.16 per tonne of taxable aggregate.

**UN Convention on the Rights of the Child (Incorporation) (Scotland) Act 2024
Compatibility**

The Scottish Ministers have made the following statement regarding children’s rights.

In accordance with section 23(2) of the United Nations Convention on the Rights of the Child (Incorporation) (Scotland) Act 2024, the Scottish Ministers certify that, in their view, the Scottish Aggregates Tax (Applicable Rate of Tax) Regulations 2026 is compatible with the UNCRC requirements as defined by section 1(2) of the Act.

EU Alignment Consideration

This instrument is not relevant to the Scottish Government’s policy to maintain alignment with the EU.

Consultation

A public consultation opened on 24 January 2025 on the proposed administration regulations for SAT, including draft SSIs, with a closing date of 21 March 2025. The consultation paper and draft SSI texts are available on the Scottish Government website¹. A full list of those consulted and the responses of those who agreed to the release of this information and the Scottish Government response has been published on the Scottish Government's website² and consultation platform, Citizen Space³.

Impact Assessments

Equalities and equal opportunities – The Equalities Impact Assessment processes were completed while developing the SAT secondary legislation and concluded that the instrument will have no negative impact on equality issues. This instrument does not unlawfully discriminate in any way with respect to any of the relevant protected characteristics (age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, sex and sexual orientation) either directly or indirectly.

Human rights – This instrument is considered to be compatible with the convention rights under the Human Rights Act 1998. In particular, this Order is considered to be compatible with the right to peaceful enjoyment of possessions under Article 1 Protocol 1 of the European Convention for the Protection of Human Rights and Fundamental Freedoms, in terms of which a State may nevertheless enforce such laws as it deems necessary to secure the payment of taxes.

Child rights and wellbeing – A Child rights and wellbeing impact assessment has been carried out in respect of this instrument and will be published on the legislation.gov.uk website. The overall conclusion was that this instrument will have no impact on children's rights under the UNCRC requirements (as incorporated into domestic law) or on children's wellbeing.

Fairer Scotland – This instrument should not have any direct implications for inequalities arising from socio-economic disadvantage.

Consumer – There will not be any additional impacts on consumers as a result of the provisions in this instrument.

¹ <https://www.gov.scot/publications/scottish-aggregates-tax-administration-regulations/>

² <https://www.gov.scot/publications/scottish-aggregates-tax-proposed-administration-regulations-consultation-analysis/>

³ <https://consult.gov.scot/taxation-and-fiscal-sustainability/scottish-aggregates-tax-proposed-admin-regulations/>

Island communities – No new impacts have been identified for Island Communities in relation to the provisions of this instrument.

Local government – The amendments as part of this instrument will not result in any significant implications for local government. At present, four Scottish local authorities operate their own quarries and therefore directly pay UK Aggregates Levy where aggregate is commercially exploited.

Sustainable development – The Strategic Environment Assessment processes were completed while developing the SAT secondary legislation and concluded that the instrument will have no impact on sustainable development, and no adverse effects on the environment.

No Business and Regulatory Impact Assessment has been prepared for this instrument as no impact upon business, charities or voluntary bodies is foreseen.

Sustainable development – The instrument will have no impact on sustainable development.

Privacy impacts – No privacy impacts resulting from this legislation have been identified.

Financial Effects

The costs related to this instrument, which are the Revenue Scotland costs to administer the SAT, are detailed in the Financial Memorandum⁴ prepared in respect of the Bill that preceded the 2024 Act and the Financial Memorandum⁵ prepared during the passage of the Bill.

The Scottish Fiscal Commission will publish an assessment of the revenue impact of the SAT rate in the Economic and Fiscal Forecasts published alongside the Scottish Budget on 13 January 2026.

Scottish Government
Tax and Revenue Directorate
January 2026

⁴ <https://www.parliament.scot/-/media/files/legislation/bills/s6-bills/aggregates-tax-and-devolved-taxes-administrationscotland-bill/introduced/financial-memorandum-accessible.pdf>

⁵ <https://www.parliament.scot/-/media/files/legislation/bills/s6-bills/aggregates-tax-and-devolved-taxes-administrationscotland-bill/introduced/financial-memorandum-accessible.pdf>