

Call for Written Evidence

PAGE 2: RESPONDENT INFORMATION

Q2: Would you be happy to be approached by the Commission for further discussion about your submission?	Yes
Q3: Do you consider yourself or your organisation as from or representing?	an area with both urban and rural parts
Q4: I am responding as an:	An individual

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Q5: You have indicated that you are responding as an individual. Do you agree to your response being made available to the public on the Commission's web site?	Yes
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Q6: If you have agreed to your response being made available to the public, please tell us if we may also make your name and address available.

Yes, make my response available, but not my name and address

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Q7: You have indicated that you are responding on behalf of an organisation. The name and address of your organisation will be made public on the Commission's web site. Are you content for your response to also be made available?

Respondent skipped this question

Q8: Which of the following best describes your organisation?

Respondent skipped this question

Q9: Please provide a short description of the main purpose of your organisation.

Respondent skipped this question

PAGE 6: TELL US WHAT YOU THINK

Q10: CURRENT SYSTEM OF COUNCIL TAX: To what extent does the current system of council tax deliver a fair and effective system of local taxation in Scotland? Are there any features of the current system that you wish to see retained or changed? Please illustrate your answer with any examples from your own experience.

While there may be a degree of unfairness, I believe that the current system is effective, stable, easily enforceable and relatively low in cost of administration. I am in favour of retaining a tax based on the capital value of land and buildings.

Unfairness arises from the fact that the valuation bands of extended houses cannot be changed until such time as the property is sold. Problems can arise when seeking band comparisons where houses of similar style and accommodation may be, legitimately, in different bands. Changes in property value relationships have occurred 1991 and these may not now be properly reflected in Council Tax banding.

There may also be a perceived unfairness arising from the existing tax charging ratios related to each band.

Clearly, a revaluation is long overdue. This would address changes in the relationship of values due to age, location, etc. It would also provide an opportunity to take account of the current state of all properties.

The banding system is easy to understand and administer. It minimises the number of appeals and allows them to be dealt with efficiently and without the need to debate the value of small differences in broadly comparable properties.

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Q11: REFORM OF LOCAL TAXATION: Are there alternatives to the current system of council tax that you think would help to reform local taxation in Scotland? What are the main features of these, and why do you think they would deliver improvement? Do you have any examples of why this is the case?

Clearly you are aware of the options available and are already addressing these.

I prefer a property based tax rather than a "people" based tax, mainly because it is easily enforceable and difficult to avoid. Property based taxes have served well for hundreds of years. The short-lived "people" based Community Charge was quickly seen to be unenforceable.

The option of applying a percentage rate to the actual capital value of each property may be considered progressive but, in my view, would be more difficult and costly to administer than the current banding system. It would inevitably lead to an increase in the number of appeals lodged and would undoubtedly result in time-consuming debates concerning minor differences in comparable properties.

In my opinion, Land Value Taxation would fail because of the lack of appropriate sales evidence. Inevitably it would have to be based on subjective valuations derived from a dearth of reliable information. Taxpayers would find it difficult to understand and, in most cases, would have difficulty obtaining sufficient evidence to support an appeal against the valuation.

I would propose a tax based on an amended version of the Council Tax banding system, with a reconsideration of the number and scope of valuation bands. There should be statutory 5-yearly revaluations. If there is a desire not to discourage or penalise property development, the existing system of delaying the effect of extensions and alterations to houses could be continued. These could be taken into account at subsequent revaluations, or from the beginning of the financial year following their completion.

The charging ratios in relation to the bands may be reconsidered, increasing the amount payable at the higher end, if required. A discount should continue for single occupancy and other categories if required. Benefits should be granted as appropriate.

Q12: LOCAL PRIORITIES: How well do you think that communities' local priorities are accounted for in the way that local taxation operates at the moment? If there is room for improvement, how should things change? Do you have any ideas or examples about how this could improve people's lives?

Respondent skipped this question

Q13: FURTHER INFORMATION: We would like to keep the conversation going. Please tell us about any events, networks or other ways in which we could help achieve this.

In my opinion, it is important that you continue your liaison with the professionals from whom you have already taken evidence, particularly those who may be involved in the operation of any proposed new system. I imagine that the officers and members of organisations such as CIPFA, SAA, RICS, and IRRV will be willing to comment on your proposals. Accordingly, you may wish to consult them further once you have reached your conclusions and have prepared your draft proposals.

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