

Dear Commissioners,

Thank you for the opportunity to submit written evidence to the Commission on Local Tax Reform. The Scottish Green Party's representative on the Commission will continue to represent our position throughout the Commission's life but this email is an opportunity to set out what we hope the Commission can achieve and also add to the transparency of the process.

We believe local authorities should have the flexibility and autonomy to set and collect a basket of local taxes designed to fit local circumstances. Any such taxation system should aim to deliver economic, social and environmental benefits, and we believe a system with a land value tax at its core is best placed to deliver these positive outcomes and the revenue required for vital public services.

The Scottish Green Party will engage in the Commission's work constructively with a view to achieving a consensus on a fairer, more flexible and locally determined tax. This will likely require a willingness from all parties to agree on proposals that do not exactly match their preferred position, but the current state of local taxation is untenable, is actively damaging Scotland's communities and must be reformed.

On top of a desire for simplicity, ease of administration and proportionality we believe the following elements are essential to delivering a fair and enduring settlement for local authorities:

Land and/or property tax – retaining the property and/or land element of local taxation is vital. This provides a stable revenue source and is less open to tax evasion and avoidance than other forms of tax. This type of tax also makes sense given the greater controls the Scottish government and parliament will soon have over income tax rates.

Local autonomy and flexibility – local governments should be able to design a basket of taxes (e.g. property tax, resource tax, visitor tax) to meet local circumstances free of central control. This ability to design and determine local taxes and rates should not be interfered with for party political reasons at a national level.

Enduring settlement with greater fiscal autonomy – the local tax system must be designed for the long-term and therefore include the ability for uplifts, be based on a modern land information system and include regular and up to date valuations. A greater proportion of public expenditure should be raised locally while retaining the ability for transfer payments to support local authorities with greater need or less ability to raise revenue.

Tackles inequality – any system of local taxation should aim to reduce economic inequality, and wealth inequality in particular. A land and property based tax is best placed to deliver this social and economic benefit.

Yours sincerely,

Patrick Harvie MSP