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1. Executive summary: A fairer system of local taxation

Scotland has a population of 5.4 millionⁱ with 2.4 million householdsⁱⁱ and 2.5 million dwellings. More than half live in the central Lowlands (from Inverclyde across to East Lothian), so this submission does not distinguish between ‘local’ and ‘national’ taxes.

This submission assumes that planned transfers between Scotland and the rest of the UK and spending at local council level remain otherwise constant.

Under current plans, the Scottish government and Scottish councils will collect around £9,000 million from the following taxes:

	<u>£ million</u>	Footnote
Council Tax	2,000	iii
Non-domestic Rates	2,347	iv
Land and Buildings Transaction Tax (LBTT)	200	v
Scottish 10% income tax (from 2016 onwards)	4,449	vi

This submission recommends that:

- Scottish income tax (of up to 10%) is set to 0%,
- The LBTT is scrapped entirely without replacement;
- Following the next Non-domestic Rates revaluation, £3,000 million is collected by applying a 50% tax to the location value of commercial land and buildings (instead of applying a lower rate to the total rental value).
- Council Tax is replaced with Domestic Rates, a 50% tax on the location element of rental values (approx. 1.5% of current selling prices).
- The Council Tax system can easily be used to do this, only instead of Band D Council Tax being almost constant across the whole of Scotland (between £1,100 and £1,200, ignoring water and sewerage Rates) it would be graded, so that the Band D Domestic Rates would be between £900 (in the Western Isles) and £4,100 (in Aberdeenshire).

This submission outlines the economic and social advantages of this ‘tax shift’ and explains how it could be implemented simply and quickly.

2. The revenue raising capacity of the alternatives at both local authority and national levels.

A purely Scottish tax would need to raise £9,000m a year (from Section 1).

The next step is to establish the 'tax base' which is the location element of rental values, i.e. the extra amount of rent that any building is worth over and above the cost of simply providing and maintaining the building.

Once the tax base has been established, all that is required is to divide the required tax take by the tax base and that gives the actual tax rate as a percentage.

Commercial land and buildings

The total rateable value of commercial premises liable to Non-domestic Rates was assessed in 2008 at £6,718m and £2,347m is collected in Non-domestic Rates^{vii}. The latter figure is lower than the official Rates of 46.2 pence and 47.1 pence suggest, but it is assumed that the total rental value is the total amount that would be payable by businesses if they all rented, i.e. £6,718m plus £2,347m = £9,065m.

Broadly speaking, two-thirds of this is the location element = £6,043 million.

Residential land and buildings

The total value of all 2.5 homes in Scotland is about £413 billion (2.5 million homes x £165,197 average price^{viii}) and the average rental value is 5% (including Council Tax). So the total rental value is £20.5 billion. The cost of providing and maintaining the bricks and mortar for each home themselves is on average £3,400, total cost £8.5 billion and the balance is the location rent/value = £12,000 million.

Agricultural land

The rental value of all farmland in Scotland is a very low figure and is not currently subject to Non-domestic Rates. So bare farmland and farm buildings can be left out of account. Farmhouses would be liable to Domestic Rates like all other dwellings.

The tax rate

The tax base is the total location element (or annual land value) of around £18,000m (£6,000 million for commercial and £12,000 million for residential). To raise £9,000 million annually requires a uniform tax rate of 50% (or 50 pence in the pound) to be applied. Clearly, there are different ways of calculating the location element of rental values and targeted revenues could be lower or higher than £9,000 million, in which case the tax rate would be a lower or higher figure.

3. The administrative and collection arrangements
The costs of transition and subsequent operation
Potential timetables for transition, with due regard to the 2017 Local Government elections.

Non-Domestic Rates.

There is already a system in place for Non-domestic Rates. All that is required is:

- A full revaluation to assess total rental values, which is due to take place in 2017 anyway^{ix}.
- To establish a baseline for the areas with the lowest rental values, where the location element can be assumed to be zero. This amount is then deducted from the rental values of other areas to establish the location element of those areas, to which the tax rate or ‘poundage’ is applied, and
- To update the registers so that bills are sent to the owner rather than the tenant/occupier.

To illustrate the second point, if the cheapest office space in Scotland is £10 per square foot (incl. Non-domestic Rates) and the most expensive in Edinburgh City centre is £80 per square foot, the Non-domestic Rates payable by the owner of the cheapest office space would be £zero and the Non-domestic Rates payable by the owner of the office space in Edinburgh city centre would be £35 (50% x £70 location element of the rent).

For owner-occupied business premises, this is the end of the matter.

Two-thirds of commercial premises are rented. If the new Non-domestic Rates are equal to or lower than the old Non-domestic Rates bill, the landlord would be allowed to add the new bill to the contractually agreed rent (so the tenant benefits from any reduction). If the new bill is higher, then the landlord would be allowed to add the old Non-domestic Rates bill to the contractually agreed rent (so the landlord bears any increase).

Domestic Rates

The existing Council Tax system can easily be used to more accurately reflect the location element of rental values using information already held by the Registers of Scotland.

3.1 Just to recap, Council Tax assessments are a three-stage process.

Stage 1: It is decided how much each local council has to collect in total.

Stage 2: The relative value of homes in each local council area is established.

This was last done in 1991 based on typical selling prices. Houses were then allocated to eight Council Tax bands, which have the following relative value for Council Tax purposes:

Band	Fraction	Percentage
A	6/9	67%
B	7/9	78%
C	8/9	89%
D	9/9	100%
E	11/9	122%
F	13/9	144%
G	15/9	167%
H	18/9	200%

Stage 3: The total amount to be collected by each local council is apportioned between all the individual dwellings to calculate the tax payable on homes in each band (in each valuation area). This is a purely arithmetic apportionment, which follows automatically from Stages 1 and 2.

First, add up the number of 'Band D equivalent homes'. 'Band D equivalent' means that each dwelling's relative value is expressed using the 1/9 fractions in the table above. So if there are 75,000 homes in a council area and they all happen to be Band D, there are 75,000 'Band D equivalent homes'. If half are in Band A and half are in Band D, then there are 62,500 'Band D equivalent' homes.

Second, divide the total amount of tax to be collected by the number of 'Band D equivalent homes', and that is the amount payable for a home in Band D. Correspondingly lower or higher amounts are then collected from homes in Bands A to C and Bands E to H.

(For the past few years, as a matter of policy, the system has been used so that the Band D tax in most councils is between £1,100 and £1,200, excluding water and sewerage Rates, regardless of the different value of housing in different councils.)

3.2 The new Domestic Rates system

The three Stages will follow the current Council Tax system. Stage 1 and Stage 2 can be carried out independently and in parallel.

Stage 1 The total Domestic Rates which each of the 32 local councils has to collect would be based on the total location element of rental values in their area.

Taking the areas with the lowest and highest average house prices^x in Scotland as an example, the location element of the rental value can be calculated as follows:

	Average selling price £	Total rental value (5%) £	Less cost/value of the building £	Location element £
Aberdeenshire	232,331	11,617	-3,400	8,217
Western Isles	103,119	5,156	-3,400	1,756

The average location element is then multiplied by the number of homes and the uniform tax rate ('poundage') to arrive at the total tax to be collected:

	Households/ dwellings	Total location value £ million	Tax rate	Tax to be collected £ million
Aberdeenshire	113,000	928	50%	464
Western Isles	12,000	21	50%	10

A single valuation area is probably appropriate for councils with small populations and little variation between the cheapest and most expensive homes (i.e. the Western Isles, the Orkney Islands and the Shetland Islands).

Council areas where there is a large variation between the most expensive and the cheapest areas would be split up into high, medium and low value areas. For example, the average price in the most expensive Edinburgh postcode EH10 is £389,460 and in the cheapest EH8 it is £183,622^{xi}, ^{xii}, with everything in between.

This can be carried out at a national level using information in the Registers of Scotland's databases. It would only take a few days to calculate absolute and relative values of housing in all separate valuation areas and different categories of housing and for local councils to update their Council Tax registers.

Stage 2 is to work out the relative value of each home/plot of residential land within each valuation area (a smaller local council or a sub-division of a larger local council).

The Council Tax valuations were carried out ‘by hand’ over twenty years ago, they only took a couple of months and the expense incurred was minimal. The English Communities Secretary admitted in 2010 that a full Council Tax revaluation would only cost £9 per home^{xiii}, using the approach suggested here would be far simpler, more reliable and cost considerably less.

There is no need to establish the market value selling price of each home as was done with the Council Tax valuations in 1991. It is only relative and not absolute values that matter. Accurate figures for rental values are not easily available but selling prices can be used as a proxy. The average selling price of the four main types of dwelling across the whole country are as follows^{xiv}:

Type	£	Percent of average
Flat	126,418	77%
Terraced	133,725	81%
Semi-detached	156,494	95%
Detached	241,493	146%
Average	165,197	100%

So homes could simply be put into Bands according to type/size so that the end result is a reasonable reflection of relative values.

Band A	6/9 (67%)	Studio flats
Band B	7/9 (78%)	One- and two-bedroom flats; small terraced houses
Band C	8/9 (89%)	Three-bedroom flats; medium sized terraced houses; small semi-detached houses
Band D	9/9 (100%)	Large terraced houses; three-bed semi-detached houses
Band E	11/9 (122%)	Larger semi-detached houses; smaller detached houses
Band F	13/9 (144%)	‘Normal’ detached houses
Band G	15/9 (167%)	Large detached houses
Band H	18/9 (200%)	Very large detached houses

In other words, the tax on a semi-detached house would be one-and-a-half times as much as the tax on a studio flat in the same valuation area; the tax on large detached houses would be two-and-a-half times as much etc.

Stage 3 would then be exactly the same as with Council Tax.

The total tax to be collected from each valuation area is divided by the number of ‘Band D equivalent homes’ and that is the tax for a Band D home. The tax for homes in lower or higher Bands is a correspondingly lower or higher amount. Once in place,

there will be few changes to Stage 2 of the valuations (the banding), all that is required is to update the Stage 1 calculation in the light of changes to regional rental values in each valuation area based on information already collated by the Registers of Scotland, and Stage 3 will take care of itself.

A full list for all 32 councils is provided in Appendix to illustrate likely tax bills.

Other matters

- Council housing will automatically fall into the lower bands and the amount due can be collected together with the rent. The amounts now paid out as Local Housing Allowance or Council Tax Reduction can be merged into a single system applied to individual households on a case-by-case basis.
- Leaseholders would be allowed to claim relief for any ground rent they have to pay to a freeholder, and the freeholder would then be assessed to 50% Non-domestic Rates on his ground rent income.

There would also have to be systems in place to:

- Allow pensioners who have insufficient income to defer paying the Domestic Rates until they die and the house is sold. Such a system was in place in Northern Ireland for several years (it was scrapped because so few people applied), so there is no need to reinvent the wheel.
- Give relief to the short term unemployed, who make up about 2% - 3% of the working age population. The simplest would be to give an exemption or discount from Domestic Rates for six months to people who are made redundant, provided they are actively seeking and actually find a new job within six months.

Although important to the individuals concerned, the precise details of these two reliefs do not need to be thrashed out in advance and they can be introduced and refined over time.

Costs of implementation

There will be little in the way of initial costs of adapting the existing Non-domestic Rates and Council Tax systems. Ongoing administration costs will be the same, so the true cost is more or less nothing. The compliance costs to businesses and households will be virtually zero.

Cost savings

This will also save the costs of administering the LBTT and a separate Scottish income tax system. These are probably not very expensive to administer, but not having these costs at all would still be a real cost saving.

Local Housing Allowance and Council Tax Relief can be merged into a single system, as tenants will not be directly liable to Domestic Rates.

4. The wider macro-economic, demographic and fiscal impacts, including housing market and land use

Macro-economic

It is easily observable that taxes on earnings and taxes on transactions in land are a drag on the economy so reducing income tax and scrapping the LBTT would be a stimulus.

Conversely, taxes on land values stimulate the economy by encouraging more efficient use of land and buildings and depressing land prices, thus reducing the amount of money wasted on servicing mortgages and freeing it up for more productive investment instead.

In the many countries which implemented taxes on land values, this led to a virtuous circle, as more efficient use of land and buildings leads to higher rental values overall, which leads to higher tax revenues which can be ploughed back into making places more attractive for businesses and households.

Demographic

Reducing income tax by 10% compared to the rest of the UK would make Scotland far more attractive to medium and higher earners, reducing emigration to and increasing immigration from the rest of the UK.

Introducing Domestic Rates would nudge people who live in houses that are too big for them to trade down, freeing up space for younger families and those who want to trade up.

It has also been observed that internationally mobile people with very high incomes are very sensitive to income tax Rates but are happy to pay lump sum taxes based on the value of the home they live in (Switzerland and the UK are examples).

Fiscal

Taxes on land values have three major advantages over taxes on income:

- Revenues from taxes on earnings fall during a recession. The amount collected in Domestic and Non-Domestic Rates would be inherently stable. Even if a revaluation showed that total rental values had fallen, the 50% rate suggested here can then be increased slightly and total revenues – required to fund essential services regardless of the state of the economy - remain constant.
- Taxes on land values have low compliance costs for the taxpayer and low collection costs. They are a predictable and steady revenue stream and have the highest collection/payment rates of all taxes, especially if they are collected from the owner rather than the occupant or tenant.
- Shifting taxes from earnings to land values is good for the balance of payments. This reduces the amount of money being taken out of the country by ‘foreign’ mortgage banks and landlords, increases households overall net earned income (which is most likely spent domestically) and encourage ‘foreigners’ to invest more in business in Scotland.

Housing market

Land taxes encourage people to sell empty and derelict buildings or second and holiday homes to somebody who wants to live there, as the person who wants to live there is getting much better value for money.

Some households will decide that they would rather trade down to a smaller house or move away to save Domestic Rates, and young families and employees will trade up to home which is larger and/or closer to where they work. Families' needs change over time, and housing is put to more efficient use every time people move home.

Moving back to Domestic Rates would also help reverse the fall in owner-occupation levels - the main reason for the rapid increase in owner-occupation levels after 1945 was not so much that owner-occupation was treated favourably but that rental income was taxed at very heavily, and with Domestic Rates and Schedule A taxation, there was a disincentive to hold on to homes which were not in use.

The tax shift would probably have little effect on house prices overall. A tax on the value of housing tends to push down prices slightly, but removing the LBTT enables vendors to charge slightly higher prices and as rents and house prices are ultimately dictated by the amount of disposable income people have, the income tax reduction would also tend to push up prices.

Land use

Taxes on land values are an incentive to owners to keep their buildings in the best possible condition and encourage households and businesses to make more efficient use of land and existing buildings. So there would be an emphasis on renovation rather than new construction; and construction will be in urban areas rather than on the green belt, which is good from an economic and an environmental point of view (shorter commute journeys, more use of public transport).

Most tenant businesses will be entirely unaffected by the change, some will benefit. There will be some effect on owner-occupier businesses in high value areas; the profitable ones will continue to thrive, as the owners will save as much in income tax as they lose on higher Non-domestic Rates. The less profitable ones, which are sometimes run as a quasi-hobby will find it more profitable to make way for growing and more dynamic businesses by renting out or selling their premises.

At present, in most areas, the Non-domestic Rates bill on business premises is much higher than the corresponding Council Tax on a similar sized residential building, meaning that there is an under-supply of commercial premises and over-supply of residential. Applying the same tax rate for commercial and residential uses would remove this distortion.

The LBTT on the other hand discourages efficient use of land and buildings housing as it makes it more likely that owner-occupiers (households or businesses) will stay put in a home or premises that are too big, too small or in the wrong location, which is why it should be abolished without replacement.

5. The impacts on individuals, households and inequalities in income and wealth

The tax shift suggested here is far less radical than it first appears, but it is clear that there will be net transfers between and within different categories. Many people or households fall into more than one category and so the gains and losses will net off to relatively small amounts for most households.

Although the Domestic Rates will be much higher than Council Tax in most areas, the highest amounts would be on the largest and most expensive homes would be around £8,000 a year, which is still less than what the average Scottish tenant is expected to pay in rent and Council Tax every year.

The precise impact for various sample types of household or business can be expressed in financial terms, but it is much more important to look at the general direction of travel...

From the 'asset rich' to the 'asset poor'

Land and buildings make up the bulk of the nation's wealth (measured at current selling prices); they dwarf the value of stocks and shares, pensions and cash in the bank, and unlike those asset classes, land and buildings are taxed very lightly if at all. Land ownership tends to become allocated by luck of birth or timing far more than how hard somebody works or saves (especially for the younger generations), and becomes more and more concentrated over time, so increasing taxes on land ownership reduces wealth inequality significantly without discouraging hard work.

In Scotland, ownership of housing is very concentrated^{xv}. Taking social tenants and private renters into account^{xvi}, the total Domestic Rates bill will be borne as follows:

	Households (thousands)	Share of private housing	Private housing Rates bill (millions)	Social housing Rates bill (millions)	Average per household
<u>Top 50%</u>					
Top 2%	48	17%	£898		£18,700
Rest of top 10%	192	26%	£1,373		£7,150
Rest of top 50%	960	48%	£2,534		£2,640
<u>Bottom 50%</u>					
Owner-occupiers	237	9%	£475		£2,005
Social tenants	595	0%		£720	£1,210
Private tenants	<u>368</u>	<u>0%</u>			<u>£0</u>
Total/average	<u>2,400</u>	<u>100%</u>	<u>£5,280</u>	<u>£720</u>	<u>£2,500</u>

Superficially, scrapping the Scottish 10% income tax would increase net-of-tax inequality slightly, because it benefits higher earners more. However the benefits will be much more widely felt, as this will help the whole economy, in other words help create new business and job opportunities.

From commercial landlords to households

Applying a flat rate of 50% to all residential and commercial land means that Non-domestic Rates would increase by about £600 million – the bulk of which would be borne by commercial landlords - and the total tax payable by households would be £600 million lower. So the average saving per household would be about £240 per annum.

From large businesses to small businesses/the self-employed

The UK rate of corporation tax was harmonized at 20% for all companies from 1 April 2015 onwards and the Scottish government is not allowed to introduce a Scottish rate. Reducing basic rate income tax to 10% (i.e. the UK national rate only) means that the smallest businesses (sole traders or partnerships) would be paying 19% tax (10% income tax plus 9% Class 4 National Insurance) instead of 29% tax (20% income tax plus 9% Class 4 NIC).

From landlords to tenants

Rates would be payable by the registered owner, whether there are tenants or not, so they would not push up rents. It is true that in the absence of rent controls, rents would increase slightly to soak up part of tenants' income tax savings, but overall, tenants would have more disposable income and landlords less.

From the Baby Boomers to young families; from vendors to first time buyers

Scottish house prices have doubled since 2002, which means a very large net transfer of wealth from those who want to buy today to those who 'got on the ladder' more than ten or fifteen years ago. Reducing income tax and reintroducing Domestic Rates would go a small way to reversing this transfer or wealth inequality.

Recent purchasers would benefit

Assuming that recent purchasers borrowed three times their income to buy a home which is four times their income, the extra Domestic Rates (compared to Council Tax) will be £1,400 and the average income tax saving will be £2,000 to £3,000 (depending on whether it is a two-earner or single-earner couple).

From 'stayers' to movers

The LBTT is a tax on moving, so scrapping it would reduce the cost of moving and encourage/enable more people to move home. Those willing to downsize should be rewarded with a lower Domestic Rates bill and not penalized with an LBTT bill.

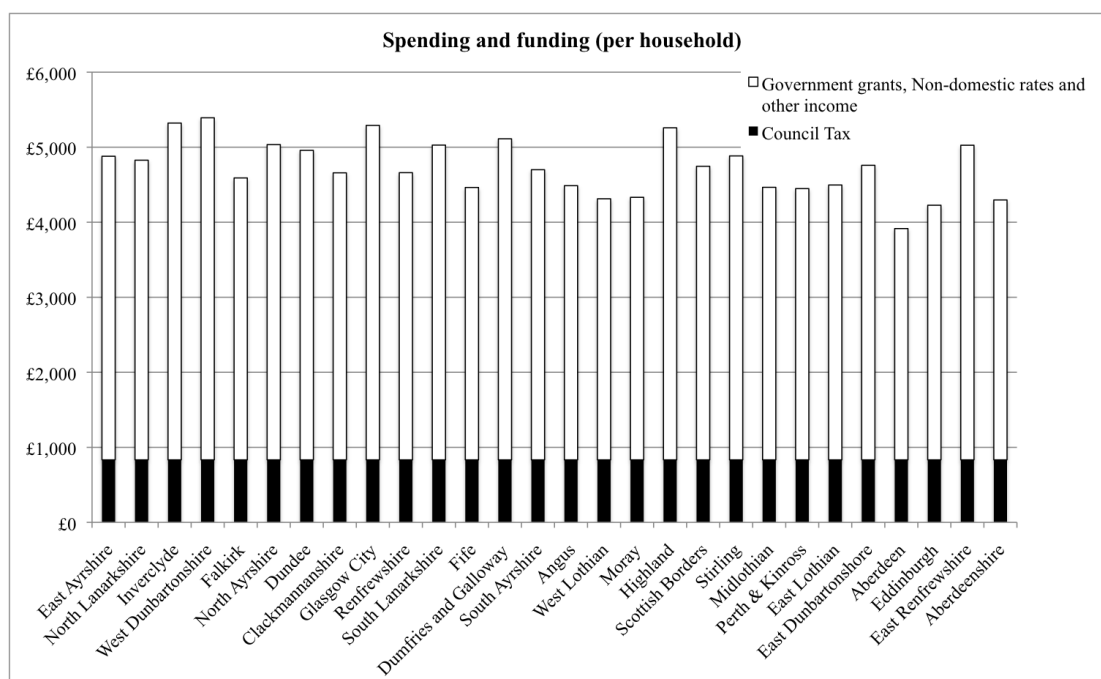
Housing Benefit

This submission assumes that housing arrangements for low-income households (sufficient social housing and/or the payment of Local Housing Allowance) would remain in place and would be unaffected by the tax shift.

6. The impacts on supporting local democracy, including on the financial accountability and autonomy of Local Government

Local councils' responsibilities are fairly clearly defined and people everywhere have similar needs, so per capita spending levels on the mainland are within a narrow band^{xvii}. They are much higher on the Western Isles, the Shetland Islands, the Orkney Islands and Argyll & Bute, but those only account for three per cent of the population.

Current levels of per-household-spending (mainland councils only) is currently as follows:



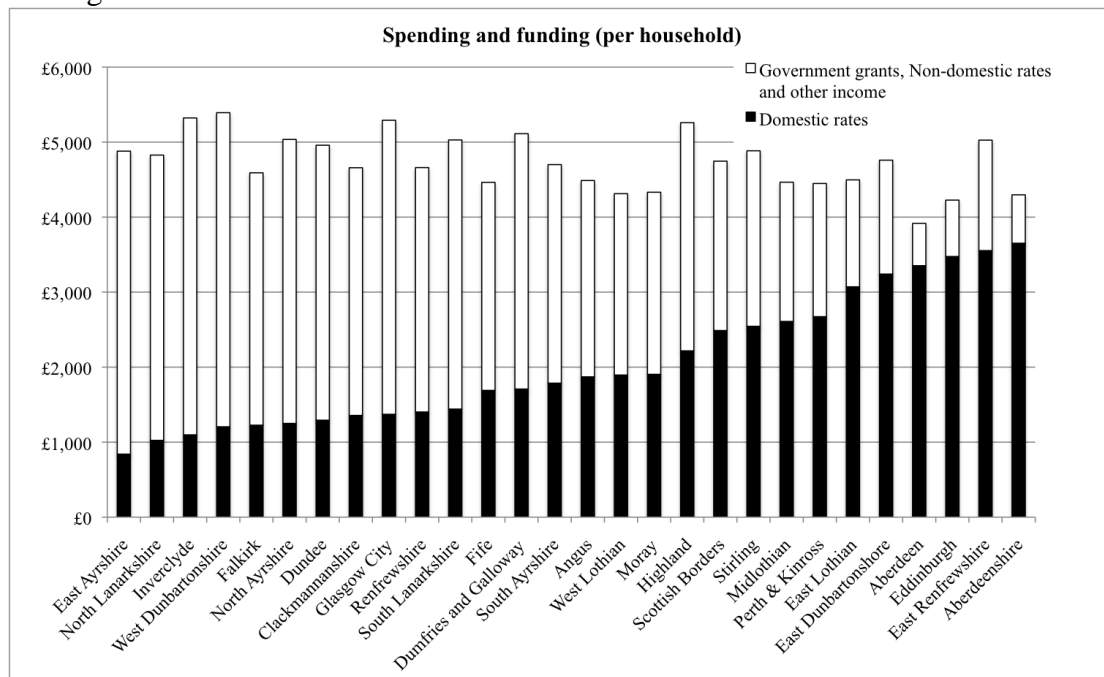
The system means that parties competing in local elections can only compete on 'service' (how the money is spent) but not on 'price' (tax levels).

Financial accountability is quite a different topic to how councils are funded. This can be achieved by making councils publish detailed breakdowns of how they spend the money they receive.

Clearly, the system does nothing for the financial autonomy of local councils as their Council Tax receipts are capped and Non-domestic Rates are pooled nationally and redistributed.

A system of Domestic and Non-domestic Rates would mean more taxes collected locally, less collected centrally and less being redistributed by the Scottish government. The whole system would be fiscally neutral.

So initially, local councils' grants would be reduced by the amount of Domestic and Non-Domestic Rates that they should be collecting themselves. Assuming no changes to per-household spending, marginal councils would receive just as much in government grants, but councils with higher land values would be more or less self-funding:



This increases fiscal autonomy and also allows parties competing in local election to compete on 'price' as well as on 'service'.

They will have the possibility of offering to reduce the poundage applied to Domestic and Non-domestic Rates and reducing council expenditure; and they will have the possibility of offering a wider or better range of services in exchange for higher Rates bills.

Domestic Rates would also allow people to 'vote with their feet'. If they feel they are not getting value for money, they are free to downsize in the same area or move to an area with lower Domestic Rates. If they prefer the range of services being offered in an area with higher Domestic Rates, they will move there or stay there.

Part of the deal would have to be that any increase or reduction in the poundage would apply equally to Domestic and Non-domestic Rates, or else there is always the temptation to nudge up Non-domestic Rates and cut Domestic Rates (businesses don't have a vote).

7. Appendix – Domestic Rates for all councils and types of home

Homes will be banded by size/relative value instead of hypothetical 1991 selling prices, for example studio flats all go into Band A and the largest detached homes will go in to Band H. Some local council areas are much larger than others (in terms of surface area, population or have differences in values between the cheapest and most expensive areas), so these would be split up into smaller valuation areas.

The overall outcome – assuming each local council is just one valuation area - would be approximately as follows:

	<u>Average selling price</u>	<u>Band A</u>	<u>Band B</u>	<u>Band C</u>	<u>Band D</u>	<u>Band E</u>	<u>Band F</u>	<u>Band G</u>	<u>Band H</u>
Aberdeenshire	232,331	2,739	3,195	3,652	4,108	5,021	5,934	6,847	8,217
East Renfrewshire	227,905	2,665	3,109	3,553	3,998	4,886	5,774	6,663	7,995
Edinburgh	224,368	2,606	3,040	3,475	3,909	4,778	5,647	6,515	7,818
Aberdeen	218,853	2,514	2,933	3,352	3,771	4,609	5,447	6,286	7,543
East Dunbartonshire	213,830	2,431	2,836	3,241	3,646	4,456	5,266	6,076	7,292
East Lothian	206,189	2,303	2,687	3,071	3,455	4,222	4,990	5,758	6,909
Perth and Kinross	188,276	2,005	2,339	2,673	3,007	3,675	4,343	5,012	6,014
Midlothian	185,416	1,957	2,283	2,609	2,935	3,588	4,240	4,892	5,871
Stirling	182,500	1,908	2,226	2,544	2,863	3,499	4,135	4,771	5,725
Scottish Borders	179,952	1,866	2,177	2,488	2,799	3,421	4,043	4,665	5,598
Highland	167,773	1,663	1,940	2,217	2,494	3,049	3,603	4,157	4,989
Shetland Islands	159,116	1,519	1,772	2,025	2,278	2,784	3,290	3,797	4,556
Argyll and Bute	155,557	1,459	1,702	1,946	2,189	2,675	3,162	3,648	4,378
Moray	153,694	1,428	1,666	1,904	2,142	2,618	3,095	3,571	4,285
West Lothian	153,262	1,421	1,658	1,895	2,132	2,605	3,079	3,553	4,263
Angus	152,178	1,403	1,637	1,871	2,104	2,572	3,040	3,507	4,209
South Ayrshire	148,392	1,340	1,563	1,786	2,010	2,456	2,903	3,350	4,020
Dumfries and Galloway	144,863	1,281	1,495	1,708	1,922	2,349	2,776	3,203	3,843
Fife	144,047	1,267	1,479	1,690	1,901	2,324	2,746	3,169	3,802
South Lanarkshire	132,834	1,081	1,261	1,441	1,621	1,981	2,341	2,701	3,242
Renfrewshire	131,100	1,052	1,227	1,402	1,578	1,928	2,279	2,629	3,155
Orkney Islands	129,803	1,030	1,202	1,373	1,545	1,888	2,232	2,575	3,090
Glasgow City	129,710	1,029	1,200	1,371	1,543	1,886	2,228	2,571	3,086
Clackmannanshire	129,044	1,017	1,187	1,357	1,526	1,865	2,204	2,544	3,052
Dundee City	126,170	970	1,131	1,293	1,454	1,777	2,101	2,424	2,909
North Ayrshire	124,260	938	1,094	1,250	1,407	1,719	2,032	2,344	2,813
Falkirk	123,180	920	1,073	1,226	1,380	1,686	1,993	2,299	2,759
West Dunbartonshire	122,224	904	1,054	1,205	1,356	1,657	1,958	2,259	2,711
Inverclyde	117,390	823	960	1,098	1,235	1,509	1,784	2,058	2,470
North Lanarkshire	114,084	768	896	1,024	1,152	1,408	1,664	1,920	2,304
East Ayrshire	105,816	630	735	840	945	1,155	1,366	1,576	1,891
Western Isles	103,119	585	683	780	878	1,073	1,268	1,463	1,756

This table assumes that homes are evenly distributed between the eight bands, so the final outcome will not necessarily be the same – if there are very few flats in an area, the Rates bills will be lower; if there are very few detached houses, Rates bills will be higher.

8. Footnotes

ⁱ <http://en.wikipedia.org/wiki/Scotland>

ⁱⁱ <http://www.ons.gov.uk/ons/rel/census/2011-census/population-estimates-by-five-year-age-bands--and-household-estimates--for-local-authorities-in-the-united-kingdom/stb-population-and-household-estimates-for-the-united-kingdom-march-2011.html>

ⁱⁱⁱ <http://www.gov.scot/Publications/2013/06/9241/4>

^{iv} http://www.scottish.parliament.uk/ResearchBriefingsAndFactsheets/S4/SB_13-84.pdf

^v <http://www.telegraph.co.uk/news/politics/SNP/11370758/John-Swinney-admits-new-Scottish-property-tax-shortfall.html>

^{vi} Applies from 2016 onwards, www.parliament.uk/briefing-papers/sn05984.pdf

^{vii} http://www.scottish.parliament.uk/ResearchBriefingsAndFactsheets/S4/SB_13-84.pdf

^{viii} https://www.ros.gov.uk/__data/assets/pdf_file/0015/10086/RoS-Statistical-Release-Oct-Dec-14-Final.pdf

^{ix} <https://www.gov.uk/introduction-to-business-Rates/revaluation>

^x https://www.ros.gov.uk/__data/assets/pdf_file/0017/10088/RoS-Statistical-Report-Oct-Dec14-Final.pdf

^{xi} http://www.scrol.gov.uk/scrol/metadata/maps/edinburgh_s.pdf

^{xii} http://www.zoopla.co.uk/house-prices/browse/eh1/?category=residential&q=EH10&search_source=nav

^{xiii} <http://www.independent.co.uk/news/uk/politics/government-rules-out-council-tax-revaluation-2088353.html>

^{xiv} https://www.ros.gov.uk/__data/assets/pdf_file/0017/10088/RoS-Statistical-Report-Oct-Dec14-Final.pdf

^{xv} <http://www.gov.scot/Topics/Statistics/Browse/Social-Welfare/IncomePoverty>

^{xvi}

http://scotland.shelter.org.uk/housing_policy/key_statistics/the_facts_about_scotlands_housing

^{xvii} <http://www.gov.scot/Publications/2015/02/3131/2>