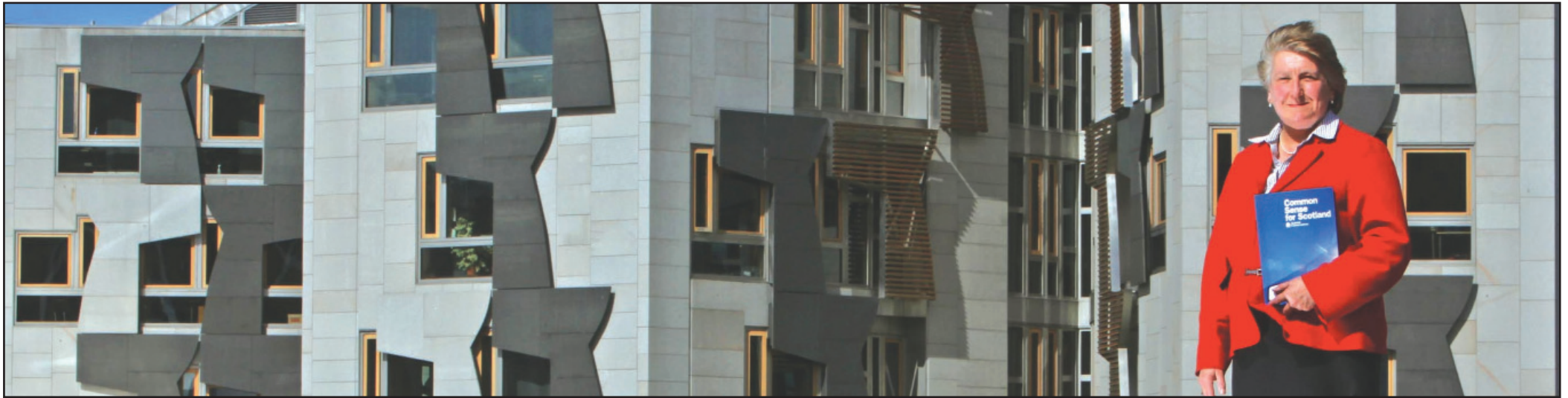


Common Sense on Tax

 Scottish
Conservatives



We live in tough economic times. Labour's catastrophic debt legacy poses real challenges for Scotland. Challenges we are determined to meet.

The new UK Government has done its part to help turn the Scottish economy around. Scottish businesses will save around £280m from the changes we are introducing to National Insurance and up to 59,000 Scottish businesses will benefit from our NI payment holiday for new businesses.

We are cutting corporation tax to the lowest rate of any major Western economy, one of the lowest rates in the G20, and the lowest rate Scotland has ever known.

At Holyrood, what we need now, more than ever, is a political party with a common sense record of delivery over the last four years.

What we need now, more than ever, are credible and costed plans for the next four years.

What we need now, more than ever, are real ideas and policies to grow Scotland's economy.

As this tax manifesto will demonstrate, Scottish Conservatives tick the boxes on all three counts.

In these tough times, you have to be credible. You have to have real solutions.

You cannot spend four years opposing a Council Tax freeze and then belatedly adopt it as a policy to get you through the election campaign, as Labour and the Lib Dems have done.


You cannot spend four years proposing a discredited Local Income Tax, only for news to leak of your £50,000 legal battle to keep the costings secret, as the SNP have done.

Only the Scottish Conservatives are credible on tax.

Only the Scottish Conservatives aspire to a dynamic, entrepreneurial, low tax Scotland.

Only the Scottish Conservatives can deliver.

Annabel .



We will not use the existing or future Scottish Parliament tax powers to increase income tax in the next Parliament or impose new taxes, such as the discredited local income tax.

Scottish Conservatives first called for a Council Tax Freeze in 2003 and our votes have helped deliver a Council Tax freeze for the past four years. **We will freeze the Council Tax until at least 2013.**

Looking ahead to when the Council Tax freeze eventually has to come to an end, we will change the law to give local residents the power to stop bills rising faster than inflation. **A local veto for people on local tax.**

Eligibility for Council Tax Benefit is higher for pensioners than for the population as a whole, but take-up of the benefit is not universal. To help tackle this, and to ensure that those who have contributed to society over the years get a fair deal on tax, we will

legislate to introduce a **Pensioner Discount from 2013-14, initially set at £200 per household.**

The discount will be available to all households where all adults have reached the State Pension Age. Students living in the household, and others who are ignored for Council Tax purposes, will not affect eligibility.

We will not hold a council tax revaluation, nor will we introduce new bands or change the ratios between the bands. We will make no changes to the structure of Council Tax which would increase bills.

Under Labour and the Liberal Democrats, Scotland imposed a higher rate on businesses than that applying in England. Thanks to the Scottish Conservatives, that changed – and has been preserved over the last Parliament. We will legislate to ensure that the main **Business Rate poundage can be no higher than in England.**



We will introduce a **Business Rates Reform Bill** to consolidate the legislation on non-domestic rates and to make the small business discounts we secured in the last Parliament permanent

In the 2010 revaluation, too many businesses found out at very short notice that their valuations had increased. We will therefore increase the notice period of a change in liability for business rates as a result of a revaluation to at least six months.


Under the current system, even where a business appeals a higher valuation, increased rates are still payable until an appeal has been heard. This can cause cashflow problems for businesses, and so we will allow businesses to defer payment of the disputed amount in the event of an appeal.

The Business Rates Reform Bill will not increase the burden of business rates, and will **prohibit sector specific supplements** such as the tax on retail jobs

recently proposed by the SNP, and stopped by the Scottish Conservatives. **We will extend the scope of the small business rates relief scheme** over the life of the Parliament as the public finances allow.

At the same time, because we have taken tough decisions to tackle wasteful spending and to prioritise economic growth, **we will expand the scope of the rural business rate reliefs** which help protect rural post offices, pubs, hotels and petrol stations.

We will allow any voluntary, private or public sector organisation to refer regulations which are unduly burdensome to the Regulatory Review Group. The Regulatory Review Group, not the Scottish Government, will decide which regulations should be reviewed. Never again will we have a situation such as where the SNP tried to increase taxes on Scottish retail jobs, but blocked the RRG assessing the impact of their plans.



We will create a **new Cabinet level position of Minister for Finance and Reform**, replacing the existing Finance and Sustainable Growth portfolio, and provide a dedicated member of Cabinet with responsibility for decisions on taxation and spending, and for driving public sector reform.

Common Sense

Printed & promoted by M. McInnes, on behalf of the Scottish Conservative & Unionist Party, both of 67 Northumberland Street, Edinburgh EH3 6JG.