



# Scotland Act 1998

## 1998 CHAPTER 46

### PART III

#### FINANCIAL PROVISIONS

#### 66 Borrowing by the Scottish Ministers etc.

[<sup>F1</sup>(1) The Scottish Ministers may borrow from the Secretary of State—

- (a) any sums required by them for the purpose of meeting a temporary excess of sums paid out of the Scottish Consolidated Fund over sums paid into that Fund,
- (b) any sums required by them for the purpose of providing a working balance in the Scottish Consolidated Fund, <sup>F2</sup>...
- (c) any sums which in accordance with rules determined by the Treasury are required by them to meet current expenditure because of a shortfall in receipts from devolved taxes, <sup>F3</sup>... from income tax charged by virtue of a Scottish rate resolution, [<sup>F4</sup> or from amounts payable under section 64A,] against forecast receipts.
- [<sup>F5</sup>(d) any sums which in accordance with rules determined by the Treasury are required by them to meet current expenditure because of an excess of welfare payments over forecast welfare payments, and
- (e) any sums which in accordance with rules made by the Treasury are required by them to meet current expenditure because of a Scotland-specific negative economic shock.]

[<sup>F6</sup>(1ZA) In subsection (1)(d) “welfare payments” means—

- (a) payments under any provision relating to matters within exceptions 1 to 10 in Section F1 of Part 2 of Schedule 5 or exception 1 in Section H3 of that Part, and
- (b) payments attributable to regulations made by the Scottish Ministers by virtue of section 29 or 30 of the Scotland Act 2016 (powers in relation to universal credit).]

---

*Changes to legislation: There are currently no known outstanding effects for the Scotland Act 1998, Section 66. (See end of Document for details)*

---

- (1A) The Scottish Ministers may, with the approval of the Treasury, borrow by way of loan [<sup>F7</sup>or by the issue of bonds (but not bonds transferable by delivery)] any sums required by them for the purpose of meeting capital expenditure.
- (1B) A sum is required for the purpose of meeting capital expenditure if the expenditure would be capital expenditure for the purposes of accounts under section 70.]
- (2) Amounts required for the repayment of, or the payment of interest on, sums borrowed under this section shall be charged on the Fund.
- (3) Sums borrowed under this section [<sup>F8</sup>from the Secretary of State] shall be repaid to the Secretary of State at such times and by such methods, and interest on them shall be paid to him at such rates and at such times, as the Treasury may from time to time determine.
- (4) A member of the [<sup>F9</sup>Scottish Government] may borrow money only under this section or under any power conferred by any other Act of Parliament.
- [<sup>F10</sup>(5) The Secretary of State may by order made with the consent of the Treasury amend subsection (1A) so as to vary the means by which the Scottish Ministers may borrow money.]

#### Textual Amendments

- F1** S. 66(1)-(1B) substituted for s. 66(1) (12.12.2014) by [Scotland Act 2012 \(c. 11\)](#), **ss. 32(3)**, 44(4)(b); S.I. 2014/3250, art. 2
- F2** Word in s. 66(1)(b) omitted (1.4.2017) by virtue of [Scotland Act 2016 \(c. 11\)](#), **ss. 20(3)**, 72(5); S.I. 2016/1178, reg. 2(a)
- F3** Word in s. 66(1)(c) omitted (1.4.2017) by virtue of [Scotland Act 2016 \(c. 11\)](#), **ss. 20(4)(a)**, 72(5); S.I. 2016/1178, reg. 2(a)
- F4** Words in s. 66(1)(c) inserted (1.4.2017) by [Scotland Act 2016 \(c. 11\)](#), **ss. 20(4)(b)**, 72(5); S.I. 2016/1178, reg. 2(a)
- F5** S. 66(1)(d)(e) inserted (1.4.2017) by [Scotland Act 2016 \(c. 11\)](#), **ss. 20(5)**, 72(5); S.I. 2016/1178, reg. 2(a)
- F6** S. 66(1ZA) inserted (1.4.2017) by [Scotland Act 2016 \(c. 11\)](#), **ss. 20(6)**, 72(5); S.I. 2016/1178, reg. 2(a)
- F7** Words in s. 66(1A) inserted (1.4.2015) by [The Scotland Act 1998 \(Variation of Borrowing Power\) Order 2015 \(S.I. 2015/932\)](#), arts. 1, 2
- F8** Words in s. 66(3) inserted (12.12.2014) by [Scotland Act 2012 \(c. 11\)](#), **ss. 32(4)**, 44(4)(b); S.I. 2014/3250, art. 2
- F9** Words in Act substituted (3.7.2012) by [Scotland Act 2012 \(c. 11\)](#), **ss. 12(2)(a)**, 44(5) (with s. 12(3)); S.I. 2012/1710, art. 2(f)
- F10** S. 66(5) inserted (12.12.2014) by [Scotland Act 2012 \(c. 11\)](#), **ss. 32(5)**, 44(4)(b); S.I. 2014/3250, art. 2

**Changes to legislation:**

There are currently no known outstanding effects for the Scotland Act 1998, Section 66.