



Scotland Act 2016

2016 CHAPTER 11

PART 2

TAX, BORROWING AND FINANCIAL INFORMATION

Income tax

13 Power of Scottish Parliament to set rates of income tax

- (1) Section 80C of the Scotland Act 1998 (power to set a Scottish rate for Scottish taxpayers) is amended as follows.
- (2) In subsection (1) (power to set Scottish rate) for the words from “the Scottish rate” to the end substitute “ the Scottish basic rate, and any other rates, for the purposes of section 11A of the Income Tax Act 2007 (which provides for the income of Scottish taxpayers which is charged at those rates)”.
- (3) For subsection (2) substitute—
 - “(2A) Where a Scottish rate resolution sets more than one rate it must also set limits or make other provision to enable it to be ascertained, for the purposes of that section, which rates apply in relation to a Scottish taxpayer.
 - (2B) But a Scottish rate resolution may not provide for different rates to apply in relation to different types of income.
 - (2C) In this Chapter a “Scottish rate” means a rate set by a Scottish rate resolution.”
- (4) Omit subsection (4).
- (5) In subsection (5) (Scottish rate to be a whole number or half a whole number)—
 - (a) for “The” substitute “A”, and
 - (b) at the end insert “, or zero”.
- (6) In the title for “rate” substitute “rates”.

Changes to legislation: Scotland Act 2016, Section 13 is up to date with all changes known to be in force on or before 18 August 2023. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details) View outstanding changes

- (7) Other provisions of Part 4A of the Scotland Act 1998 are amended as follows.
- (8) In section 80A(1)(a) (overview of Part 4A) after “rate” insert “or rates”.
- (9) Section 80G (supplemental powers to modify enactments) is amended as follows.
- (10) In subsection (1) (power to modify section 11A of the Income Tax Act 2007)—
 - (a) in the words before paragraph (a) for “the Scottish basic, higher and additional” substitute “Scottish”, and
 - (b) in paragraph (a) for “the rates provided for under the section” substitute “Scottish rates”.
- (11) In subsection (1A) (power to modify references to certain rates of income tax in relation to Scottish taxpayers) for the words after “enactment” substitute “so as to make any provision that they consider necessary or expedient in consequence of or in connection with—
 - (a) the powers of the Parliament under section 80C;
 - (b) a Scottish rate resolution”.
- (12) In subsection (1B) (power to postpone effect of Scottish rate etc in relation to PAYE regulations) for paragraphs (a) and (b) substitute—
 - “(a) provision made by a Scottish rate resolution for a tax year,
 - (b) the absence of particular provision in a Scottish rate resolution for a tax year, or
 - (c) the absence of a Scottish rate resolution for a tax year.”.
- (13) In section 80HA(3)(b) (report by the Comptroller and Auditor General: meaning of “Scottish rate provisions”) for the words from “the Scottish basic rate” to the end substitute “a Scottish rate”.
- (14) This section comes into force on such day as the Treasury may by regulations appoint.
- (15) The amendments made by this section have effect in relation to the tax year appointed by the Treasury by regulations and subsequent tax years.
- (16) The tax year appointed under subsection (15) must begin on or after the day appointed under subsection (14).
- (17) Regulations under this section must be made by statutory instrument.

Modifications etc. (not altering text)

C1 S. 13(15): 2017-18 appointed as the first tax year by [S.I. 2016/1161](#), reg. 3

Commencement Information

II S. 13 in force at 30.11.2016 (with effect in accordance with reg. 3 of the commencing S.I.) by [S.I. 2016/1161](#), [reg. 2](#)

Changes to legislation:

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Changes and effects yet to be applied to :

- specified provision(s) amendment to earlier commencing S.I. 2017/455, reg. 3 by [S.I. 2019/1438 reg. 2](#)