THE ICAS GUIDE TO SCOTTISH TAXES
THE ICAS ROLE

The Institute of Chartered Accountants of Scotland (“ICAS”) is the oldest professional body of accountants. We represent over 21,000 members who advise and lead businesses. Around half our members are based in Scotland, the other half work in the rest of the UK or in almost 100 countries around the world.

ICAS has a public interest remit – a duty to act not only for its members but for the wider public good. Our technical experts work in a positive and constructive manner to advise policy makers on legislation and to raise issues of importance to our members, individual taxpayers and business alike.

Taxation is one such area of importance and ICAS has contributed, and will continue to contribute, to tax policy in Scotland, the UK and beyond.

This guide is designed to provide an overview of Scottish taxes. It is based on the legislation in place in December 2017. The Scottish Budget on 14 December 2017 announced proposed amendments to the income tax rates and bands, which are subject to a rate resolution due in February 2018.

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CHAPTER 1: BACKGROUND TO SCOTTISH TAXES

The Scotland Act 1998 established the Scottish Parliament and devolved various powers to it. At that time, tax powers were limited to two measures, one being local taxation - council tax and business rates - and the second being the power to vary the basic rate of income tax by up to plus or minus three pence in the pound, known as the Scottish Variable Rate. The Scottish Parliament never exercised its power to vary the basic rate of income tax.

1.1 Taxes raised in Scotland, for Scotland’s benefit

In 2009, the Calman Commission, formally established as ‘The Commission on Scottish Devolution’ by the Scottish Parliament and the UK Government, recommended that a number of UK taxes should be devolved to Scotland to make the Scottish Parliament more accountable for its spending. These taxes were Stamp Duty Land Tax, Landfill Tax, Aggregates Levy and Air Passenger Duty.

This led to the enactment of the Scotland Act 2012, which provided for taxes on two types of transactions to be wholly devolved; these have been in place since 1 April 2015. They are Land and Buildings Transaction Tax and Scottish Landfill Tax. It also provided for the Scottish Rate of Income Tax (SRIT), the replacement for the Scottish Variable Rate, which became operational on 6 April 2016.

Following the Scottish independence referendum in September 2014, the Smith Commission was set up to review the possibility of extending further devolved powers to Scotland. The Smith Commission reported in November 2014 and was supported by all the main political parties in Scotland. It recommended that UK/Scottish shared control of income tax should continue but that the Scottish Parliament should be able to set income tax rates and bands, to be applied to the non savings, non dividend income of Scottish taxpayers. It also recommended that all income tax levied from Scottish taxpayers on non savings and non dividend income should be received by Scotland. The reason that the taxation of non savings, non dividend income is not devolved is so as to preserve a UK wide market for financial services products.

The Smith Commission proposals made it clear that the UK Parliament would continue to define the base of income tax, impose the charge to income tax,
set the personal allowance, and tax savings and dividend income. The block grant would be adjusted accordingly.

HMRC continues to administer income tax, effectively working for two administrations, and receiving payment from the Scottish Government in return for collecting Scottish income tax.

The Smith Commission led to the Scotland Act 2016, which paved the way for Air Passenger Duty and Aggregates Levy to be devolved, and for VAT to be partially assigned to Scotland (in the form of 50% of VAT revenue estimated to have arisen from Scottish transactions) and, again, with corresponding reductions in the block grant. The introduction of the Scottish equivalent of air passenger duty, under the name of Air Departure Tax, was originally expected to go live in April 2018 but is now expected to be delayed.

The chart below, which is from the Government Expenditure and Revenue Scotland 2016-17 publication shows the detailed estimates of income from all taxes, whether devolved, partially devolved or reserved, in 2016/17, attributed to Scotland.
1.2 Paying Scottish taxes

Who is a Scottish taxpayer or, more pertinently, who will pay Scottish taxes depends on the nature of the tax.

Scottish taxes that are fully devolved and are charged on transactions in Scotland, such as a land transaction, will be paid by anyone entering into such a transaction.

Scottish income tax is paid by ‘Scottish taxpayers’ which, in broad terms, means those who are resident in the UK and have their main place of residence in Scotland. For the majority who are employees or pensioners and receive their income after PAYE, it is the responsibility of HMRC (rather than employers) to apply S codes for PAYE where appropriate (see chapter 4.1 for further discussion).

Assigned VAT is based on an allocation method that determines an amount deemed to be raised in Scotland. Individual taxpayers and businesses are not expected to be involved in the allocation; the calculation will be performed by HMRC from 2019, under the terms of an agreement between the UK and Scottish Governments.

1.3 What exactly are Scottish taxes?

SCOTTISH TAXES

FULLY DEVOLVED TAXES
LBTT, SLfT, ADT, and AL

PARTIALLY ASSIGNED TAXES
VAT

PARTIALLY DEVOLVED TAXES
Scottish (Rate of) Income Tax

The phrase ‘Scottish taxes’ is used to cover a number of different allocations of responsibilities and powers, or assignment, in relation to different taxes, including:

- Full devolution, where total responsibility for the tax is devolved to the Scottish Parliament, such as taxes on land transactions and landfill and, in the future, air passengers and aggregates.
• Partial devolution, which involves joint responsibilities split between the UK and Scottish Parliaments. The UK Parliament is responsible for the tax base, in other words for what is considered to be income and how it is measured. The Scottish Parliament is responsible for setting the rate(s). Under the Scotland Act 2012 this was a single rate, the Scottish Rate of Income Tax, which was in place in 2016/17. However, from April 2017, the Scottish Parliament has had its powers extended so that it is responsible for all income tax rates and the bands. In both cases, the Scottish income tax rates are applied to non-savings, non-dividend income.

• Assignment of taxes, where the tax remains a UK tax with full responsibility for legislation and administration sitting with the UK authorities but some of the tax is allocated to Scotland, for example, as proposed with VAT.

Other taxes are not devolved at all, such as corporation tax, capital gains tax and inheritance tax. These taxes remain applicable across the UK, based on UK legislation in the taxes acts, and are collected and administered by HMRC.

National Insurance Contributions (not a tax) are not a devolved matter and continue to be legislated for and collected by HMRC on a UK wide basis.
CHAPTER 2: PUBLIC FINANCES IN SCOTLAND

In 1998, when the Scottish Parliament was established, Scotland was largely financed by what is known as a block grant and formula system. Revenue was raised by way of taxation at a central (UK) level but some of it was spent at a devolved level, with the amounts allocated as a block grant. The Barnett formula determines how the block grant changes from one year to the next.

The term ‘Barnett’ is derived from Lord Barnett, who devised the formula in 1978, whilst serving as Labour Chief Secretary to the Treasury under Prime Minister James Callaghan. The Barnett formula has no legal status, and is merely a convention used by the Treasury. When there is a change in funding for comparable services in England, the Barnett formula aims to give each country the same pounds-per-person change in funding. When a change is made to a UK Government department’s budget the Barnett formula takes the budget change, considers how comparable the services provided by the department are to those provided by the devolved administration, and applies a population proportion. This calculation is carried out for all UK departments and the results are added to the devolved administrations’ block grants.

2.1 Devolving financial powers

The Scotland Act 2012 gave Scotland more financial powers and introduced greater volatility in its funding. The Scotland Act 2016 takes these features further with another two devolved taxes, greater devolution of powers over the rates and bands of income tax, and the assignment of a proportion of VAT. The purpose of devolving these tax powers is so that Scotland’s political decisions and economic performance will influence the amount raised and the Scottish Government will bear the potential benefit or risk of the amounts raised being more or less than budgeted for. Greater devolution of taxes is also designed to make the Scottish Parliament accountable to the Scottish electorate.

2.2 The fiscal framework

The fiscal framework within which Scottish taxes provide some of the funding for the Scottish Government has evolved considerably in recent years, and continues to do so, with the introduction of intergovernmental machinery to agree how the block grant is amended, and the mechanisms for assigning VAT. There is a Fiscal Framework Agreement signed between the UK and Scottish Governments (published 25 February 2016).
New bodies have been set up in Scotland, including:

- Revenue Scotland to collect and manage devolved taxes
- A tax chamber within the Scottish tribunal jurisdiction to hear appeals regarding devolved taxes
- The Scottish Fiscal Commission with a duty to prepare forecasts and assessments to inform the Scottish Budget.

2.3 Public Spending in Scotland: 2016/17

The chart below from the Government Expenditure and Revenue Scotland 2016/17 publication shows estimated expenditure in Scotland in 2016/17.
CHAPTER 3: WHICH TAX AUTHORITY IS RESPONSIBLE FOR WHAT TAX?

HMRC is responsible for the administration of all income tax, including Scottish income tax, which is then paid over to the Scottish Government. The Scottish Parliament can set the rates and bands for Scottish income tax, but that is all. Much of the collection is undertaken by employers and pension providers, operating PAYE and paying it over to HMRC. For those who are self-employed, Scottish income tax is collected via the UK system of self-assessment.

Part of the rationale behind the model used for partly devolving income tax was to retain the UK administration and collection mechanisms to minimize disruption and costs to all parties – taxpayers, businesses and governments.

VAT also remains the responsibility of HMRC.

3.1 Revenue Scotland

Revenue Scotland is responsible for the collection and management of the fully devolved taxes - Land and Buildings Transaction Tax and Scottish Landfill Tax and, in due course, Air Departure Tax.

With the introduction of the wholly devolved taxes in Scotland there needed to be a means of collecting and administering the new taxes, and a policy decision was taken to establish a new tax authority in Scotland. As a result, Revenue Scotland was established. The legislative framework was provided by the Revenue Scotland and Tax Powers Act 2014 (RSTPA 2014). Revenue Scotland is a non-ministerial department accountable to the Scottish Parliament, with responsibility for the collection and management of the devolved taxes.

Revenue Scotland works with two other public bodies in relation to some operational aspects – with Registers of Scotland in relation to Land and Buildings Transaction Tax (LBTT) and with the Scottish Environment Protection Agency (SEPA) for Scottish Landfill Tax (SLfT). Air Departure Tax will be administered and collected by Revenue Scotland.

The powers bestowed upon Revenue Scotland are broadly similar to those held by HMRC but care needs to be taken as there are some subtle, as
well as other more obvious, differences. Note that the authorities are not comparable in size or operational processes. The relationship between the tax authority and taxpayers in Scotland, and the relevant powers, duties and rights are laid out in the Revenue Scotland and Tax Powers Act 2014. The devolved taxes are self-assessed, there are standard set time limits applying for amending a self-assessment or for the tax authority to issue an assessment and there is a penalty regime to encourage compliance and to prevent non-compliance.

Further information can be found on the Revenue Scotland website.

3.2 The Scottish legislative framework

The Scottish Parliament has enacted the following legislation in order to create the new devolved taxes and the legislative framework to manage them:

- The Land and Buildings Transaction Tax (Scotland) Act 2013
- The Landfill Tax (Scotland) Act 2014
- The Revenue Scotland and Tax Powers Act 2014
- The Air Departure Tax (Scotland) Act 2017.

3.3 The Scottish General Anti-Avoidance Rule (SGAAR): setting the tone

The Revenue Scotland and Tax Powers Act 2014 (RSTPA 2014) contains a general anti-avoidance rule, which applies to the wholly devolved taxes. Its purpose is to ‘counteract tax advantages arising from tax avoidance arrangements that are artificial’ and, more generally, to set the tone for taxpayer compliance. The Scottish GAAR is loosely based on the UK provisions, although in the UK it is a general anti-abuse rule. There are a number of differences between the two but, broadly, the Scottish Parliament sought to set out a strong message that tax avoidance would not be tolerated. There is guidance on this on the Revenue Scotland website.

3.4 Penalties, appeals and tribunals

Given that the devolved taxes are self-assessed there needs to be a mechanism to ensure compliance. The RSTPA 2014 contains a penalty regime, the key elements for the majority of taxpayers being penalties to ensure returns are submitted, and taxes are paid, on time. These penalties can only be mitigated if the taxpayer has a ‘reasonable excuse’ or ‘special circumstances’, each of which have specific meanings that have been fine-tuned in UK case law and are also relevant in devolved tax cases.
There are a number of ways in which a dispute over a tax matter can be resolved with Revenue Scotland. As income tax is partially devolved and administered by HMRC, any disputes, queries or other business relating to it are handled by HMRC, and are therefore not covered in this guide.

The RSTPA 2014 sets out a structure for resolving disputes, providing for mechanisms within Revenue Scotland for internal review or for participation in mediation. A taxpayer may go through these processes and thereafter may take their case to the Tax Chamber in the Scottish Tribunals, or the taxpayer may go directly to the Tax Chamber in the Scottish Tribunals.

The Scottish Tax Tribunals were established by the RSTPA 2014 but, from 24 April 2017, the functions and members previously within the First-tier Tax Tribunal for Scotland have been placed within a Tax Chamber in the newly formed First-tier Tribunal for Scotland. The Tax Chamber has its own website should further information be required. Also on 24 April 2017, the Upper Tax Tribunal for Scotland was abolished and its functions and members transferred to the Upper Tribunal for Scotland.

Note that the Scottish Tribunals only deal with devolved taxes, i.e. land and buildings transaction tax and Scottish landfill tax and, in due course, air departure tax. There is the possibility that in future the administration of UK tax appeals may be devolved to the Scottish Tribunals – see s39 Scotland Act 2016.

3.5 Complaints

Revenue Scotland has a separate and distinct complaints process which is to be used to address unfair handling of a case, poor communications or unsatisfactory administration.

If a complaint is not handled to the satisfaction of the taxpayer, then it can be referred to the Scottish Public Services Ombudsman (the final arbiter).
CHAPTER 4: SCOTTISH TAXES IN BRIEF

This chapter gives a brief outline of each of the ‘Scottish taxes’.

4.1 Scottish income tax

- Key legislation is found in:
  - The Scotland Act 1998, as amended by the Scotland Acts 2012 and 2016 – defines who is a Scottish taxpayer for income tax purposes
  - The Income Taxes Act 2007 – states the rules for tax bands and separates out non-savings, non-dividend income

A warning however: for those who wish to consider the legislation, this is difficult. Measures relevant to Scottish income tax are in both the Income Taxes Act 2007 and the Scotland Act 1998 (as amended by the Scotland Acts 2012 and 2016): the legislation is not accessible, nor is it easy to read, and requires reference to different statues for completeness.

- Scottish Income Tax is effective from 1 April 2017; before this an earlier version, the Scottish Rate of Income Tax (a single rate), was in place for one year, 2016/17.

- Scottish income tax is charged on non-savings, non-dividend income, in other words earnings from employment and self-employment, pension income and rentals.

- Administered by HMRC, mainly through PAYE for those who are employed or pensioners, and through self-assessment for the self-employed.


Scottish income tax is probably the most interesting to observe thus far, due to the number of taxpayers affected and amounts of revenue raised by it. From 2017/18, all income tax rates and bands that are chargeable on non-savings, non-dividend income are set by the Scottish Parliament.

Scottish income tax is levied on earnings such as employment income, pensions income, self-employment income and rental income, but not on savings or dividend income.
The Scottish income tax rates and bands for 2017/18 are:

<table>
<thead>
<tr>
<th>Scottish Income Tax Rates 2017/18</th>
<th>Scottish Thresholds 2017/18</th>
<th>Rest of UK Thresholds 2017/18</th>
</tr>
</thead>
<tbody>
<tr>
<td>Basic rate 20%</td>
<td>Over £11,500* - £43,000</td>
<td>Over £11,500 - £45,000</td>
</tr>
<tr>
<td>Higher rate 40%</td>
<td>Over £43,001 - £150,000</td>
<td>Over £45,001 - £150,000</td>
</tr>
<tr>
<td>Additional Rate 45%</td>
<td>Over £150,000 and above**</td>
<td>Over £150,000 and above</td>
</tr>
</tbody>
</table>

*Where an individual is entitled to the standard UK Personal Allowance.

**As with the rest of the UK, those with earnings exceeding £100,000 will suffer a Personal Allowance reduction of £1 for every £2 earned over £100,000.

According to the Scottish Government’s draft budget, the restriction of the higher rate threshold to £43,430 was expected to have raised an additional £79 million of income for Scotland than would have been raised if the threshold had been increased to £45,000 in line with the rest of the UK. (source: Scottish Budget: Draft Budget 2017-18, page 15, published December 2016).

The Scottish Parliament needs to pass a ‘Scottish rate resolution’ to set the rate designated as the Scottish basic rate and any other rates of income tax to be paid by Scottish taxpayers on their non-savings non-dividend income, for a particular tax year. To be effective, such a resolution must be made within 12 months before the start of the tax year to which it applies.

The Scottish taxpayer’s personal tax computation has become more complicated. This is due to the fact that income now has to be split into that which is liable to Scottish income tax, and savings and dividends, to ensure each part is being taxed according to whether it is devolved or reserved. This means that when dealing with a Scottish taxpayer’s computation, parallel income tax computations may be required, applying the SIT bands first to non-savings, non-dividend income and then reassessing the available bands and rates when dealing with savings and dividend income. Capital gains tax rates are also based on the UK income tax computation.

HMRC prepared three technical notes on the interaction of Scottish income tax and the wider income tax regime, notably in relation to gift aid, pensions and trusts in May 2012, December 2014 and November 2016.
Scottish income tax and national insurance

National Insurance rates and bands are applicable across the UK, and remain reserved to Westminster, so that the change to the higher rate threshold in Scotland for income tax means that it is no longer aligned with the NIC upper earnings threshold. In comparative terms, this is held to be unfair by some commentators. Not only is higher rate tax currently payable above £43,000 at 40%, but so is Class I NIC at 12% up to income of £45,000, ie an overall rate of 52%. The NIC and IT thresholds in Scotland are now out of alignment; tax is devolved but NIC is reserved.

Who is a Scottish taxpayer?

The Scotland Act 2012 gave the definition of a ‘Scottish taxpayer’ – this being a UK taxpayer who, in broad terms, has their main place of residence in Scotland.

The Scotland Act 2012 inserted new sections 80D-80F into the Scotland Act 1998, defining who is a Scottish taxpayer for the purposes of income tax; this is applicable for both the Scottish Rate of Income Tax (in 2016/17) and Scottish income tax for 2017/18 onwards.

A Scottish taxpayer must be UK resident for tax purposes – an individual who is not UK tax resident cannot be a Scottish taxpayer.

There are a number of tests to determine Scottish taxpayer status. If in the course of a tax year an individual is UK resident for tax purposes, they will be a Scottish taxpayer for that tax year, if they satisfy any of three tests:

1. They are a Scottish Parliamentarian.

2. They have a ‘close connection’ to Scotland through either:
   - having only a single ‘place of residence’, which is in Scotland; or
   - where they have more than one ‘place of residence’, having their ‘main place of residence’ in Scotland for at least as much of the tax year as it has been in any one other part of the UK.

3. Where no ‘close connection’ to Scotland or any other part of the UK exists (either through it not being possible to identify any place of residence or a main residence) - through day counting.
Place of residence (something usually established by considering various factors, for example, where daily post is received, where pets are cared for, where doctors and dentists are located and where the individual is registered to vote) is key to establishing whether an individual is a Scottish taxpayer. There is detailed guidance.

A Scottish taxpayer can update their status with HMRC via their Personal Tax Account.

Employed Scottish taxpayers should be in receipt of a coding notice from HMRC with a designatory ‘S’ prefix – which indicates that they have been deemed to be a Scottish taxpayer by HMRC. The NAO estimates that around 80,000 people in the UK move into or out of Scotland each year, which generates work for HMRC and payroll departments: HMRC is responsible for identifying who is a ‘S’ taxpayer and the payroll department must change the tax code when it receives a notification from HMRC.

4.2 Land and buildings transaction tax

- Land and Buildings Transaction Tax (Scotland) Act 2013
- Effective since 1 April 2015
- Administered by Revenue Scotland and Registers of Scotland
- 2016/17 – amount collected - £484m (£177m from non-residential property; and £214 + £93m residential property and net Additional Dwelling Supplement)

The Land and Buildings Transaction Tax (Scotland) Act 2013 provides the charge to tax. It is a tax applied to residential and commercial land and buildings transactions (including commercial purchases and commercial leases) where a chargeable interest is acquired.

Exemptions are listed at Schedule 1 to LBTT (S) Act 2013. Reliefs apply according to LBTT (S) Act 2013 section 27 and schedules 3 – 16.

No land and buildings transaction tax is payable on a domestic property worth less than £145,000 or a commercial property worth less than £150,000 because these fall into the nil rate band. However, all transactions over £40,000 are reportable to Revenue Scotland unless they are exempt.

With effect from 1 April 2016, additional dwelling supplement of 3% applies to the purchase of additional dwellings in Scotland (e.g. buy-to-let or second
homes) – the legislation has been inserted into Part 3 and schedule 2A to the Land and Buildings Transaction Tax (Scotland) Act 2013. Note that both the tax return and the payment of the land and buildings transaction tax are required before the title to a property is registered by Registers of Scotland.

For further information see the Revenue Scotland website.

4.3 Scottish landfill tax

- Landfill Tax (Scotland) Act 2014
- The Scottish Landfill Tax (Administration) Regulations 2015 (SSI 2015/3)
- Effective since 1 April 2015
- Administered by Revenue Scotland and the Scottish Environment Protection Agency
- 2016/17 – amount collected - £149m

The Landfill Tax (Scotland) Act 2014 replaced the UK tax charge on disposals to landfill from 1 April 2015. The tax is based on the UK landfill tax.

The key features of the tax are that it is charged on a taxable disposal, which is a disposal of material as waste by way of landfill and at a landfill site. The tax is levied by weight on the basis of two rates – a standard rate, and a lower rate for certain qualifying materials that are deemed to be less environmentally damaging. There are also a number of activities and materials that are exempt. The tax is designed to raise money but it also aims to support the rationale of using tax and other charges to support environmental policy, aligned with the Scottish Government’s Zero Waste Plan.

From 1 April 2017 the standard rate of SLfT is £86.10 per tonne and the lower rate is £2.70 per tonne.

Permit or authorisation holders for all Scottish landfill sites, including in-house sites where producers of waste dispose of it themselves, are liable to pay Scottish landfill tax on taxable disposals.

The tax is self-assessed but in its compliance activities Revenue Scotland is supported by the Scottish Environment Protection Agency (SEPA).

For further information see the Revenue Scotland website.
4.4 Air departure tax

- Air Departure Tax (Scotland) Act 2017
- Originally expected to be effective from 1 April 2018, but now delayed
- Administered by Revenue Scotland
- 2016/17 – estimated on historical revenues - £264 million

UK air passenger duty was expected to be replaced with air departure tax from 1 April 2018, but it is to be deferred until issues raised by the Scottish Government in relation to the Highlands and Islands exemption have been resolved. The UK Government will maintain the application of Air Passenger Duty in Scotland in the interim, and the current APD rates will apply in Scotland from 2018/19. The intention had been that APD would be ‘switched off’ in Scotland on 1 April 2018, with ADT taking effect from that date. Indeed, the Air Departure Tax (Scotland) Act 2017 received Royal Assent in July 2017.

As the name suggests, air departure tax is based on a charge on any aircraft operator or qualifying private jet that departs any Scottish airport, with some exemptions.

The Scottish Parliament is responsible for policy and legislation as well as the rates and bands, although at the time of writing these have not been set.

The commitment by the Scottish Government is to reduce the tax payable by airlines by 50% by the end of the Parliament; however, no details have yet been issued on this. The Scottish Government has said that at some future point when finances allow it might abolish the tax altogether, although the likelihood is that the rates will simply be changed to nil and the legislation left in place. The UK Office of Budget Responsibility (OBR) has stated that behavioural changes could be a concern if this happened; one consequence of devolving tax powers is that their exercise may lead to tax competition between the devolved jurisdictions and the rest of the UK.

4.5 Aggregates levy

- Date of devolution not yet known
- 2016/17 – estimated on historical revenues - £59 million

The timing of devolution remains uncertain and will not be decided until after a European Commission State Aid investigation is complete.
In due course, it is expected that the power to charge tax on the commercial exploitation of aggregate in Scotland will be devolved to the Scottish Parliament. The Scottish Government will be free to make its own arrangements with regard to the design and collection of any replacement tax.

4.6 VAT

- Key legislation is in the Scotland Act 2016
- Effective from 2019/20
- Administered by HMRC
- 2016/17 - estimated on historical revenues - £5,097m

Some VAT is due to be assigned to Scotland from 2019/20. The Smith Commission recommended that:

‘The receipts raised in Scotland by the first 10 percentage points of the standard rate of Value Added Tax (VAT) will be assigned to the Scottish Government’s budget. These receipts should be calculated on a verified basis, to be agreed between the UK and Scottish Governments, with a corresponding adjustment to the block grant received from the UK Government.’

The Scotland Act 2016 also provided for the first 2.5p of the reduced rate of VAT to be assigned. At the time of writing, the basis of assignment has yet to be agreed.
The ICAS TAX BOARD

The Tax Board reports to the Policy Leadership Board, which reports directly to the ICAS Oversight Board and to the ICAS Council.

The Policy Leadership Board (PLB) has delegated authority from the ICAS Council in relation to the ‘policy leadership’ activities of ICAS. The Policy Leadership Board is specifically empowered to manage and direct the affairs of all boards, committees and panels within its remit.

The Tax Board has delegated authority from the PLB in relation to taxation - to set ICAS policy positions, to act on behalf of ICAS in relation to all tax matters, and has primary responsibility for managing the relationship with the UK revenue authorities.

Proposals relating to the business affairs of ICAS which are significant to the strategy, contentious or could have a significant financial outcome are reserved to Council.

The Tax Board has oversight of five Committees, each of which has responsibility for a certain area of tax; these are:
- Indirect taxes
- International and large business taxes
- Private client
- Scottish taxes
- Owner managed business taxes

Members act in a personal capacity and do not represent the views of their firms.
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