POLICY NOTE

THE NON-DOMESTIC RATE (SCOTLAND) ORDER 2025

SSI 2025/37

The above instrument was made in exercise of the powers conferred by section 7B(1) of the Local Government (Scotland) Act 1975. The instrument is subject to the negative procedure.

Summary Box

The purpose of this instrument is to set the non-domestic rate poundage in Scotland at 49.8 pence for 2025-26.

Policy Objectives

This instrument will result in the poundage which applies to non-domestic properties in Scotland from 1 April 2025 to 31 March 2026 being 49.8 pence, the same as in the three prior financial years.

As a result, the Basic Property Rate which applies to properties with a rateable value up to and including £51,000, will be 49.8p in 2025-26.

UN Convention on the Rights of the Child (Incorporation) (Scotland) Act 2024 Compatibility

In accordance with section 23(2) of the United Nations Convention on the Rights of the Child (Incorporation) (Scotland) Act 2024, the Scottish Ministers certify that, in their view, The Non-Domestic Rate (Scotland) Order 2025 is compatible with the UNCRC requirements as defined by section 1(2) of the Act.

EU Alignment Consideration

This instrument is not relevant to the Scottish Government's policy to maintain alignment with the EU.

Consultation

There is no statutory requirement to consult on this Order.

The policy provided for in this instrument was set out in the Scottish Budget 2025-26[1].

Impact Assessments

The policy provided for in this instrument was set out in the Scottish Budget 2025-26, which was accompanied by a number of impact assessments in Annex D[2].

No Business and Regulatory Impact Assessment is required because the present instrument will not impose new regulatory burdens on businesses, charities or the voluntary sector compared with the Non-Domestic Rate (Scotland) Order 2024 which it replaces.

A Child Rights and Wellbeing Impact Assessment has been carried out in relation to the Order.

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[1] https://www.gov.scot/publications/scottish-budget-2025-2026/

[2] https://www.gov.scot/publications/scottish-budget-2025-2026/pages/18/

Financial Effects

The Scottish Fiscal Commission's Economic and Fiscal Forecast[3] published on 4 December 2024 forecasted revenue for non-domestic rates in 2025-26 to be £3,052 million.

The instrument has no additional financial effects on the Scottish Government, local government or on business.

Scottish Government
Local Government and Housing Directorate

February 2025

[3] https://fiscalcommission.scot/wp-content/uploads/2025/01/Scotlands-Economic-And-Fiscal-Forecasts-December-2024-Revised-22-January-2025.pdf