POLICY NOTE

THE REVENUE SCOTLAND AND TAX POWERS ACT (INVOLVED THIRD PARTY) AMENDMENT ORDER 2026

SSI 2026/18

The instrument above was made in exercise of the powers conferred by 142(3) of the Revenue Scotland and Tax Powers Act 2014 ("RSTPA 2014") and all other powers enabling Scottish Ministers to do so. The instrument is subject to the negative procedure.

Purpose of the instrument.

This instrument amends the Revenue Scotland and Tax Powers Act (Involved Third Party) Order 2015 (SSI 2015/37) ("the 2015 Order") to add a provision in relation to the inspection of involved third parties in connection with Scottish Aggregates Tax ("SAT").

Policy Objectives

Under section 142 of the Revenue Scotland and Tax Powers Act 2014 ("RSTPA"), where a designated officer has reason to believe that an inspection is reasonably required for the purpose of checking the position of any person or class of persons as regards a "relevant devolved tax", the designated officer may enter the business premises of an "involved third party" and inspect the premises, as well as business assets and "relevant documents" which are on the premises. However, these powers of entry and inspection cannot be exercised in respect of any part of a premises used solely as a dwelling.

Section 142(3) of RSTPA defines the terms "relevant devolved tax", "involved third party" and "relevant documents" for the purposes of section 142 by reference to their being specified in an Order made by Scottish Ministers under section 142(3).

This Order amends the 2015 Order to insert a new article 3 into the 2015 Order to specify, for the purposes of designated officers' entry and inspection powers under section 142 of RSTPA, that SAT is a "relevant devolved tax" and the persons who are classed as an "involved third party" and the documents which are classed as "relevant documents" in relation to SAT. The new article 3 provides that, in relation to SAT, any person involved (in any capacity) with the commercial exploitation of taxable aggregate is an "involved third party" and that any documents relating to the commercial exploitation of taxable aggregate are "relevant documents".

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

The Scottish Ministers have made the following statement regarding children's rights.

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 Revenue Scotland and Tax Powers Act (Involved Third Party) Amendment Order 2026 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

A public consultation opened on 24 January 2025 on the proposed administration regulations for SAT, including draft SSIs, with a closing date of 21 March 2025. The consultation paper and draft SSI texts are available on the Scottish Government website[1]. A full list of those consulted and the responses of those who agreed to the release of this information and the Scottish Government response has been published on the Scottish Government's website[2] and consultation platform, Citizen Space[3].

Impact Assessments

Equalities and equal opportunities - The Equalities Impact Assessment processes were completed while developing the SAT secondary legislation and concluded that the instrument will have no negative impact on equality issues. This instrument does not unlawfully discriminate in any way with respect to any of the relevant protected characteristics (age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, sex and sexual orientation) either directly or indirectly.

Human rights – This instrument is considered to be compatible with the convention rights under the Human Rights Act 1998. In particular, this instrument is considered to be compatible with the right to peaceful enjoyment of possessions under Article 1 Protocol 1 of the European Convention for the Protection of Human Rights and Fundamental Freedoms, in terms of which a State may nevertheless enforce such laws as it deems necessary to secure the payment of taxes.

Child rights and wellbeing - A Child rights and wellbeing impact assessment has been carried out in respect of this instrument and will be published on the legislation.gov.uk website. The overall conclusion was that this instrument will have no impact on children's rights under the UNCRC requirements (as incorporated into domestic law) or on children's wellbeing.

Fairer Scotland – This instrument should not have any direct implications for inequalities arising from socio-economic disadvantage.

Consumer - There will not be any additional impacts on consumers as a result of the provisions in this instrument.

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[1] Scottish Aggregates Tax administration regulations: consultation - gov.scot (https://www.gov.scot/publications/scottish-aggregates-tax-administration-regulations)

[2] Scottish Aggregates Tax - proposed administration regulations: consultation analysis - gov.scot (https://www.gov.scot/publications/scottish-aggregates-tax-proposed-administration-regulations-consultation-analysis)

[3] Scottish Aggregates Tax - proposed administration regulations - Scottish Government consultations - Citizen Space (https://consult.gov.scot/taxation-and-fiscal-sustainability/scottish-aggregates-tax-proposed-admin-regulations)

Island communities – No new impacts have been identified for Island Communities in relation to the provisions of this instrument.

Local government – The amendment made by this instrument will not result in any significant implications for local government. At present, four Scottish local authorities operate their own quarries and therefore directly pay UK Aggregates Levy where aggregate is commercially exploited.

Sustainable development – The Strategic Environment Assessment processes were completed while developing the SAT secondary legislation and concluded that the instrument will have no impact on sustainable development, and no adverse effects on the environment.

A Business and Regulatory Impact Assessment (BRIA) was completed in relation to the secondary legislation making administrative provision in relation to SAT and can be accessed on the Scottish Government website here[4].

Sustainable development – The instrument will have no impact on sustainable development.

Privacy impacts – No privacy impacts resulting from this legislation have been identified.

Financial Effects

The costs related to this instrument, which are the Revenue Scotland costs to administer the SAT, are detailed in the Financial Memorandum[5] prepared in respect of the Bill that preceded the 2024 Act and the Financial Memorandum[6] prepared during the passage of the Bill.

Scottish Government
Tax and Revenue Directorate
January 2026

[4] https://www.gov.scot/publications/scottish-aggregates-tax-administration-regulations-business-regulatory-impact-assessment
[5] https://www.parliament.scot/-/media/files/legislation/bills/s6-bills/aggregates-tax-and-devolved-taxes-administration-scotland-bill/introduced/financial-memorandum-accessible.pdf
[6] https://www.parliament.scot/-/media/files/legislation/bills/s6-bills/aggregates-tax-and-devolved-taxes-administration-scotland-bill/introduced/financial-memorandum-accessible.pdf