POLICY NOTE

THE REVENUE SCOTLAND AND TAX POWERS ACT (RECORD KEEPING) AMENDMENT REGULATIONS 2025

SSI 2025/375

The instrument above was made in exercise of the powers conferred by sections 74(9) and (10) of the Revenue Scotland and Tax Powers Act 2014 ("RSTPA 2014") and section 18(5) and (6) of the Aggregates Tax and Devolved Taxes Administration (Scotland) Act 2024 ("the Aggregates Act") and all other powers enabling Scottish Ministers to do so. The instrument is subject to the affirmative procedure.

Purpose of the instrument.

This instrument makes provision for the records that must be preserved by registrable persons, and certain parties made exempt from registration, under the Aggregates Act. .

Policy Objectives

Section 74 of the RSTPA 2014 provides that a person who is required to make a tax return in relation to a devolved tax must keep any records that may be needed to enable the person to make a correct and complete return and preserve those records in accordance with that section. Additionally, a person who is liable to be registered for tax (a "registrable person") must keep any records that may be needed to enable the registrable person to comply with a requirement to notify Revenue Scotland of the person's intention to (among other things requiring to be notified) carry out taxable activities, or to cease to carry out taxable activities. Section 74(9) confers on Scottish Ministers the power to make regulations to specify (among other things which may be specified) the records and supporting documents that must be kept and preserved in relation to devolved taxes under section 74 of RSTPA 2014.

This instrument sets out, in relation to Scottish Aggregates Tax transactions, the records and supporting documents that will need to be preserved to comply with section 74 of RSTPA 2014.

This instrument also provides that a person who is exempt from registration in connection with Scottish Aggregates Tax by virtue of regulations under section 18(5) of the Aggregates Act is obliged to keep such records as are necessary to demonstrate eligibility for that exempt status and any other such other records as may be specified by a notice published by Revenue Scotland (and not subsequently withdrawn).

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 (Record Keeping) Amendment Regulations 2025 are 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

The provisions in this instrument were consulted on as part of a public consultation on the proposed administration regulations for SAT, including draft SSIs. The consultation opened on 24 January 2025 with a closing date of 21 March 2025. The consultation paper and draft SSI is available on the Scottish Government website[1]. The material and views gathered through the consultation activities have informed the development of Scottish Aggregates Tax policy. Where permission has been given, responses have been published in full on the Scottish Government's consultation hub, Citizen Space[2]. Key findings from the analysis and the Scottish Government's response are presented in the consultation analysis report available on the Scottish Government website[3].

Impact Assessments

Equal opportunities - The Equalities Impact Assessment processes were completed while developing the secondary legislation and it was concluded that the instrument will have no negative impact on equality issues. This instrument does not relate to or impact on 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 does not infringe on or affect any of the convention rights given domestic effect by the Human Rights Act 1998.

Child rights and wellbeing - The instrument will have no impact on the rights of children under the UNCRC requirements (as incorporated) or on the wellbeing of children.

Fairer Scotland – This instrument has not been assessed as having any impact in relation to inequalities arising from socio-economic disadvantage.

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

Island communities – This instrument has not been assessed as being likely to have a significantly different effect on an island community compared with the effect on other communities.

Local government – The Scottish Aggregates Tax will replace UK Aggregates Levy in Scotland. The amendments as part of the secondary legislation will not result in any significant

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[1] https://www.gov.scot/publications/scottish-aggregates-tax-administration-regulations/

[2] https://consult.gov.scot/taxation-and-fiscal-sustainability/scottish-aggregates-tax-proposed-admin-regulations/consultation/published_select_respondent

[3] https://www.gov.scot/publications/scottish-aggregates-tax-proposed-administration-regulations-consultation-analysis/

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. This instrument is not expected to result in additional responsibilities or costs to local authorities.

Sustainable development – The Strategic Environment Assessment processes were completed while developing the 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") will be published alongside this instrument which assesses the likely costs, benefits and risks that the secondary legislation will have on the public, private, or third sector.

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 Scottish Aggregates Tax, are detailed in the Financial Memorandum[4] prepared in respect of the Bill that preceded the Act.

Scottish Government
Tax and Revenue Directorate
September 2025

[4] https://www.parliament.scot/-/media/files/legislation/bills/s6-bills/aggregates-tax-and-devolved-taxes-administration-scotland-bill/introduced/financial-memorandum-accessible.pdf