SCOTTISH STATUTORY INSTRUMENTS

2025 No. 374

AGGREGATES TAX

The Scottish Aggregates Tax (Administration) Regulations 2025

Made - - - - 25th November 2025

Coming into force in accordance with regulation 1

The Scottish Ministers make the following Regulations in exercise of the powers conferred by sections 11(1), 15(1), 18(5), 20, 22, 23(1), 26(1), 33(1), 34(1) and 35(1) of the Aggregates Tax and Devolved Taxes Administration (Scotland) Act 2024(**a**), sections 74(9) and (10) and 194(1) of the Revenue Scotland and Tax Powers Act 2014(**b**) and all other powers enabling them to do so(**c**).

In accordance with section 61(1) of the Aggregates Tax and Devolved Taxes Administration (Scotland) Act 2024 and section 254(3)(j) of the Revenue Scotland and Tax Powers Act 2014, a draft of this instrument has been laid before and approved by resolution of the Scottish Parliament.

PART 1

Preliminary

Citation and commencement

1.—(1) These Regulations may be cited as the Scottish Aggregates Tax (Administration) Regulations 2025.

(2) Parts 1 and 3 of these Regulations come into force on 1 December 2025.

(3) The remainder of these Regulations come into force on 1 April 2026.

Interpretation

2.—(1) In these Regulations—

"accounting period" means—

(a) for a registered person, each period ending on the dates notified by Revenue Scotland,

(b) for any other registrable person—

(i) except where (ii) applies, each period of 3 months starting from the effective date of registration,

(**a**) 2024 asp 14.
(**b**) 2014 asp 16.
(**c**) The powers to make these Regulations are exercised together by virtue of section 33(2) of the Interpretation and Legislative Reform (Scotland) Act 2010 (asp 10) and the Regulations are subject to the affirmative procedure by virtue of section 33(3) of that Act.

(ii) where Revenue Scotland have, by virtue of regulation 23(3)(a), varied the length of any accounting period or the date on which it begins or ends, such period as is specified by Revenue Scotland,

"the Act" means the Aggregates Tax and Devolved Taxes Administration (Scotland) Act 2024,

"aggregate" has the meaning given in section 3 of the Act,

"aggregates invoice" means an invoice in respect of commercial exploitation of aggregate issued by a registrable person to a customer and which contains all of the following information—

(a) an identifying number,

(b) the date of its issue,

(c) the name and address of the person issuing it,

(d) the name and address of the person to whom it is issued,

(e) the weight of the material commercially exploited,

(f) a description of the material commercially exploited,

(g) the total amount payable for which the invoice is issued, and

(h) where the amount of tax is shown separately, a statement confirming that that tax may not be treated as the input tax of any person,

"aggregates tax bad debt account" has the meaning given in regulation 33(3),

"commercial exploitation" has the meaning given in section 7 of the Act,

"credit", except where the context otherwise requires, means credit which a person is entitled to claim under Part 6 of these Regulations,

"disposal to landfill" is to be interpreted in accordance with sections 5 and 12 of the Landfill Tax (Scotland) Act 2014(**a**),

"effective date of registration" means the date on which the registrable person begins to carry out taxable activities (whether or not the person has notified Revenue Scotland under section 18(3) of the Act),

"excepted process" has the meaning given in section 4(2) of the Act,

"originating site" has the meaning given in section 9 of the Act,

"published notice" means a notice published by Revenue Scotland and not withdrawn or replaced by a further notice,

"registrable person" has the meaning given in section 18(7) of the Act,

"registered person" means a person who is registered under section 18 of the Act and register and registration are to be construed accordingly,

"registration number" means the identifying number allocated to a registered person and notified to that person by Revenue Scotland,

"return" means a return which is required to be made in accordance with regulation 23,

"the RSTP Act" means the Revenue Scotland and Tax Powers Act 2014,

"taxable activities" has the meaning given in section 18(2) of the Act, and "taxable activity" is construed accordingly,

"taxable business" means a business or part of a business in the course of which a taxable activity is carried out.

(2) In these Regulations any question as to whether a person is connected with another is to be determined in accordance with section 1122 of the Corporation Tax Act 2010(**b**).

(**a**) 2014 asp 2.
(**b**) 2010 c. 4.

PART 2

Weight of Aggregate

Scope

3.—(1) This Part applies for the purpose of determining the weight of any quantity of aggregate and references in this Part to weight are to be construed as references to the weight of such aggregate.

(2) In the event that a method cannot be determined under regulations 4, 5 or 6, Revenue Scotland may prescribe the method to be used and will do so in writing (the "directed method").

Standard method

4.—(1) This regulation sets out the standard method by which the weight of aggregate should be determined and applies unless regulations 5 or 6 apply.

(2) A registrable person is to determine the weight by the use of a weigh bridge which complies with applicable weights and measures legislation at a site referred to in section 7(2) of the Act.

(3) The weight is to be determined at the time when the aggregate is first subjected to commercial exploitation.

(4) Revenue Scotland is to set out in a published notice—

(a) the terms and conditions regarding the use of a weigh bridge,

(b) the records to be kept by the registrable person, and

(c) the rules regarding the discounting of constituents (such as water).

Specified method

5.—(1) Where Revenue Scotland has published a notice setting out a specified method for determining the weight of aggregate, this regulation will apply unless regulation 6 applies.

(2) A specification made by Revenue Scotland as described in paragraph (1) above may make provision for—

(a) the method by which weight is to be determined,

(b) the time by reference to which weight is to be determined,

(c) the records to be kept by the registrable person, and

(d) the discounting of the weight of constituents (such as water).

Agreed method

6.—(1) This regulation provides for an agreed method of determining the weight of aggregate and applies where—

(a) the use of a weigh bridge is not practicable,

(b) the registrable person and Revenue Scotland have agreed in writing that weight is to be determined in accordance with this regulation, and

(c) a direction under paragraph (3) of this regulation has not been made.

(2) Rules may be agreed between the registrable person and Revenue Scotland under this regulation as regards—

(a) the method by which weight is to be determined,

(b) the time by reference to which weight is to be determined.

(3) Where paragraph (4) applies Revenue Scotland may give a direction (which may be contained in guidance) that the rules agreed under this regulation are no longer to have effect.

(4) This paragraph applies where Revenue Scotland believes that the agreed rules should no longer be applied because they do not give an accurate indication of the weight or they are not being fully observed or for some other reason.

Penalties

7.—(1) Paragraph (2) applies where—

(a) a quantity of aggregate has not been weighed in accordance with this Part including, where relevant, if a directed method has been prescribed by Revenue Scotland in terms of regulation 3(2) and not complied with,

(b) a tax return is made in respect of that aggregate, and

(c) there is potential lost revenue (within the meaning of sections 187 to 190 of the RSTP Act).

(2) Any statement in the tax return regarding the weight of the aggregate is deemed to be a deliberate inaccuracy for the purposes of section 182 of the RSTP Act and the penalty is to be calculated in accordance with section 183 of that Act.

PART 3

Registration

Exemption from registration

8.—(1) This regulation applies where the only taxable activity that a person is carrying out or intends to carry out is the commercial exploitation of aggregate referred to in section 6(2) to 6(8) of the Act.

(2) Such a person is exempt from the following requirements—

(a) to be registered under section 18(1) of the Act, and

(b) to notify Revenue Scotland under section 18(3) of the Act.

(3) Such a person may still be required to keep records and meet other duties prescribed by Regulations made under section 18(5) and (6) of the Act.

Notification of commercial exploitation of exempt aggregate

9.—(1) This regulation applies where—

(a) regulation 8 applies, and

(b) a person intends to carry out or carries out the commercial exploitation of the aggregates referred to in—

(i) section 6(7) of the Act,

(ii) section 6(8)(a) to (c) of the Act, or

(iii) section 6(8)(f) of the Act, but only in relation to clay.

(2) Such a person must notify Revenue Scotland under section 20 of the Act within 30 days of the earliest of the following—

(a) the date on which the person formed the intention to carry out the activity referred to in paragraph (1)(b),

(b) the date on which the person carried out the activity referred to in paragraph (1)(b).

(3) Notification under paragraph (2) must be made in accordance with requirements specified in writing by Revenue Scotland.

Notification of taxable activities

10.—(1) A person who is required under section 18(3) of the Act to make a notification to Revenue Scotland must do so in accordance with requirements specified in writing by Revenue Scotland and within 30 days of the earliest of the following—

(a) the date on which the person formed the intention of carrying out taxable activities, or

(b) the date on which the person carried out taxable activities.

(2) For the avoidance of doubt, a person who is required to make a notification under section 18(3) of the Act is not required to do so earlier than 30 days after 1 April 2026 but may do so on a voluntary basis between then and the coming into force of this Part.

Notification of cessation of taxable activities

11.—(1) A person who is required under section 19(1) of the Act to notify Revenue Scotland that they have ceased to have the intention of carrying out taxable activities must do so in writing within 30 days of the person's intention so having ceased.

(2) For the avoidance of doubt, a person who has made a notification under regulation 9(2) must, if the intention referred to in Regulation 9(1)(b) subsequently ceases, make a further notification to Revenue Scotland in writing within 30 days of that cessation.

(3) In either case, the notification must include—

(a) the date on which the person ceased to have the intention of carrying out taxable activities, and

(b) if different, the date on which the person ceased to carry out taxable activities.

Changes in particulars

12.—(1) A person who has made a notification under section 18(3) of the Act or under regulation 9(2) at any time shall also, as appropriate, notify Revenue Scotland about the following matters—

(a) any inaccuracy or inadequacy in the information, particulars or details contained in or provided with the original notification,

(b) any change in circumstances that causes that information or those particulars or details to become inaccurate or inadequate, or

(c) any change in circumstances relating to that person, that person's business or any other matter with respect to which particulars are contained in the Scottish Aggregates Tax register.

(2) A notification required by this regulation must—

(a) be given in writing,

(b) provide full particulars enabling the register kept by Revenue Scotland to be kept up to date, and

(c) be delivered to Revenue Scotland within 30 days.

(3) The first of those 30 days begin, as the case requires, on—

(a) the day after the person discovers that the original notification was inaccurate or is in a position to rectify the inadequacy in that notification (see paragraph (2) above), or

(b) the day after the change in circumstances occurred (see paragraphs (3) and (4) above).

(4) The full particulars referred to in paragraph (2) above include (but are not limited to)—

(a) the nature of the relevant inaccuracy, inadequacy or change,

(b) the date on which the inaccuracy in the original notification was discovered or the inadequacy could be rectified,

(c) the date on which the change occurred,

(d) the nature of the inaccuracy, inadequacy or change, and

(e) the correct information, particulars or details.

(5) A relevant change of circumstances under paragraph (3) or (4) above includes (but is not limited to)—

(a) the person's name, trading name, address or principal place of business,

(b) the person's status (namely, as sole proprietor, partner, unincorporated body, or body corporate),

(c) the name and address of a partner or a change in the membership of a partnership,

(d) the name and address of a trustee or beneficiary of a trust,

(e) the site details.

(6) Revenue Scotland may, on their own initiative or following a notification under this regulation, correct an entry in the register in a case where they are satisfied that it should be corrected or otherwise brought up to date.

(7) Where a person makes a notification under this regulation that is or becomes inaccurate, inadequate or misleading, the provisions of paragraphs (1) to (6) above shall likewise apply to that notification.

Transfer of a going concern

13.—(1) Paragraph (2) applies where—

(a) a taxable business is transferred as a going concern,

(b) the registration of the transferor has not already been cancelled,

(c) as a result of the transfer of the business the registration of the transferor is to be cancelled and the transferee has become liable to be registered, and

(d) an application is made in respect of the transfer by both the transferor and the transferee.

(2) Revenue Scotland may, with effect from the date of the transfer of the business, cancel the registration of the transferor and register the transferee with the registration number previously allocated to the transferor.

(3) An application under paragraph (1) above is to be treated as the notification referred to in regulation 11.

(4) Where the transferee of a business has been registered in accordance with paragraph (2) above—

(a) any liability of the transferor existing at the date of the transfer to make a return or account for or pay any tax under Part 5 of these Regulations is to become the liability of the transferee,

(b) any entitlement of the transferor, whether or not existing at the date of the transfer, to credit or payment under Part 6 of these Regulations is to become the entitlement of the transferee,

(c) any other provision by or under the Act relating to the transferor's obligations under the Act that applied to the transferor before their registration was cancelled and any such provision that continues to apply to the transferor after that cancellation will apply to the transferee, and

(d) any circumstances relating to the application of the Act (or any provision made under the Act) relating to the transferor's obligations under the Act before their registration was cancelled (or any such circumstances that continue to apply to the transferor after the cancellation) will apply to the transferor.

(5) In addition to the provisions in paragraph (4), where both paragraph (6) and (7) apply, the actions referred to in paragraph (7) are to be treated as having been done by the transferee.

(6) This paragraph applies when the transferee of a business has been registered under paragraph (2) above during an accounting period subsequent to that in which the transfer took place (but with effect from the date of the transfer).

(7) This paragraph applies where either the transferor or transferee has done any of the following—

(a) made a tax return,

(b) accounted for tax, or

(c) claimed an entitlement to credit.

Representation of unincorporated body

14.—(1) Where anything is required to be done by or under the Act (whether by these Regulations or otherwise) by or on behalf of an unincorporated body other than a partnership, it is to be the joint and several responsibility of—

(a) every member holding office as president, chairman, treasurer, secretary or any similar office,

(b) if there is no such office, every member holding office as a member of a committee by which the affairs of the body are managed, or

(c) if there is no such office or committee, every member,

but, subject to paragraph (2) below, if it is done by any of the persons referred to above that will be sufficient compliance with any such requirement.

(2) Where an unincorporated body other than a partnership is required to make any notification such as is referred to in regulations 9 to 12, it will not be sufficient compliance unless the notification is made by a person upon whom a responsibility for making it is imposed by paragraph (1) above.

(3) Where anything is required to be done by or under the Act (whether by these Regulations or otherwise) by or on behalf of a partnership, it is to be the joint and several responsibility of every partner, but if it is done by one partner or, in the case of a partnership whose principal place of business is in Scotland, by any other person authorised by the partnership with respect thereto that will be sufficient compliance with any such requirement.

(4) Notwithstanding regulation 14(3), each individual partner is personally responsible for providing accurate and timely information as required by Revenue Scotland in relation to this Part.

Bankruptcy or incapacity of registrable persons

15.—(1) If a registrable person becomes bankrupt, incapacitated or dies, Revenue Scotland may, from the date on which the registrable person became bankrupt, incapacitated or dies, as the case may be, treat as a registrable person any person carrying on any taxable business of the registrable person, and any legislation relating to the tax is to apply to any person so treated as though that person were a registered person.

(2) Any person carrying on such business for the purposes of sub-paragraph (1) must, within 30 days of commencing to do so, inform Revenue Scotland in writing of that fact and the date of the bankruptcy order or of the nature of the incapacity or of the death and the date on which it began or occurred.

(3) Where Revenue Scotland have treated a person carrying on a business as a registered person under paragraph (1) above, they must cease to treat that person if—

(a) the registration of the registrable person is cancelled, whether or not any other person is registered with the registration number previously allocated to the registrable person,

(b) the bankruptcy is discharged or the incapacity ceases, or

(c) the person ceases carrying on the business of the registrable person.

(4) A body corporate becomes bankrupt or incapacitated when it—

(a) goes into liquidation,

(b) enters administration under Part 2 of the Insolvency Act 1986(**a**) or Part 3 of the Insolvency (Northern Ireland) Order 1989(**b**), or

(c) has an administrative receiver (as defined in section 251 of the Insolvency Act 1986) appointed in respect of it.

(5) An individual becomes bankrupt or incapacitated when the individual—

(a) becomes subject to a bankruptcy restrictions order under section 155 of the Bankruptcy (Scotland) Act 2016(**c**),

(b) becomes incapacitated (within the meaning of the Adults with Incapacity (Scotland) Act 2000(**d**)),

(c) starts to serve a sentence of imprisonment or is remanded in custody in the United Kingdom, or

(d) is detained in hospital under the Mental Health (Care and Treatment) (Scotland) Act 2003(**e**).

(6) An individual or a partnership becomes bankrupt or incapacitated when the estate of that person—

(a) is sequestrated under the Bankruptcy (Scotland) Act 2016, or

(b) is made subject to a protected trust deed (see section 163 of the Bankruptcy (Scotland) Act 2016).

(7) A body corporate, individual or partnership which or who is subject to the laws of a jurisdiction other than Scotland becomes bankrupt or incapacitated on the occurrence of circumstances analogous to those described in paragraphs (4) to (6).

PART 4

Non-resident taxpayers

Interpretation

16. In this Part—

(a) "eligible to act as a tax representative" is to be construed with reference to section 26(1) of the Act which provides that a tax representative must be resident in the United Kingdom, and

(b) "non-resident taxpayer" has the meaning given in section 26(2) of the Act.

Non-resident taxpayers: requirement and provision for tax representatives

17.—(1) A non-resident taxpayer must notify Revenue Scotland in writing of becoming a non-resident taxpayer within 30 days of so becoming.

(2) Revenue Scotland may—

(a) require or permit such a taxpayer to appoint a person resident in the United Kingdom to act as the taxpayer's tax representative with effect from a date Revenue Scotland specify, and

(b) oblige the taxpayer, before the date specified in sub-paragraph (a), to request in writing that Revenue Scotland approve the appointment of that person as the tax representative.

(**a**) 1986 c. 45.
(**b**) S.I. 1989/2405.
(**c**) 2016 asp 21.
(**d**) 2000 asp 4.
(**e**) 2003 asp 13.

(3) Any appointment of a person as a tax representative is to take effect only if, and from the date, approved by Revenue Scotland.

Replacement tax representative

18.—(1) A non-resident taxpayer may appoint a different tax representative as a replacement for a tax representative whose appointment has taken effect.

(2) Such appointment is to take effect only if, and from the date, approved by Revenue Scotland, following an application made to it in writing.

Requirement to change tax representative

19.—(1) Revenue Scotland may, with effect from a date or dates they specify, for good cause and by way of written notice served on the non-resident taxpayer—

(a) withdraw their approval of any person appointed as a tax representative for that non-resident taxpayer,

(b) require that non-resident taxpayer to replace any tax representative with a different tax representative, and

(c) oblige that non-resident taxpayer to make an application in writing for Revenue Scotland's approval for a person's appointment as a replacement tax representative.

(2) Any appointment of a person as a replacement tax representative is to take effect only if, and from the date, approved by Revenue Scotland.

Direction regarding appointment of tax representative

20.—(1) This regulation applies in a case where Revenue Scotland require the appointment of a tax representative under regulation 17(2)(a) and the non-resident taxpayer—

(a) becomes liable to a penalty under section 216C of the RSTP Act (penalty for failing an obligation to request Revenue Scotland's approval of retax representative), or

(b) unreasonably fails to obtain Revenue Scotland's approval in accordance with regulation 17(2)(b) (approval of tax representative).

(2) Where this regulation applies, Revenue Scotland may give a direction requiring a specified person to be treated as the appointed and approved tax representative of that non-resident taxpayer from a specified date.

(3) A person specified in a direction under paragraph (2) above is to be treated as the tax representative of the non-resident taxpayer from the specified date until such date as Revenue Scotland may specify in a further direction.

(4) Revenue Scotland may only specify a person under paragraph (2) above who—

(a) is eligible to act as a tax representative, and

(b) is suitable in all the circumstances to be the tax representative for the relevant non-resident taxpayer.

(5) Revenue Scotland may give a direction requiring a specified person to be treated as the appointed and approved tax representative of a non-resident taxpayer as a replacement for a person specified in a direction under paragraph (2) above.

(6) Where paragraph (5) applies, paragraphs (3) and (4) apply in the same way as to a direction under paragraph (2).

(7) Regulations 18 and 19 do not apply in relation to a person specified in a direction under this regulation.

Ceasing to be a tax representative

21.—(1) A person will cease to be the tax representative for a non-resident taxpayer from the time when—

(a) the non-resident taxpayer ceases to be a registered person,

(b) the non-resident taxpayer replaces that person with a different tax representative under regulation 18 and 19,

(c) Revenue Scotland issue a direction under regulation 20(2),

(d) the person dies, becomes incapacitated or becomes bankrupt,

(e) the person ceases to be eligible to act as a tax representative,

(f) the person delivers to Revenue Scotland notification in writing that they withdraw as tax representative for the non-resident taxpayer, or

(g) the non-resident taxpayer delivers to Revenue Scotland notification in writing that they withdraw an appointment that they permitted but did not require.

(2) A person who is specified in a direction under regulation 20(2) will not—

(a) cease to be (or be treated as) the tax representative except in accordance with that regulation, or

(b) be permitted to withdraw under paragraph (1)(f) above.

(3) The name of a tax representative (or a person treated as such) must be registered against the name of the non-resident taxpayer for whom that person is (or is treated as) the representative.

(4) That name must be deleted from the register if the person ceases to be the tax representative for that non-resident taxpayer and Revenue Scotland consider it appropriate to do so.

(5) In this regulation, "bankrupt" and "incapacitated" have the meaning provided for in regulation 15(4) to 15(7).

Tax representative: Duty to notify

22.—(1) A tax representative (or a person treated as such) must notify and provide full particulars to Revenue Scotland in writing about any of the following matters—

(a) any change in the name, constitution or ownership of the tax representative's business, any change in the site details or any event that may require the register to be varied,

(b) the tax representative lawfully ceasing to be the appointed tax representative of the relevant non-resident taxpayer, and

(c) the tax representative ceasing to be eligible to act as a tax representative.

(2) Such notification must be delivered to Revenue Scotland no later than 30 days starting from the first day after the matter arises.

PART 5

Accounting period, returns, payment of tax

Making of returns

23.—(1) Subject to paragraph (3) below, unless Revenue Scotland agree otherwise, a registrable person must, in respect of each accounting period, make a return to Revenue Scotland.

(2) Subject to paragraph (3) below, a registrable person must make each return not later than 30 days following the end of the accounting period to which it relates.

(3) Where Revenue Scotland consider it necessary in the circumstances of any particular case, it may—

(a) vary the length of any accounting period or the date on which it begins or ends or by which any return must be made,

(b) allow or direct the registrable person to make a return in accordance with sub-paragraph (a) above,

(c) allow or direct a registrable person to make returns to a specified address,

and any person to whom Revenue Scotland gives any direction such as is referred to in this regulation must comply therewith.

(4) A return under this regulation must also include a declaration by the taxpayer that the return is, to the best of the taxpayer's knowledge, correct and complete.

(5) However, where the taxpayer authorises an agent to complete the return, the agent must certify in the return that the taxpayer has declared that the information provided in the return is, to the best of the taxpayer's knowledge, correct and complete.

Payment of tax

24.—(1) Where a return is to be made under regulation 23, the tax or additional tax payable must be paid to Revenue Scotland no later than 30 days after the end of the accounting period in respect of which the tax liability arises.

(2) Where a return is amended, the tax payable as a result of the amendment must be paid by the latest of the following dates—

(a) the date in paragraph (1) above,

(b) the date on which the return is amended.

(3) For the purposes of paragraphs (1) and (2), tax is treated as paid if arrangements satisfactory to Revenue Scotland are made for payment of the tax.

(4) Revenue Scotland will not be obliged to reimburse any tax owed by it to an operator (as defined in section 10(1) of the Act) until—

(a) any outstanding tax return has been made by the operator, and

(b) tax in respect of the return has been paid to Revenue Scotland(**a**).

PART 6

Tax Credits: General

Interpretation

25. In this Part—

"relevant accounting period" means—

(a) in the case of an entitlement to credit arising under Part 7 of these Regulations, the accounting period in which the period of one year from the date of the issue of the aggregates invoice expired,

(b) in the case of an entitlement to credit arising under Part 8 of these Regulations, the accounting period in which the relevant circumstances condition is met,

"relevant amount" means the amount of the credit as determined in accordance with Part 7 or 8 of these Regulations, as the case may be,

"relevant tax" means the tax, if any, that was required to have been paid as a condition of the entitlement to credit.

(**a**) See section 83 of the RSTP Act for the taxpayer's right to amend a return and sections 109 to 112 of that Act in respect of defences by Revenue Scotland of unjustified enrichment in respect of a claim by the taxpayer for reimbursement in respect of an overpayment of tax.

Scope

26.—(1) This Part applies to entitlements to credit arising under Parts 7 and 8 of these Regulations.

(2) No credit arising under any provision of these Regulations may be claimed except in accordance with this Part.

Claims in returns

27.—(1) Subject to paragraph (2) below, a person entitled to credit may claim it by deducting its amount from any tax due from the person for the relevant accounting period and, where that is done, the person must make a return for that accounting period accordingly.

(2) Revenue Scotland may make directions generally or with regard to particular cases prescribing rules in accordance with which credit may or must be held over to be credited in an accounting period subsequent to the relevant accounting period.

(3) Where a direction described in sub-paragraph (2) has been made that credit, subject to any such subsequent direction varying or withdrawing the rules, may only be claimed in accordance with those rules.

Payments in respect of credit

28.—(1) Subject to paragraph (5) below, where the total credit claimed by a registrable person in accordance with this Part exceeds the total of the tax due from the person for the accounting period, Revenue Scotland must pay to the person an amount equal to the excess.

(2) Where Revenue Scotland has cancelled the registration of a person in accordance with section 19 of the Act, and the person is not a registrable person, the person must make any claim in respect of credit to which this Part applies by making an application in writing.

(3) A person making an application under paragraph (2) above will give to Revenue Scotland full particulars in relation to the credit claimed, including (but not restricted to)—

(a) the return in which the relevant tax was accounted for,

(b) the amount of the tax and the date and manner of its payment,

(c) the events by virtue of which the entitlement to credit arose.

(4) Subject to paragraph (5) below, where Revenue Scotland is satisfied that a person who has made a claim in accordance with paragraphs (2) and (3) above is entitled to credit, and that the person has not previously had the benefit of that credit, it must pay to the person an amount equal to the credit.

(5) Revenue Scotland will not be liable to make any payment under this regulation unless and until the person has made all of the returns they are obliged to make.

PART 7

Credit: bad debts

29. In this Part—

"claim" means a claim in accordance with Part 6 of these Regulations for an amount of credit arising under this Part and "claimant" are to be construed accordingly,

"customer" means a person for whom a taxable activity is carried out by the claimant,

"outstanding amount" means, in relation to any claim—

(a) if at the time of the claim the claimant has received no payment in respect of the amount written off in its accounts, the amount so written off, or

(b) if at that time it has received a payment, the amount by which the amount written off exceeds the payment (or the aggregate of the payments),

"relevant transaction" means any taxable activity in respect of which a claim is made,

"security" means—

(a) in relation to Scotland, any security (whether heritable or moveable), any floating charge and any right of lien or preference and right of retention (other than a right of compensation or set-off), and

(b) in relation to England, Wales and Northern Ireland, any mortgage, charge, lien or other security.

Scope

30. An entitlement to credit arises under this Part where—

(a) a registered person has commercially exploited taxable aggregate within the meaning of section 7(1)(a) or (b) of the Act ("relevant commercial exploitation") in respect of a customer with whom the registered person is not connected,

(b) the registered person has accounted for and paid tax on the taxable activity,

(c) the whole or any part of the consideration for the taxable activity has been written off in the registered person's accounts as a bad debt,

(d) the registered person has issued an invoice in respect of the taxable activity which shows the consideration charged to the customer and the amount of tax chargeable,

(e) a period of one year (beginning with the date of the issue of that invoice) has elapsed, and

(f) the following provisions of this Part have been complied with.

Amount of credit

31.—(1) Subject to paragraph (2), the credit arising under this Part is an amount equal to such proportion of the tax charged on the taxable activity as the outstanding amount forms of the total consideration.

(2) Where the consideration for the taxable activity in question is less than twice the amount of tax accounted for and paid by a person in respect of that activity, the amount of the tax credit which they can claim under paragraph (1) above shall be restricted to half the outstanding amount.

Evidence required in support of claim

32. The claimant, before making a claim, must hold in respect of each relevant transaction—

(a) a copy of the aggregates invoice issued by the claimant,

(b) records or any other documents showing that the claimant has accounted for and paid tax on the activity,

(c) records or any other documents showing that the consideration has been written off in the claimant's accounts as a bad debt, and

(d) any additional evidence specified by Revenue Scotland in a published notice.

Records required to be kept

33.—(1) Any person who makes a claim must make a record of that claim and the provisions of The Revenue Scotland and Tax Powers Act (Record Keeping) Amendment Regulations 2025(**a**) will apply.

(2) The record referred to in paragraph (1) above must contain the following information in respect of each claim made—

(a) in respect of each relevant transaction—

(**a**) S.S.I. 2025/375.

(i) the amount of tax charged on that transaction,

(ii) the return in which that tax was accounted for and when it was paid,

(iii) the date and identifying number of the aggregates invoice issued in respect of the relevant transaction,

(iv) any consideration that has been received (whether before the claim was made or subsequently),

(b) the outstanding amount,

(c) the amount of the claim,

(d) the return in which the claim was made, and

(e) any other information that Revenue Scotland specifies in a published notice.

(3) Any records made in pursuance of this regulation are to be kept in a single account known as "the aggregates tax bad debt account".

Attribution of payments

34.—(1) Paragraph (2) applies where—

(a) the claimant has engaged in a relevant commercial exploitation of taxable aggregate,

(b) there exist one or more other matters in respect of which the claimant is entitled to a debt owed by the customer (whether they involve further charges in respect of the relevant commercial exploitation of taxable aggregate), and

(c) a payment has been received by the claimant from the customer.

(2) The payment is to be attributed to the relevant commercial exploitation in respect of which the claim is made under this Part ("the appropriate commercial exploitation") and the other matters in accordance with the rules set out in paragraphs (3) and (5) below.

(3) The payment is to be attributed to the debt which arose earliest and, if not wholly attributed to that debt, thereafter to debts in the order of the dates on which they arose.

(4) Where—

(a) the earliest debt and the other debts to which the whole of the payment could be attributed arose on the same day, or

(b) the debts to which the balance of the payment could be attributed in accordance with paragraph (3) above arose on the same day,

the payment shall be attributed to each remaining debt according to the proportion that the debt in question contributes to the total remaining debt.

Repayment of credit

35.—(1) Paragraph (2) applies where—

(a) a claimant has benefited from an amount of credit to which the claimant was entitled under this Part, and

(b) either—

(i) a payment for the relevant transaction is subsequently received, or

(ii) a payment is, by virtue of regulation 34, treated as attributed to the relevant transaction.

(2) The claimant must repay to Revenue Scotland such amount as equals the amount of the credit, or the balance thereof, multiplied by a fraction of which the numerator is the amount so received or attributed, and the denominator is the amount of the outstanding consideration.

(3) Paragraph (4) applies where the claimant—

(a) fails to comply with the requirements of regulation 33, or

(b) in relation to the records mentioned in that regulation, fails to comply with either—

(i) section 99(1) of the RSTP Act, or

(ii) any obligation arising under 111(4)(a) of that Act.

(4) The claimant must repay to Revenue Scotland the amount of the claim to which the failure to comply relates.

Writing off debts

36.—(1) This regulation is to apply for the purpose of determining whether, and to what extent, the consideration is to be taken to have been written off as a bad debt.

(2) The whole or any part of the consideration for a taxable activity is to be taken to have been written off as a bad debt where—

(a) the customer has become insolvent—

(i) through sequestration or bankruptcy or entering into any accommodation with the customer's creditors, or

(ii) by going into insolvent winding up or by entering administration,

(b) the claimant because of the insolvency of the customer has to any extent not been able to recover the consideration,

(c) the claimant has written it off in accounts as a bad debt, and

(d) the claimant has made an entry in relation to that activity in the aggregates tax bad debt account in accordance with regulation 33 (and this will apply regardless of whether a claim can be made in relation to that activity at that time).

(3) Where the claimant owes an amount of money to the customer which can be set off, the consideration written off in the aggregates tax bad debt account is to be reduced by the amount so owed.

(4) Where the claimant holds in relation to the customer an enforceable security, the consideration written off in the aggregates tax bad debt account is to be reduced by the value of the security.

PART 8

Tax credits: other

Tax Credits in relevant circumstances

37.—(1) An entitlement to credit arises under this Part where—

(a) a registered person has carried out a taxable activity and has accounted for the tax chargeable on that activity,

(b) the registered person has paid that tax or would have paid that tax but for the fact that the credit has been deducted from any tax due from the person for the relevant accounting period in accordance with regulation 27(1), and

(c) any of the relevant circumstances conditions in paragraph (2) apply in relation to the aggregate in question.

(2) The relevant circumstances conditions are that the aggregate in question—

(a) is moved outwith Scotland to a place in the rest of the United Kingdom, or to United Kingdom waters, in the form of aggregate,

(b) is exported or removed from the United Kingdom from a place in Scotland without further processing, in the form of aggregate,

(c) has an excepted process applied to it,

(d) is used in any of the industrial or agricultural processes specified in the schedule,

(e) is disposed of (by dumping or otherwise) in any of the following ways—

(i) it is returned without further processing to its originating site or any site which is not its originating site but is registered under the same name,

(ii) it is disposed of to landfill,

(iii) it is gravel or sand and is used for beach restoration purposes at a site which is not its originating site.

(3) The amount of the credit arising under this Part is to be equal to the tax that was charged on the aggregate in question.

(4) For the purposes of of section 15(9) of the Act, all the processes listed in the schedule are specified for the purposes of that subsection.

Evidence required in support of claim

38.—(1) The claimant, before making a claim, must hold in respect of each claim—

(a) records or any other documents showing that the claimant has accounted for and paid tax on the activity,

(b) records or any other documents which evidence the applicability of the relevant circumstances conditions referred to in regulation 37(2), including as appropriate, evidence of export, movement and end use, and

(c) any other records or documents that Revenue Scotland specifies in a published notice.

(2) Where regulation 37(2)(b) applies to the aggregate in respect of which a credit is claimed, paragraph (1) applies with the following modifications—

(a) the claimant need not hold the records or documents before making the claim,

(b) the claimant must obtain the records or documents within a period of three months beginning on the day of making the claim, and if the claimant does not do so then sub-paragraph (c) applies,

(c) the claimant must amend the return for the accounting period where the claim was made by removing the claim from that return.

Records required to be kept

39.—(1) Any person who makes a claim must make a record of that claim and the provisions of The Revenue Scotland and Tax Powers Act (Record Keeping) Amendment Regulations 2025 will apply.

(2) The record referred to in paragraph (1) above must contain the following information in respect of each claim made—

(a) in respect of each claim—

(i) the amount of tax charged,

(ii) the return in which that tax was accounted for, when it was paid to Revenue Scotland and the manner of its payment, and

(iii) the circumstances in which the entitlement to tax credit arose,

(b) the amount of the claim, and

(c) the return in which the claim was made.

IVAN McKEE
Authorised to sign by the Scottish Ministers

St Andrew's House,
Edinburgh
25th November 2025

SCHEDULE

Regulation 37

AGRICULTURAL OR INDUSTRIAL PROCESSES

A. Industrial Processes

Code	*Description*
001	Iron, steel and non-ferrous metal manufacture and smelting processing including foundry processes, investment casting, sinter plants and wire drawing.
002	Alloying.
003	Emission abatement for air, land and water.
004	Drinking water, air and oil filtration and purification.
005	Sewage treatment.
006	Production of energy.
007	Ceramic processes.
008	Refractory processes.
009	Manufacture of glass and glass products.
010	Manufacture of fibre glass.
011	Manufacture of man-made fibres.
012	Production and processing of food and drink.
013	Manufacture of plastics, rubber and PVC.
014	Chemical manufacturing e.g. soda ash, sea water magnesia, alumina.
015	Manufacture of precipitated calcium carbonate.
016	Manufacture of pharmaceuticals, bleaches, toiletries and detergents.
017	Aerating processes.
018	Manufacture of fillers for coating, sealants, adhesives, paints, grouts, mastics, putties and other binding or modifying media.
019	Manufacture of pigments, varnishes and inks.
020	Production of growing media and line markings for sports pitches and other leisure facilities.
021	Incineration.
022	Manufacture of desiccant.
023	Manufacture of carpet backing, underlay and foam.
024	Resin processes.
025	Manufacture of lubricant additives.
026	Leather tanning.
027	Paper manufacture.
028	Production of art materials.
029	Production of play sand e.g. for children's sand pits.
030	Clay pigeon manufacture.
031	Abrasive processes: specialist sand blasting, iron free grinding (pebble mills) and sandpaper manufacture.
032	Use as a propping agent in oil exploration e.g. fracture sands and drilling fluids.
033	Flue gas desulphurisation and flue gas scrubbing.
034	Manufacture of mine suppressant.
035	Manufacture of fire extinguishers.
036	Manufacture of materials used for fireproofing.
037	Acid neutralisation.
038	Manufacture of friction materials e.g. automotive.

B. Agricultural processes

Code	*Description*
039	Manufacture of additives to soil.
040	Manufacture of animal feeds.
041	Production of animal bedding material.
042	Production of fertiliser.
043	Manufacture of pesticides and herbicides.
044	Production of growing media, including compost for agricultural and horticultural use only.
045	Soil treatment, including mineral enrichment and reduction of acidity.

EXPLANATORY NOTE

(This note is not part of the Regulations)

These Regulations make provision for the administration and assurance of Scottish aggregates tax. In particular:

- Part 1 provides for commencement of the Regulations and defines expressions used in them.
- Part 2 sets out the basic method for determining the weight of aggregate for the purposes of the tax and provides for directed, specified and agreed methods to be used instead.
- Part 3 makes provision regarding exemption from the requirements of registration for certain persons. It provides for notifications by persons who carry out or intend to carry out taxable activities. It also provides for notification of cessation of taxable activities, and notification of carrying out commercial exploitation of certain exempt aggregates. It makes special provision for transfers of a going concern, partnerships and other unincorporated bodies and relating to bankruptcy or incapacity of registered persons.
- Part 4 makes provision for non-resident taxpayers' appointment of tax representatives.
- Part 5 deals with accounting for tax by making returns in respect of accounting periods, and payment of tax.
- Part 6 deals with claims and payments in respect of credits of tax arising under Parts 7 and 8.
- Part 7 provides for an entitlement to credit in respect of bad debts, and regulates the evidence required and records to be kept. It also provides for the attribution of payments to debts and the repayment of credit.
- Part 8 provides for an entitlement to credit where certain circumstances apply to the aggregate in question, such as moving the aggregate outwith the United Kingdom, or aggregate being used in the industrial or agricultural processes listed in the schedule. It also provides for the evidence required and records to be kept.
- The schedule sets out the agricultural and industrial processes described at Regulation 37.

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