# POLICY NOTE

# THE SCOTTISH AGGREGATES TAX (APPLICABLE RATE OF TAX) REGULATIONS 2026

## SSI 2026/132

The instrument above was made in exercise of the powers conferred by 12(3) of the Aggregates Tax and Devolved Taxes Administration (Scotland) Act 2024. The instrument is subject to the affirmative procedure.

**Purpose of the instrument.**

This instrument specifies the first applicable rate of Scottish Aggregates Tax, as announced in the Scottish Budget 2026-27.

## Policy Objectives

Section 12(3) of the Aggregates Tax and Devolved Taxes Administration (Scotland) Act 2024 ("the 2024 Act") confers on the Scottish Ministers a power to make regulations specifying the applicable rate of Scottish Aggregates Tax ("SAT") for the purposes of section 12 of the 2024 Act.

This instrument provides that from 1 April 2026, the applicable rate of SAT is £2.16 per tonne of taxable aggregate.

## 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 Scottish Aggregates Tax (Applicable Rate of Tax) Regulations 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].

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[1] https://www.gov.scot/publications/scottish-aggregates-tax-administration-regulations/
[2] https://www.gov.scot/publications/scottish-aggregates-tax-proposed-administration-regulations-consultation-analysis/
[3] https://consult.gov.scot/taxation-and-fiscal-sustainability/scottish-aggregates-tax-proposed-admin-regulations/

**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 Order 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.

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

Local government – The amendments as part of 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.

No Business and Regulatory Impact Assessment has been prepared for this instrument as no impact upon business, charities or voluntary bodies is foreseen.

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[4] prepared in respect of the Bill that preceded the 2024 Act and the Financial Memorandum[5] prepared during the passage of the Bill.

The Scottish Fiscal Commission will publish an assessment of the revenue impact of the SAT rate in the Economic and Fiscal Forecasts published alongside the Scottish Budget on 13 January 2026.

Scottish Government
Tax and Revenue Directorate
January 2026

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

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