Finance Directorate

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Jim Johnston Clerk To the Finance Committee Room T3.60 The Scottish Parliament Edinburgh EH99 1SP



14 May 2013

Dear Jim

LAND AND BUILDINGS TRANSACTION TAX BILL - FINANCE COMMITTEE STAGE 1 REPORT

Thank you for your letter of 28 March, highlighting the recommendations made by the Committee in relation to the administration of the Land and Buildings Transaction Tax (LBTT) by Revenue Scotland and Registers of Scotland.

You requested a copy of the milestones and dates of key deliverables for Revenue Scotland, mirroring a similar request to Registers of Scotland.

We have recently established a Tax Administration Programme, which is a joint programme of work between Revenue Scotland, Registers of Scotland and the Scottish Environment Protection Agency. As you will understand, this programme covers not only LBTT but our work SEPA to develop arrangements to collect the other devolved tax, Scottish Landfill Tax, which the Committee will consider in due course.

We are in an initiation phase for the Tax Administration Programme, and at this point we are working through our milestones and business planning, with a view to having a plan in place when we move to implementation. We expect that implementation phase to start from July, if the Parliament passes the Land and Buildings Transaction Tax Bill in June. As such, our identification of milestones is high-level at present, and represented in the attached diagram.

In terms of tax administration, the key strands of work – against which we are developing those milestones – are as follows:

- Staffing (with Revenue Scotland's initial staffing complement fully in place from May 2013)
- Agreement on the management of data between RS, Registers of Scotland and SEPA, which will underpin decisions on ICT development
- Process mapping









Initial estimates of our longer-term staffing expectations in the three organisations

I note further in your letter that the Committee would welcome a 6 monthly progress report on the implementation and delivery of LBTT, with the first report due by the end of September 2013. I will be pleased to provide this, both in writing and, as the Committee requires, through oral evidence. I note that you have requested a similar report from Registers of Scotland; I would be grateful if you could indicate whether the Committee requires separate written submissions from Registers of Scotland and Revenue Scotland, or whether it would be preferable to combine these into a single written submission.

I hope this is helpful. Please let me know if you require anything further ahead of the first progress report in September.

Deann A Combern

ELEANOR EMBERSON







	July 12 October 12 January 13 April 13 July 13 October 13 January 14 April 14 July 14 October 14 January 15 April 15 July 15 October 15
IT	Data framework ICT development and agreement testing with RoS and SEPA Final testing
POLICY AND LEGISLATIVE	Work with LBTT Bill team on policy colleagues on secondary legislation and guidance Work with Tax Management Bill team on policy development, secondary legislation and guidance
STAFFING, ROLES AND RESPONSIBILITIES	Initial Revenue Agree roles and responsibilities with RoS and SEPA; Scotland staffing agree and implement required staffing
PROCESS MAPPING	Scope and complete process maps with RoS and SEPA
STAKEHOLDERS AND COMMS	Develop initial Comms and engagement Stakeholders
TRANSITION ARRANGEMENTS	Agreement with HMRC HMRC through transition
GOVERNANCE	Likely recruitment of Board / Chief Executive
GATEWAY REVIEW	GR 0 Schedule of follow-up Gateway Reviews