

Mr Kevin Stewart MSP
Convenor
Local Government and Regeneration Committee

By email to: LGRCommittee@scottish.parliament.uk

17 March 2016

Dear Kevin

I would like to outline the Scottish Government's current thinking in respect of our announcement on 2 March 2016 that there would be consultation on enabling councils to levy a tax on vacant and derelict, or land not being made available for development, to reduce land banking and increase supply of homes.

Our policy objective in respect of this consultation is to better unlock development land and to accelerate the supply of land to meet the demand for housing, rather than to address a revenue issue. The consultation will therefore address whether, how and under what circumstances to introduce any such levy. We understand there are differing views as to whether such a measure would be effective or necessary, and that is what we will seek to determine through the consultation. Ministers' intention, if re-elected in May, is to set out further details of the consultation before the summer parliamentary recess.

We remain committed to maintaining a competitive advantage within the UK for the majority of business taxpayers and recognise the range of important issues relating to this line of enquiry, not least those currently being considered as part of the independent review of Scottish planning. Given this, we are currently seeking early views from stakeholders on how to take this consultation forward, including in respect of its scope, form and timetable.

I trust this information is of interest, and Ministers will be glad to keep the Committee, or any successor, updated in due course.



MARCO BIAGI