

Scottish Budget 2023-24 – Attitudes to Tax: Public attitude survey data and recent discussions with stakeholders

Introduction

In advance of the Scottish Budget, the Scottish Government conducts annual research on public attitudes to tax. This research also includes information on where people find information on tax and their knowledge of the tax system.

The Scottish Government is committed to being an open government and transparent with its data in relation to fiscal policy. As such, we are publishing the information which has been collected is being published alongside the Scottish Budget.

The Scottish Government also undertakes a programme of engagement with stakeholders that explores their views about the operation of tax policy and taxation. The points raised in the course of these discussions are also described in this report.

Public Attitudes to Tax

The Scottish Social Attitudes Survey (SSAS) includes two questions on tax covering attitudes towards the level of tax and spending, and attitudes towards the redistribution of income. The latest dataset comes from the [2021/22 SSAS](#) and was collected between 21st October 2021 and 27th March 2022.

In October 2020, 2021 and 2022, the Scottish Government has included questions in a YouGov omnibus survey to gather data on public attitudes to paying tax and knowledge of the tax system. These questions are focused on the following areas:

- Attitudes to levels of tax and spending.
- Views on personal tax levels.
- Knowledge of the Scottish and UK tax systems.

Key findings

- Both surveys indicate that there has been an increase in the number of people in Scotland who think the government should redistribute income from the better off to those less well off (SSAS – 68% and YouGov – 67%).
- The majority of respondents to both surveys favoured increasing taxation to fund more public spending on health, education and social benefits (SSAS - 64% and YouGov - 53%).
- Relatively few respondents in each survey favour reducing both taxes and public services (SSAS - 3% and YouGov - 8%).
- Almost half of (47%) of respondents in the YouGov Omnibus Survey reported that they were prepared to pay more tax in order to fund public services.
- In response to a question on the amount of tax paid, a similar proportion (47%) of respondents to the YouGov Omnibus Survey reported that the amount of tax that they and their family pay is about right and 30% stated it was too high.
- Around three-fifths of respondents (59%) said that they understood the UK tax system very well or fairly well and just over two-fifths (45%) said that they

understood the system of devolved taxes in Scotland. In both instances, levels of public understanding have remained broadly similar over the past three years.

- In relation to how people find out information about tax, the most common responses were the UK Government website (25%), the Scottish Government website (13%), and mainstream media (11%). 18% of respondents said they do not find information on tax, which is a decrease of 8% compared to 2021's YouGov omnibus survey data.

Data

Figure 1. To what extent do you agree or disagree with the following statement: 'Government should redistribute income from the better-off to those who are less well off.'

	Scottish Social Attitude Survey 2021/22 findings	YouGov 2020 Findings	YouGov 2021 Findings	YouGov 2022 Findings
Agree strongly	38%	26%	26%	34%
Agree	30%	32%	33%	33%
TOTAL AGREE	68%	58%	59%	67%
Neither	16%	26%	27%	22%
Disagree	12%	12%	11%	8%
Disagree strongly	4%	5%	5%	2%
TOTAL DISAGREE	16%	17%	16%	10%

Figure 2. Suppose the government had to choose between the three options on this card. Which do you think it should choose?

	Scottish Social Attitudes Survey 2021/22 Findings	YouGov 2020 Findings	YouGov 2021 Findings	YouGov 2022 Findings
Reduce taxes and spend less on health, education and social benefits	3%	6%	7%	8%
Keep taxes and spending on these services at the same level as now	32%	46%	48%	40%
Increase taxes and spend more on health, education and social benefits	64%	48%	46%	53%

Figure 3. Which of these statements do you agree with the most in relation to future levels of tax and public spending?

	YouGov 2022 Findings
I am prepared to pay more taxes myself in order to fund public services	47%
I am prepared for some cuts to public services rather than pay more taxes myself	18%
Neither	21%
Don't know	14%

Figure 4. In which of the following areas would you be prepared to pay more tax in? Please tick all that apply.

(Only shown to those who said they would be prepared to pay more taxes to fund public services – sample size: 509)

	YouGov 2022 Findings
Income taxes	68%
Green/environmental taxes	36%
Consumption taxes (e.g. VAT)	29%
Local taxes (e.g. Council Tax)	33%
Other taxes*	4%
Don't know	11%

* Popular responses to other taxes included; wealth taxes, windfall taxes, inheritance taxes, 'sin' taxes, capital gains tax, environmental taxes, business taxes, and property taxes.

Figure 5. On balance, would you say that the amount of tax that you and your family have to pay is too high, too low or about right?

	YouGov 2021 Findings	YouGov 2022 Findings
Too high	28%	30%
About right	52%	47%
Too low	3%	5%
Don't know	17%	19%

Figure 6. How well, if at all, do you feel you understand the UK tax system and the UK taxes you pay?

And how well, if at all, do you feel you understand tax devolution in Scotland and the devolved taxes you pay?

	Scotland (YouGov)			UK (YouGov)		
	2020	2021	2022	2020	2021	2022
Understand them very well	7%	7%	9%	9%	10%	11%
Understand them fairly well	37%	32%	36%	50%	42%	48%
TOTAL UNDERSTAND	44%	39%	45%	59%	52%	59%
Do not understand them that well	33%	35%	29%	26%	31%	27%
Do not understand them at all	17%	18%	19%	10%	10%	10%
TOTAL DO NOT UNDERSTAND	50%	53%	48%	36%	41%	37%
Don't know	6%	8%	7%	5%	7%	5%

Figure 7. Which one, if any, of the following is how you find most of your information on tax?

	YouGov 2021 Findings	YouGov 2022 Findings
UK Government website	22%	25%
Scottish Government websites	11%	13%
Mainstream media (newspapers, TV and radio)	10%	11%
Friends and family	7%	7%
Independent websites	6%	6%
My employer	5%	5%
Independent tax professional organisations	3%	2%
Social media	2%	2%
Other	2%	3%
Don't know	6%	7%
Not applicable – I don't find information on tax	26%	18%

Survey Methods and Comparisons

It is necessary to exercise care when directly comparing the results of different sample surveys.

Both the Scottish Social Attitudes Survey and the YouGov Omnibus survey are based on representative population samples although there are differences in the way in which their samples are drawn.

The Scottish Social Attitudes Survey was published on 31 October 2022. Fieldwork took place between October 2021 and March 2022. Due to a change in mode (from face-to-face to telephone based surveying), we have only presented results from the most recent Scottish Social Attitudes Survey as comparing results across different years may not be methodologically robust.

In the YouGov Omnibus Survey, we base our comparisons from one year to another on responses to similar questions.

The fieldwork for the YouGov Omnibus Survey was undertaken between:

- 9 - 13 October 2020, with the survey carried out online. The total sample size was 1,042. The figures have been weighted and are representative of all adults in Scotland (aged 18+).
- 4 - 8 October 2021, with the survey carried out online. The total sample size was 1,051. The figures have been weighted and are representative of all adults in Scotland (aged 18+).
- 24 - 26 October 2022 with the survey carried out online. The total sample size was 1,012. The figures have been weighted and are representative of all adults in Scotland (aged 18+).

Pre-Budget Roundtables on Tax Policy – Summary of discussions

Introduction

Ahead of each Scottish Budget announcement, Scottish Ministers chair a series of pre-Budget roundtables with a range of stakeholders to understand their views on taxation ahead of making decisions on tax policy.

For the 2023-24 Scottish Budget, there were four roundtables, with John Swinney MSP, Deputy First Minister and Cabinet Secretary for Covid Recovery, and Tom Arthur MSP, Minister for Public Finance, Planning and Community Wealth, chairing two events each. The organisations which attended these roundtables are detailed in Annex A.

Three of the discussions were on general tax policy, with one focused on property taxes in Scotland.

Key themes

The following key themes emerged from all four roundtables:

Longer term changes to the tax system

- Changes to the tax system further ahead than the 2023-24 Scottish Budget were discussed at each roundtable, including in the context of Council Tax reform, changes to Scottish Income Tax, and changes to the tax system to help the Scottish Government meet its targets on child poverty and Net Zero.

Income Tax

- A variety of views were expressed about future Income Tax policy. These included the potential to mirror the change in the Additional Rate Threshold made by the UK Government in their Autumn Statement, considerations on making the tax more progressive, addressing the interaction of Income Tax and National Insurance Contributions, and the interactions of Income Tax for lower earners in receipt of reserved benefits such as Universal Credit.

Devolved taxes and further tax powers

- Stakeholders at the roundtables discussed those taxes currently devolved to the Scottish Government, as well as the powers to introduce new taxes.
- Participants were generally in favour of progressivity within tax policy.
- The discussion on Land and Buildings Transaction Tax (LBTT) included the view that differences in the property markets and the operation of devolved taxes should be weighed carefully when considering changes to tax policy.

- There was some discussion about the introduction of new taxes, such on wealth and land ownership and the need to avoid the risk of “double-taxation” when developing new tax powers.

Tax communication and engagement

- There was an interest from attendees to see improvements made to tax communications, which would help to inform people and businesses of their tax responsibilities and to better understand the current tax system.
- Stakeholders welcomed the engagement via roundtables. They would also like welcome further engagement with businesses, organisations and Scottish citizens on longer term tax changes.

Tax and the economy

- There was discussion on the Scottish Government’s use of tax powers to support and stimulate the economy. People talked about the importance of looking at the tax system in the round when thinking about how it can support economic growth.
- Some people thought that tax could play an important role in the implementation of schemes such as Enterprise Zones and Greenports.
- Others said that tax should work alongside policies to support economic growth that should also include attracting migrants to Scotland and further measures to help parents into work.

Council Tax

- The need for reform to the current Council Tax was discussed at each of the general tax policy roundtables.

Non-Domestic Rates

- Several stakeholders raised the need to look at the current policy on Non-Domestic Rates (NDR) at the 2023-24 Scottish Budget. This included following the UK Government announcements by freezing the poundage and expanding reliefs, devolving the control of NDR to local authorities, and using NDR to incentivise the use of renewable energy.

Annex A: Budget 2023/24 Roundtables Attendees

The following stakeholders attended the roundtable discussions:

- Chartered Institute of Taxation
- Child Poverty Action Group
- Confederation of British Industry
- COSLA
- EY
- Federation of Small Businesses
- Fraser of Allander Institute
- Homes for Scotland
- Institute for Fiscal Studies
- Institute for Government
- Institute of Chartered Accountants of Scotland
- Institute of Public Policy and Research Scotland
- Joseph Rowntree Foundation
- KPMG
- Law Society of Scotland
- Low Incomes Tax Reform Group
- Marks and Spencer (attending on behalf of the Scottish Retail Consortium)
- Oxfam Scotland
- Reform Scotland
- Robertson Trust
- Royal Society of Edinburgh
- Scottish Chambers of Commerce
- Scottish Council for Development and Industry
- Scottish Financial Enterprise
- Scottish Human Rights Commission
- Scottish Property Federation
- Scottish Trade Unions Congress
- University of Edinburgh – Edinburgh Law School



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