

Tax gap between Scotland and rUK widens tomorrow

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The Scottish Conservatives have warned that the economy could be damaged by the growing “tax gap” between Scotland and the rest of the UK as the new financial year begins tomorrow.

Across the UK, all taxpayers will benefit from the UK Government decision to increase the Personal Allowance to £12,500.

Basic rate taxpayers will pay £1205 less tax in 2019/20 than they did in 2010/11, when the Conservatives came to power.

However, Scottish taxpayers will miss out on further tax breaks available to people elsewhere in the UK after the SNP opted not to implement them.

Anyone earning more than £27,000 will pay more tax in Scotland than they would in the rest of the UK – or 45 per cent of taxpayers.

For somebody earning more than £50,000, the differential will now grow in excess of £1,500 a year.

Scottish Conservative shadow finance secretary Murdo Fraser said:

“Basic rate taxpayers will keep more of their money as of today thanks to the decision of a Conservative government to cut the taxes of working people.

“Yet anyone earning over £27,000 in Scotland will now be paying more than people elsewhere in the UK thanks to decisions by the SNP government.

“There is now a real fear that the growing tax gap between Scotland and the rest of the UK will damage the Scottish economy.

“How is slapping workers with a Scottish surcharge going to help attract skilled workers to come to Scotland?

“The SNP should have cut government waste, not put up people’s taxes to the highest in the UK.”