

# Tax hikes the SNP doesn't need to impose

12 Dec 2018



The SNP government has been blasted for imposing new tax hikes on Scottish workers when it doesn't need to do so.

Finance secretary Derek Mackay said today he was worsening the tax gulf between Scotland and the rest of the UK by refusing to increase the personal allowance, in stark contrast to his counterpart in Westminster.

It means the divergence which was strongly warned against by business leaders has increased, which risks damaging growth and driving away wealth.

And the SNP's own Fiscal Commission admitted today these changes would "start to affect taxpayer behaviour", both on how many hours to work and "tax residency decisions".

Shadow finance secretary Murdo Fraser said the rises weren't even needed, after the UK Government pledged £950 million in additional spending through the Barnett formula.

After today's budget statement, families right across the country will be worse off in comparison to the UK equivalents.

As of next year, people earning £40,000 will be £130 worse off, increasing to a gap of nearly £500 for those on £45,000.

People making £50,000 will pay £1500 more in tax than their counterparts in the UK.

Despite claims of tax cuts for the low paid, this will equate to a saving of just £20 a year for those earning between £15,000 and £20,000.

## **Scottish Conservative shadow finance secretary Murdo Fraser said:**

"In advance of today's budget, every business representative group in Scotland had one key ask of the SNP.

"That was to ensure that the tax differential between here and the rest of the UK would not increase.

"But the nationalists have ignored those calls today, penalising hardworking families right across the country.

"It seems the expert warnings that a growing divergence would make it harder to recruit talented people across both the private and public sector have been roundly ignored.

“That’s the price of living in the SNP’s Scotland.

“And yet none of this was necessary – there was absolutely no need for more SNP tax rises.

“UK Chancellor Philip Hammond delivered an additional £950 million in Barnett Consequentials in his last budget.

“The SNP government should have used that instead of further raiding the pockets of Scotland’s workers.”