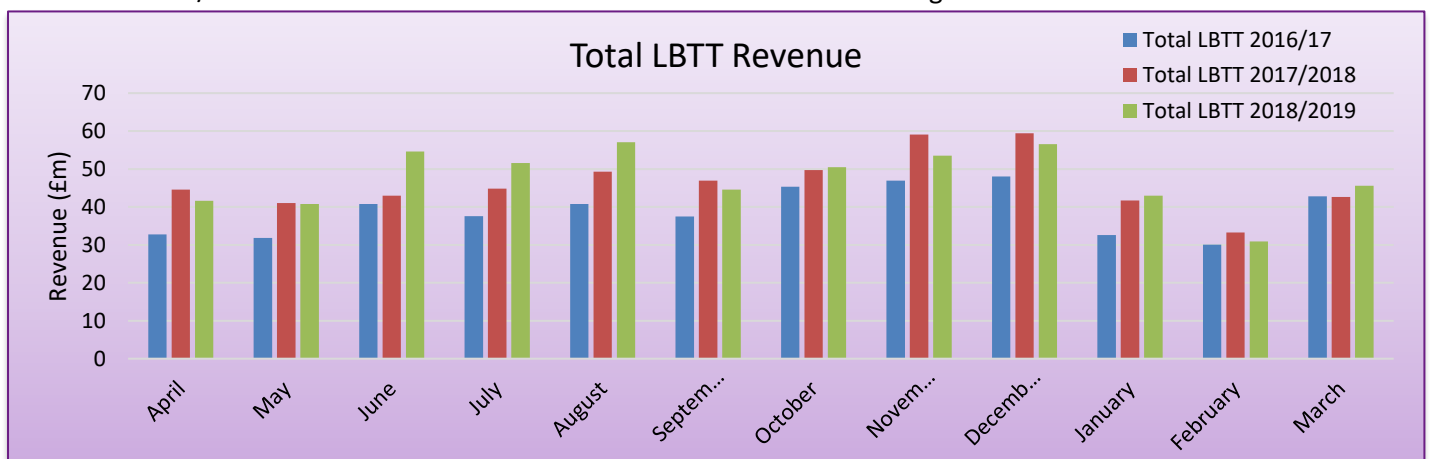


Scottish Property Federation Monthly LBTT Update – March 2019

Total LBTT, Residential LBTT, Non-Residential LBTT and Net ADS Revenues¹

	Residential LBTT (Excl. ADS)	Non-Residential LBTT (Excl. ADS)	ADS	Total LBTT
Mar-19	£17.5m	£17.1m	£11.0m	£45.6m
MoM - Mar-19 vs Feb-19	↑£5.6m	↑£5.4m	↑£3.7m	↑£14.7m
YoY - Mar-19 vs Mar-18	↓£0.9m	↑£0.3m	↑£3.6m	↑£3.0m
18/19 Revenue – Full Year	£261.7m	£196.8m	£112.0m	£570.4m
18/19 Revenue vs 17/18 Revenue	↑£1.7m	↓£4.1m	↑£17.6m	↑£15.0m

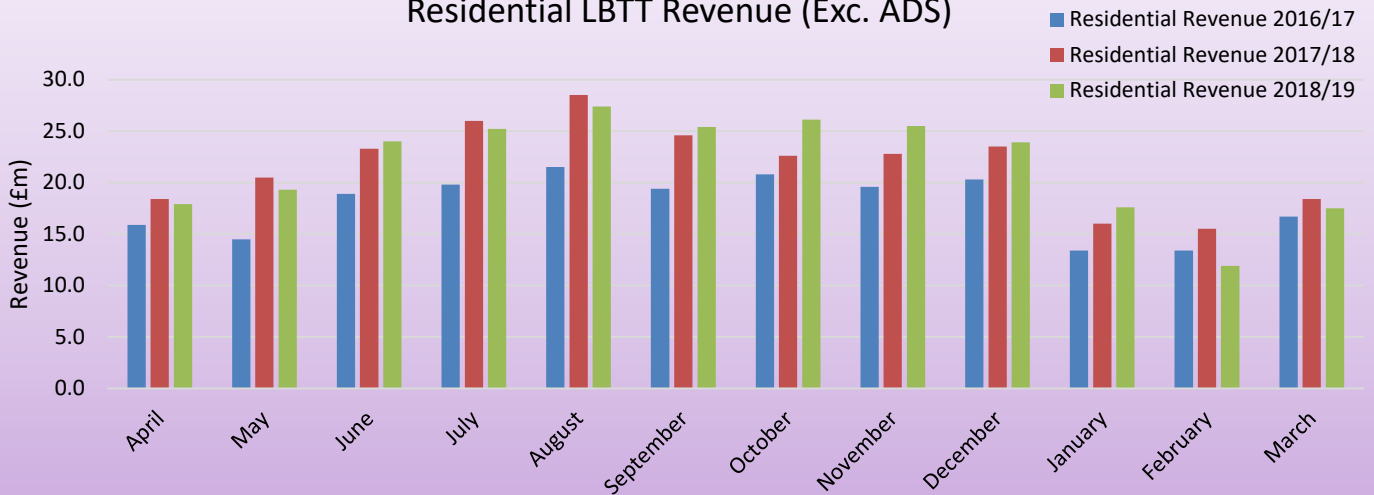
- **Total Land and Buildings Transaction Tax (LBTT)** revenues stood at £45.6m in March 2019, up £14.7m (48%) on February's total and £3m (7%) on March 2018. This brings total LBTT revenue in the 2018/19 tax year to £570.4m, £15m (3%) more than in 2017/18.
- **Non-residential LBTT** revenues increased by £5.4m (46%) on February's total, to £17.1m, and rose by £0.3m (2%) on March 2018. Total non-residential LBTT revenues for the 2018/19 tax year stand at £196.8m, £4.1m (2%) less than in 2017/18.
- **Residential LBTT** revenues rose by £5.6m (47%) to £17.5m in March 2019, when compared to February. Against March 2018, revenues were down by £0.9m (5%). Total revenue from residential LBTT in 2018/19 was £261.7m, £1.7m (1%) more than in 2017/18.
- **ADS** made a significant contribution to total LBTT revenue, generating £112m in 2018/19, £17.6m more than in 2017/18. Repayments, however, are eroding revenues from previous months. Since ADS was introduced in 2016, 21% of the original liability has been refunded to taxpayers. It can, therefore, be expected that the 2018/19 ADS revenue total will continue to reduce over the coming months.



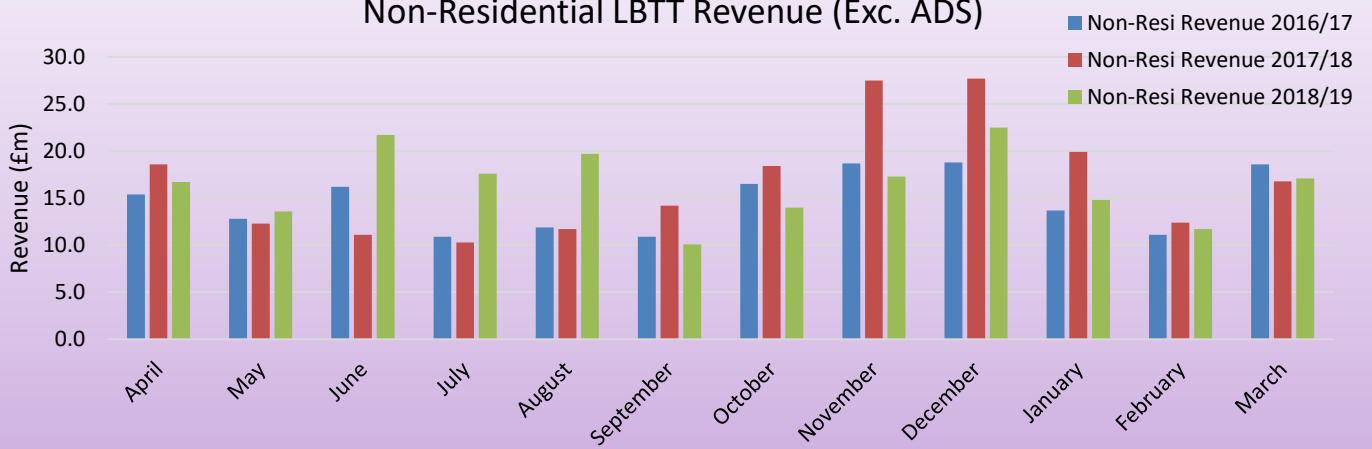
¹ Data is from Revenue Scotland, unless otherwise stated. All revenue data is provisional. Figures may not sum due to rounding.

Monthly Residential LBTT, Non-Residential LBTT and Net ADS Revenues

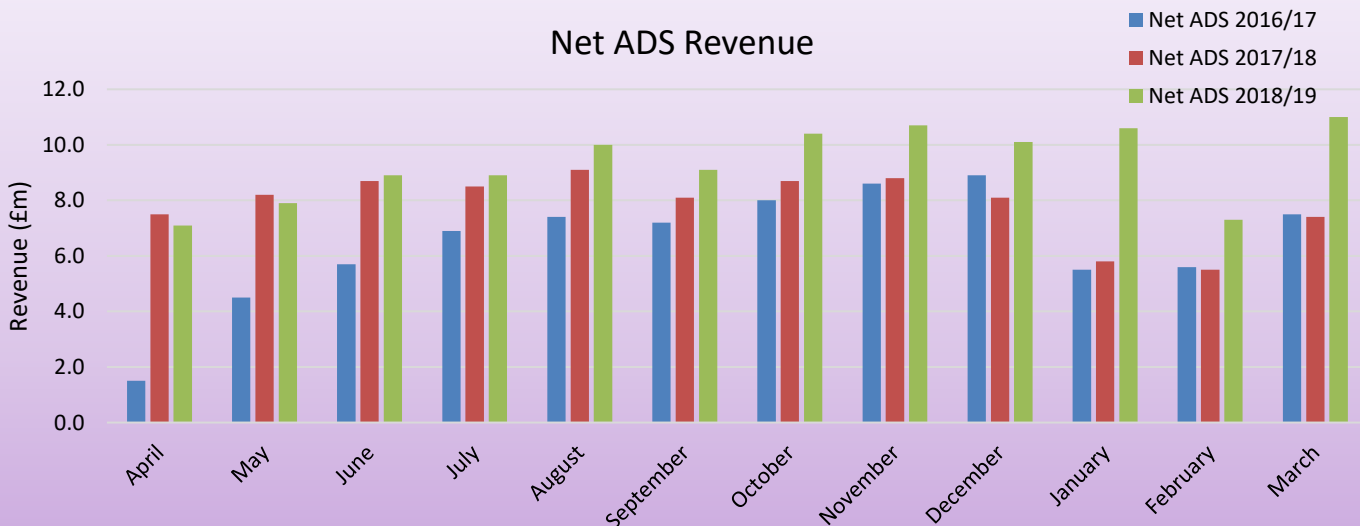
Residential LBTT Revenue (Exc. ADS)



Non-Residential LBTT Revenue (Exc. ADS)



Net ADS Revenue

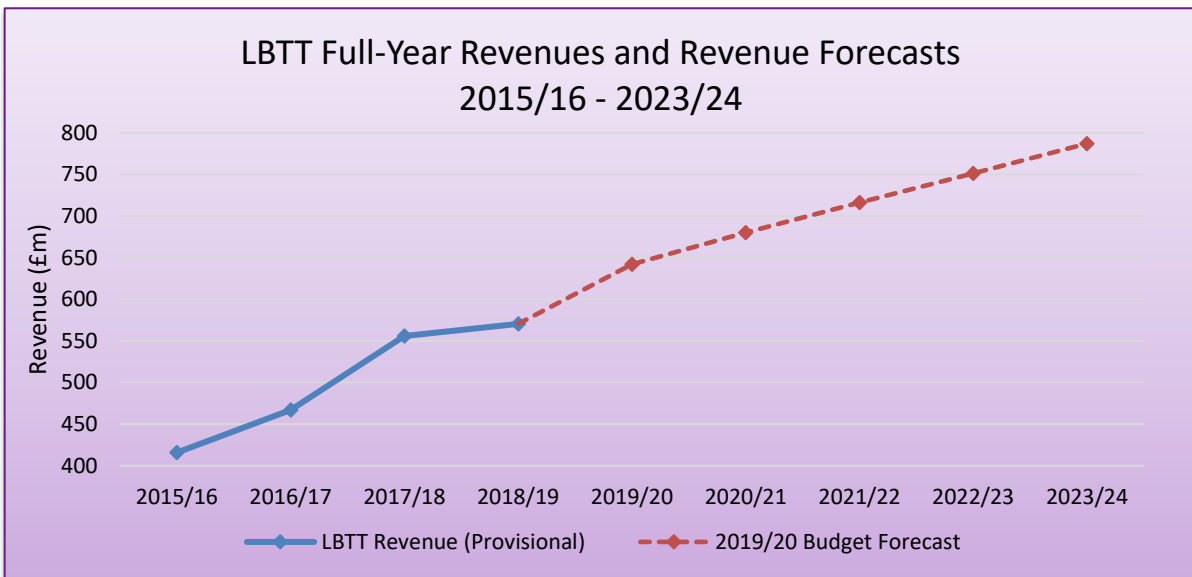


Full Year Revenue vs Revenue Forecasts

The most recent Scottish Budget (published December 2018) saw revenue forecasts for LBTT for 2018/19 were significantly revised. The revisions reflected property market conditions in Scotland and changes to ADS and non-residential LBTT rates, which came into effect in January 2019. Overall, forecasts for the 2018/19 tax year were revised down by 3%, from £588m to £569m.

Provisional full-year revenue figures show that the Scottish Government has narrowly met its reduced forecast for LBTT, by £1.4m (<1%). Both residential and non-residential elements of the tax, however, generated lower revenues than forecasted, falling short by £5.3m (2%) and £11.2m (5%) respectively. Indeed, only ADS exceeded its revenue forecast, generating £18m more than expected, which was enough to offset the outturns from residential and non-residential LBTT. ADS revenue is likely to be reduced over the coming months, as repayments are made to eligible taxpayers. This is likely to mean that the Government will fall below its forecasted revenue.

LBTT Forecast and Provisional Revenue 2018/19	2018/19 Forecast ²	2018/19 Revenue ³	Difference from Forecast
Total LBTT	£569m	£570.4m	↑£1.4m
Residential LBTT	£267m	£261.7m	↓£5.3m
Non-Residential LBTT	£208m	£196.8m	↓£11.2m
ADS	£94m	£112.0m	↑£18m



² <https://www.gov.scot/binaries/content/documents/govscot/publications/corporate-report/2018/12/scottish-budget-2019-20/documents/scottish-budget-2019-20/scottish-budget-2019-20/govscot%3Adocument/scottish-budget-2019-20.pdf>

³ Provisional

Difference Between Monthly Average of 2018/19 Scottish Government Forecast (Updated in December 2018) and Actual Monthly Revenue

