

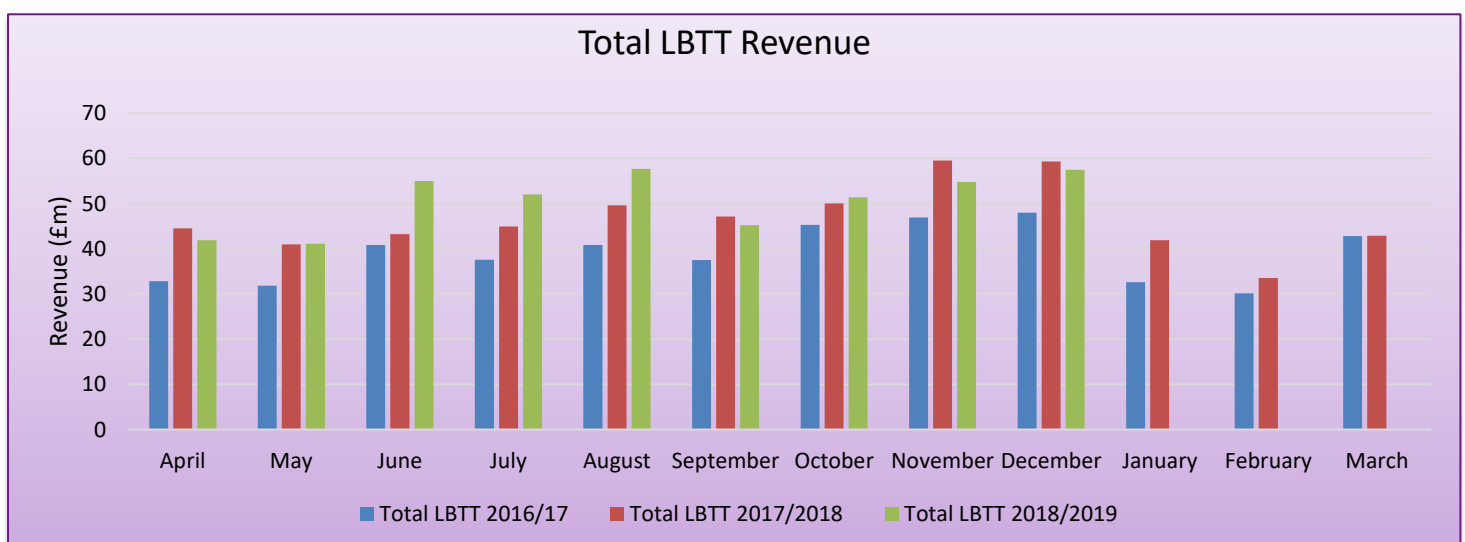
Scottish Property Federation Monthly LBTT Update – December 2018

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

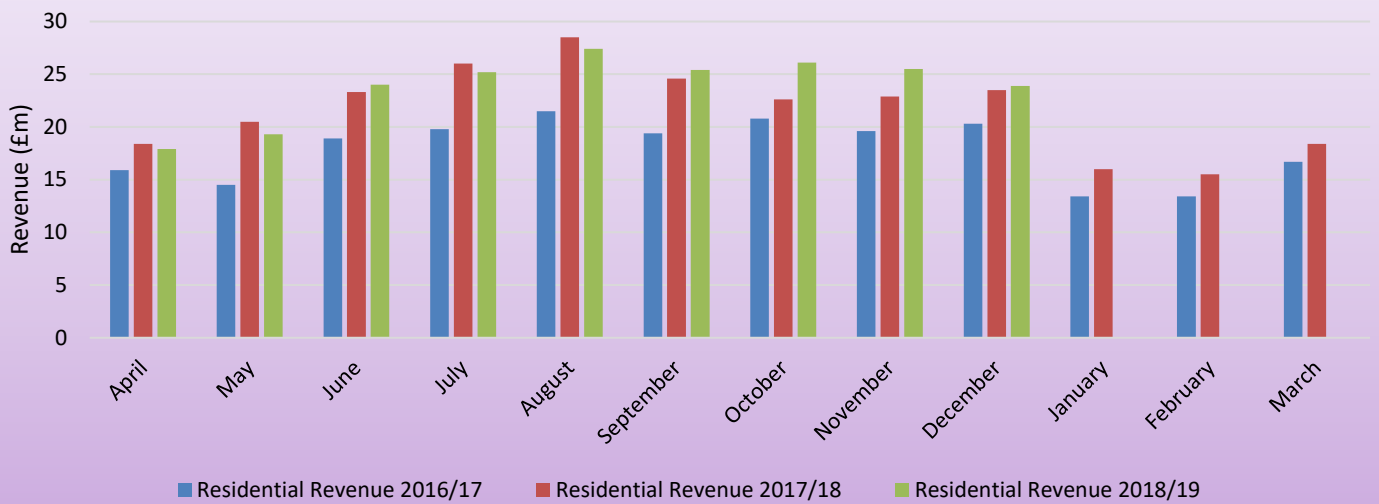
	Residential LBTT (Excl. ADS)	Non-Residential LBTT (Excl. ADS)	ADS	Total LBTT
Dec-18	£23.9m	£22.6m	£11.0m	£57.2m
MoM - Dec-18 vs Nov-18	↓£1.6m	↑£5.0m	↓£0.8m	↑£2.7m
YoY - Dec-18 vs Dec-17	↑£0.4m	↓£5.1m	↑£2.7m	↓£2.0m
18/19 Revenue (to Dec-18)	£214.7m	£153.6m	£88.6m	£456.6m
18/19 Revenue (Apr-18 to Dec-18) vs 17/18 Revenue (Apr-17 to Dec-17)	↑£4.7m	↑£1.6m	↑£11.6m	↑£17.6m

Summary

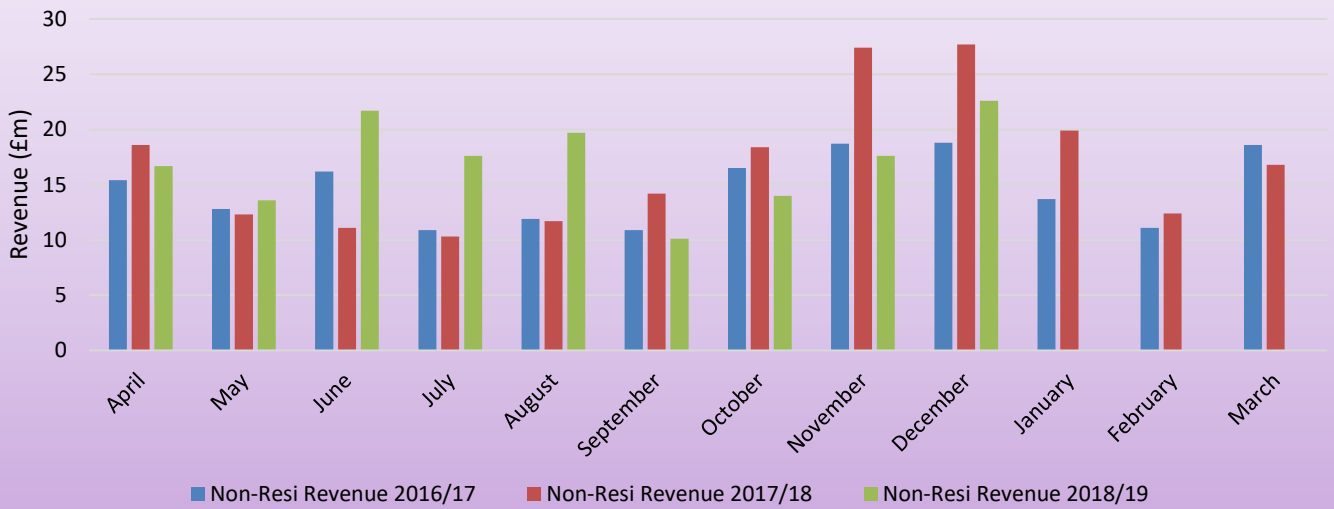
- Land and Buildings Transaction Tax (LBTT) revenue stood at £57.2m in December 2018, up £2.7m (5%) on November's total. However, revenues were down compared to the same month in 2017 by £2m.
- Non-residential LBTT revenue increased on November's total to £22.6m – its highest level in this tax year so far. Compared to December 2017, however, non-residential revenues fell by £5.1m (18%)
- Residential LBTT revenues fell by £1.6m (6%) to £23.9m in December 2018 when compared to the month before. Against the same month in 2017, revenues were up slightly (£0.4m) in December 2018.
- ADS continues to make a significant contribution to total LBTT revenue, with £11.6m more collected this tax year compared to the same period in 2017/18. However, repayments are eroding revenues from previous months - since the charge was introduced in 2016, 20% of the total ADS liability has been repaid to taxpayers.



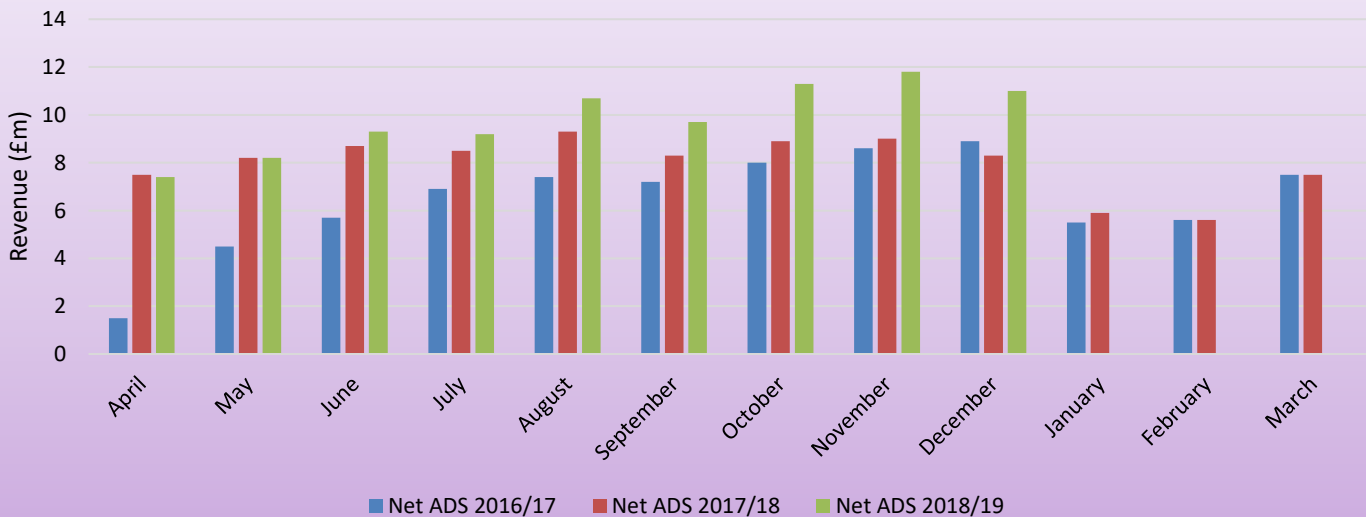
Residential LBTT Revenue (Excl. ADS)



Non-Residential LBTT Revenue (Excl. ADS)



Net ADS Revenue



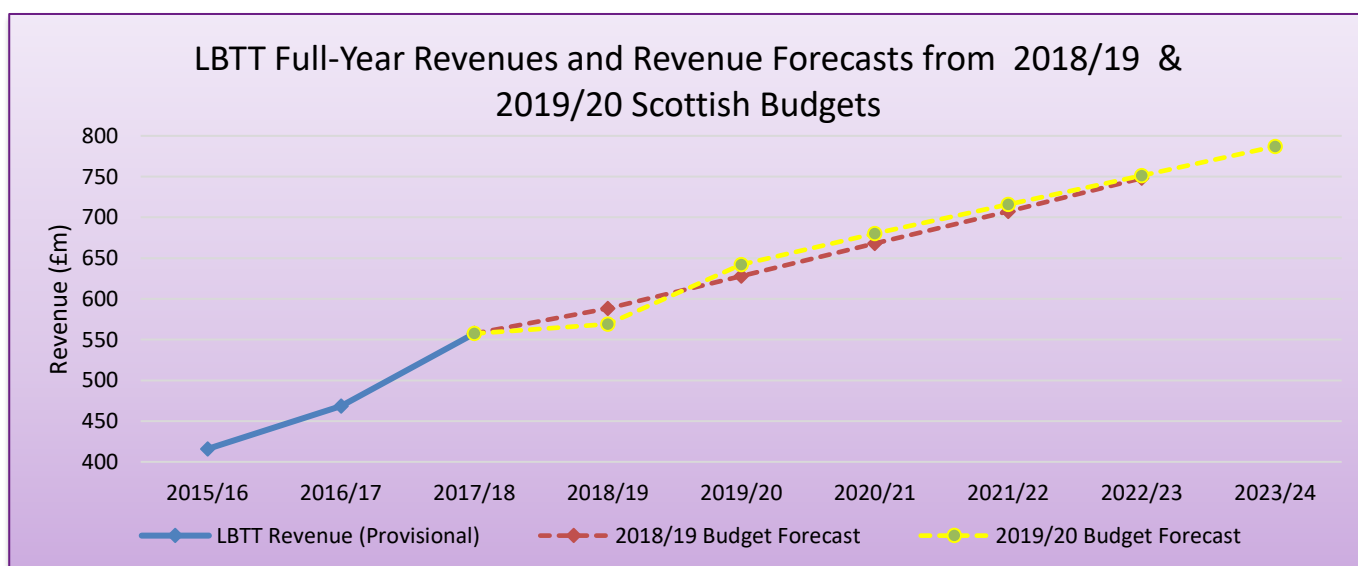
Changes to LBTT Revenue Forecasts

The recent Scottish Budget (published December 2018) revised revenue forecasts for LBTT in 2018/19, reflecting current property market conditions in Scotland and changes to ADS and Non-Residential LBTT rates, which came into effect in January 2019.

The Scottish Fiscal Commission, which produces the forecasts to the Scottish Government, has predicted that from 2019/20 total revenue from LBTT will increase by more than was expected in the 2018/19 Scottish Budget. However, the forecasts for the current tax year (2018/19) have been revised down from £588m to £569m (down 3%). This is due to a weaker tax take from residential sales than originally forecast.

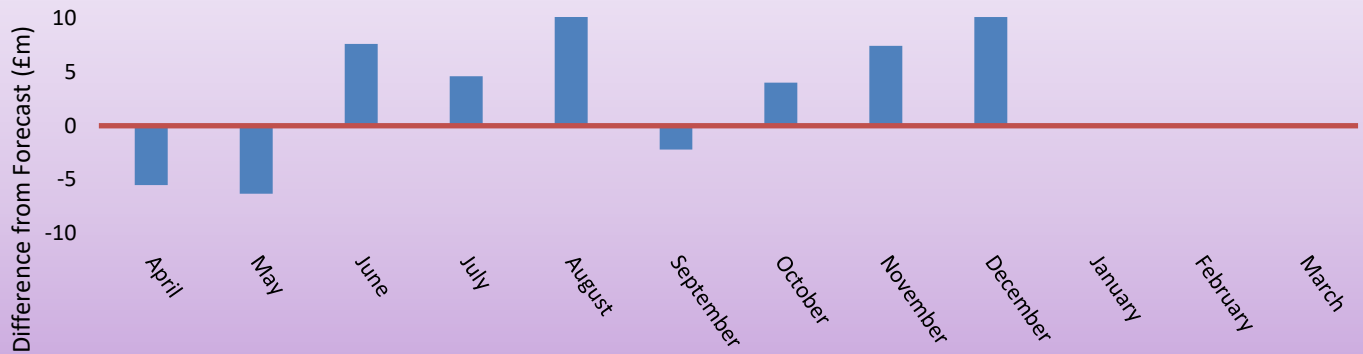
Previous Forecast (2018/19 Budget)	2017/18 Actual Revenue ¹	2018-19 Forecast	2019-20 Forecast	2020-21 Forecast	2021-22 Forecast	2022-23 Forecast
Total LBTT	£557.4m	£588m	£628m	£668m	£707m	£748m
Residential LBTT	£260.2m	£305m	£336m	£366m	£395m	£426m
Non-Residential LBTT	£200.6m	£190m	£194m	£200m	£206m	£212m
ADS	£96.4m	£93m	£98m	£102m	£106m	£110m

New Forecast (2019/20 Budget)	2017/18 Actual Revenue ²	2018-19 Forecast	2019-20 Forecast	2020-21 Forecast	2021-22 Forecast	2022-23 Forecast
Total LBTT	£557.4m	£569m	£643m	£680m	£716m	£751m
Residential LBTT	£260.2m	£267m	£296m	£324m	£349m	£373m
Non-Residential LBTT	£200.7m	£208m	£226m	£233m	£240m	£247m
ADS	£97.2m	£94m	£122m	£123m	£127m	£130m

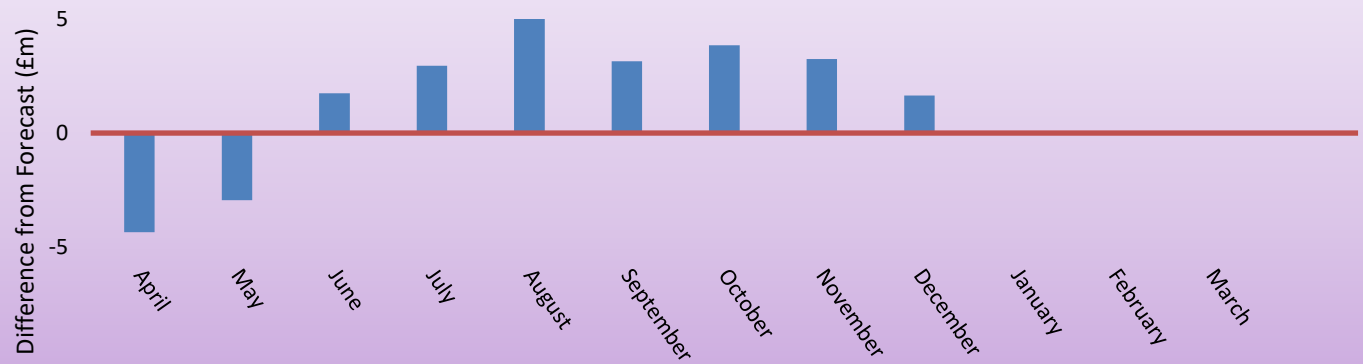


Difference Between Monthly Average of 2018/19 Scottish Government Forecast (Updated in December 2018) and Actual Revenue

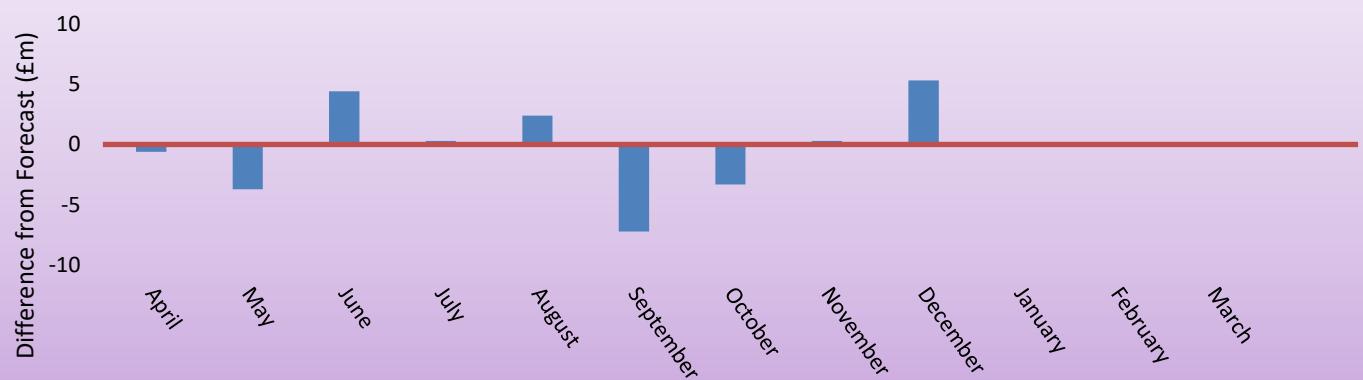
Total LBTT



Residential LBTT (Excl. ADC)



Non-residential LBTT (Excl. ADS)



ADS

