

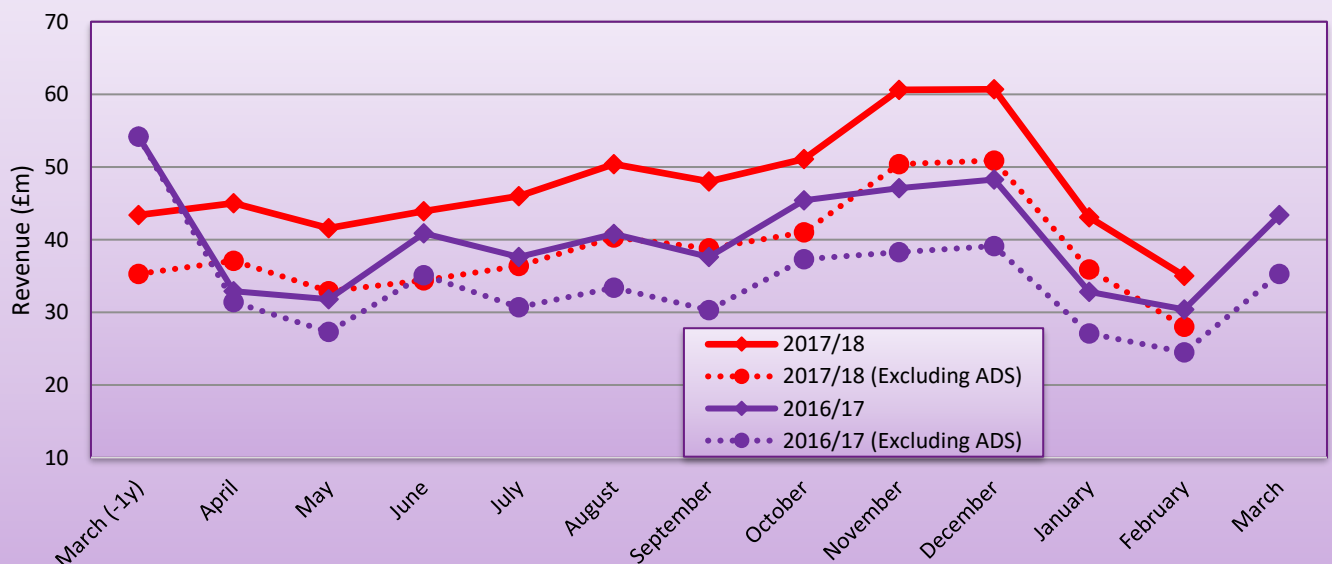
Scottish Property Federation Monthly LBTT Update – February 2018

	Residential LBTT	Commercial LBTT	ADS	Total LBTT
Revenue in Feb	£15.6m	£12.4m	£6.9m	£35m
Feb 2018 vs Jan 2018	↓£0.5m	↓£7.4m	↓£0.3m	↓£8.1m
Feb 2018 vs Feb 2017	↑£2.2m	↑£1.3m	↑£1m	↑£4.6m
Revenue 2017/18 (YtD)	£242m	£183.9m	£99.2m	£525.4m

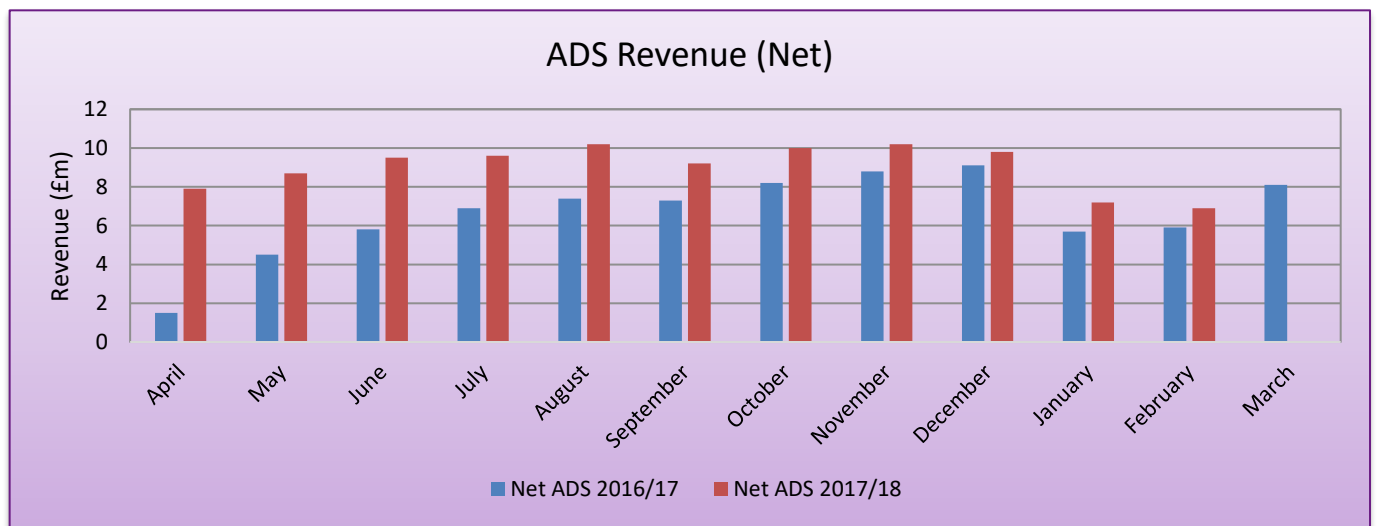
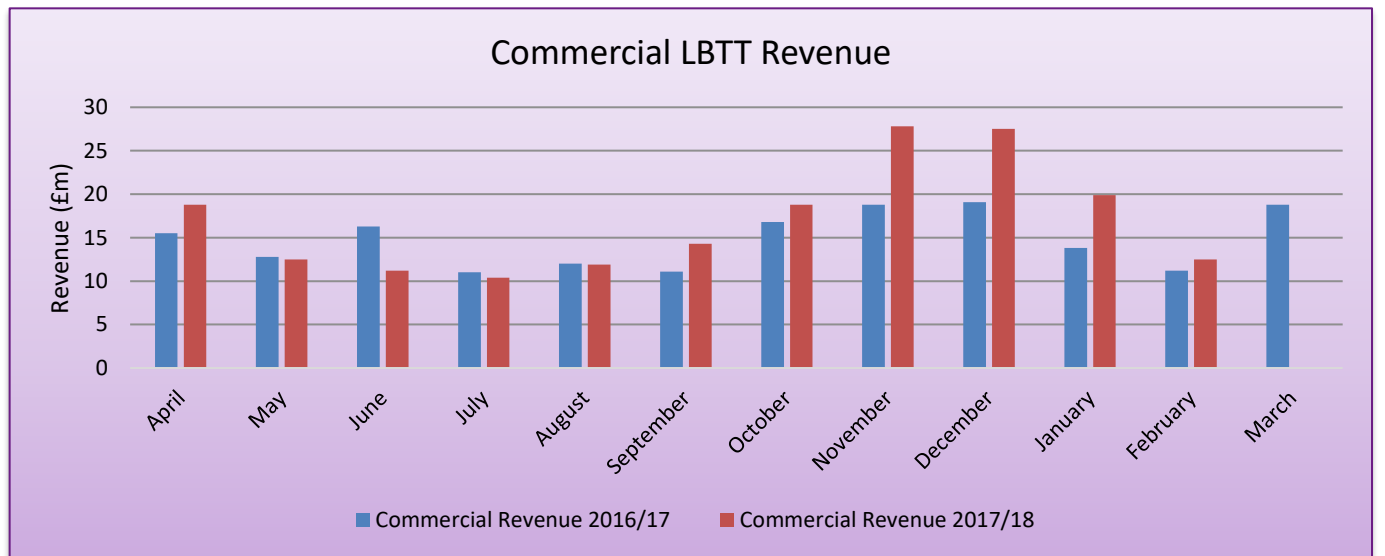
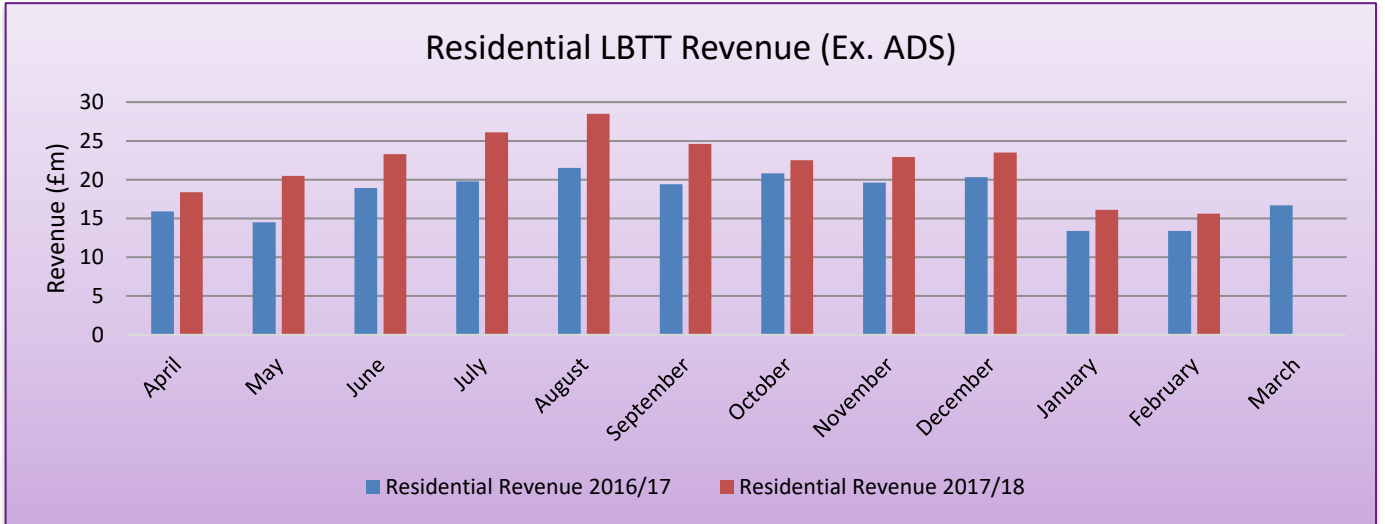
Summary

- LBTT revenue in February 2018 fell by £8.1m (19%), to £35m, compared to the total for January 2018. However, year-on-year there was a £4.6m (15%) increase in LBTT revenue in February 2018.
- Revenues from all 3 elements of LBTT (Residential, Commercial and ADS) fell in February compared to the previous month. This is likely a reflection reduced market activity, which normally occurs during the first few months of a new calendar year.
- Total monthly LBTT revenue in February was the lowest so far in the 2017/18 tax year, and the lowest monthly revenue since February 2017.
- Year-on-year increases in ADS revenue are becoming less pronounced, as the effects of forestalling seen at the charge's introduction become reduced. In addition, for various reasons, the proportion of the total ADS liability paid back to eligible tax payers since its introduction in 2016/17 has increased to 19% (£41.1m).

2016/17 and 2017/18 LBTT Comparison



Monthly Residential, Commercial and ADS Revenues



Actual LBTT Revenue Versus Scottish Government Forecast

	Residential	Commercial	ADS	Total
Scottish Government 2017/18 Revenue Forecast	£211m	£224m	£72m	£507m
Revenue Year-to-Date	£242m	£183.9m	£99.2m	£525.4m
Revenue Year-to-Date (% of Forecasted Total)	114.6%	82.1%	137.8%	103.6%

- February's monthly LBTT revenue statistics show that the government has met its revenue forecast of £507m one month early.
- Residential LBTT and ADS have more than compensated for lower than expected commercial LBTT revenues.
- ADS continues to provide an unexpected windfall for the government, with £27m (38%) more paid in the 11 months to February 2018 than was anticipated for the entire tax year.
- Despite the commercial market picking up in the second half of 2017/18, such activity has not been able to make up for the lost LBTT revenue that resulted from a sluggish start to the year.

