



Poverty & Inequality Commission

Tax Working Group

Wednesday 9 November 2022

10:00-11:00

Virtual meeting by MS Teams

Attending

Shona Stephen, Commissioner, Poverty & Inequality Commission (Working group chair)

Alex Cobham, Commissioner, Poverty & Inequality Commission

Bill Scott, Chair, Poverty & Inequality Commission

Sasha Saben Callaghan, PIC Experts by Experience Panel member

PM, PIC Experts by Experience Panel member

Rory Morrison, PIC Secretariat

1. Introductions

Shona Stephen welcomed all to the meeting and introductions were made.

2. Update on recent UKG & SG fiscal events

Members of the working group discussed UK and Scottish Government fiscal events over recent weeks. Working group members agreed that the timescales the group will work towards should remain the same (from now till around June 2023), aiming to go through a process to produce considered longer-term recommendations on tax regardless of current unpredictable context.

It was agreed that a good time to feed into SG would be to provide recommendations in enough time to inform SG budget next year (Dec 2023), though group members agreed there would be value in some earlier external communications output from the working group. The question of how best to engage with other political parties to share recommendations, in due course, was also discussed.

3. External group members

The group agreed that it would be beneficial to have more external members as full participants in the group, and made arrangements to invite them.

4. Framing questions

The group discussed the “framing questions” agreed by the full Commission at its meeting on 29 September 2022.

- 1. To what extent are existing devolved taxes progressive?**
- 2. How could existing taxes be made more progressive in order to reduce poverty and inequality?**
- 3. What opportunities are there to raise additional revenue through existing or new taxation in order to reduce poverty and inequality?**
- 4. How can the representation aspect of taxation be promoted and understood, as a way of reducing inequality?**

It was agreed that the four questions were a useful starting point, but that, for the first question, the group is interested in not only whether individual devolved taxes are progressive, but whether the effect of the *overall system* of Scottish taxes is progressive, so should be amended to “to what extent are current arrangements for taxation in Scotland progressive”?

5. Next meeting date and Any Other Business

The group discussed and agreed to focus on looking at the amended version of the first framing question at its next meeting, at a date to be arranged in December 2022. Group members agreed to send on relevant research, reading and links to the secretariat in relation to the first framing question.