



T: 0300 244 4000  
E: [scottish.ministers@gov.scot](mailto:scottish.ministers@gov.scot)

Your ref:  
Our ref:  
May 2018

## Timing of the introduction of ADT

Dear Colleague,

I am writing to all members of the Scottish ADT Stakeholder Forum in order to draw your attention to the update that I have made to the Scottish Parliament today, which will in due course be published on the Parliament website (under Motions, Questions and Answers).  
[Redacted]

Since the Forum last met on 30 November, the Scottish Government has continued to work closely with the UK Government to find a solution to the Highlands and Islands (H&I) exemption issue. However, the Scottish Government has been clear that it cannot take on ADT until a solution has been found to the H&I issue. The reason for this is not only to protect the H&I economy, but is also a fundamental point of principle relating to devolution. The Scottish Government cannot accept a power which is in a defective state – to do so could have much wider implications for the devolution of further powers. Combined with the continuing uncertainty as to how Brexit might affect rules covering State Aid and the aviation sector and the lead in time required by Revenue Scotland to be in a position to collect and administer the tax, this means that ADT cannot be introduced from April 2019.

I recognise the importance of giving you clarity on the process for resolving this matter as soon as possible and I have set out details on the steps to delivery below:

- During the Forum meeting on 30 November I committed to convening a smaller working group to explore the H&I issue in more detail. This is now underway, with a programme of meetings planned from June with key stakeholders from organisations with expert knowledge of the H&I economy. This will help to develop a joint understanding of the issues and the importance of the current exemption to H&I business (including but not limited to the aviation sector).
- Secondly the ongoing work with UK Government and through the H&I Working Group, to continue to explore solutions. Any solution must deliver the best possible outcome for the H&I, be compatible with EU law and not result in financial detriment simply as a result of the devolution of the power to the Scottish Government or H&I.
- Thirdly, agreement then needs to be reached with the UKG on a new introduction date, which also allows adequate time to enable Revenue Scotland to be ready to collect and administer the tax and for the required legislation on rates and bands to pass through Parliament.

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[Redacted] The current high rates of APD put all of the UK's airports – including Scotland's – at a disadvantage relative to their European competitors in securing new routes and maintaining existing ones.

I will look forward to convening a future meeting of the Forum to discuss progress on these points and I or my officials would be happy to discuss any of these matters with you further.

**DEREK MACKAY**

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**From:** [Redacted] **On Behalf Of** Scottish ADT Mailbox  
**Sent:** 23 January 2018 09:13  
**To:** [Redacted]  
**Subject:** RE: SPAA Question re APD and the Highlands Exemption

Hi [Redacted],

Whilst I can assure you that we are currently discussing options with the Cabinet Secretary, I'm afraid we aren't in a position to discuss this with our stakeholders as yet. We will get in touch about a date for the next meeting of the Forum once we have scoped out next steps.

Best regards,  
[Redacted].

**From:** [Redacted]  
**Sent:** 22 January 2018 12:28  
**To:** Scottish ADT Mailbox  
**Cc:** [Redacted]  
**Subject:** Re: SPAA Question re APD and the Highlands Exemption

Hi [Redacted]

Thank you for this , I was just wondering if there had been any further discussions on this subject.as it all seems to have gone very quiet.

Can I also ask if there is a scheduled date for a further stakeholder forum ?

We are concerned that a resolution to the problem be achieved as soon as possible and particularly in light of the announcements last week relating to Norwegian airlines reducing their frequency from Edinburgh and also Lufthansa from Aberdeen.

Kind regards

[Redacted]  
SPAA Secretary

*Tel No :* [Redacted]  
*Mobile :* [Redacted]9  
*E mail :* [Redacted]

*Address :* [Redacted]

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**From:** "[adt@gov.scot](mailto:adt@gov.scot)" <[adt@gov.scot](mailto:adt@gov.scot)>  
**To:** [Redacted]  
**Sent:** Wednesday, 17 January 2018, 17:55  
**Subject:** RE: SPAA Question re APD and the Highlands Exemption

[Redacted],

Thankyou for your email. Regarding the devolution of APD, the Scottish replacement tax – Air Departure Tax (ADT) – was to be introduced on 1 April 2018. However, to protect the economy and connectivity of the Highlands and Islands, the introduction of Air Departure Tax in Scotland has been deferred until the issues raised in relation to the exemption for flights departing from the Highlands and Islands have been resolved. The Scottish Government and UK Government will work closely in order to achieve this as early as possible. The UK Government will maintain the application of Air Passenger Duty in Scotland in the interim.

Best regards,  
[Redacted].

**From:** [Redacted]  
**Sent:** 17 January 2018 11:29  
**To:** [Redacted]  
**Cc:** [Redacted]  
**Subject:** RE: SPAA Question re APD and the Highlands Exemption

[Redacted]

All fine here thanks. Copying to James who will bring you up to date.

[Redacted]  
Head of Aviation  
[Redacted]  
[Redacted]

**From:** [Redacted]  
**Sent:** 17 January 2018 10:57  
**To:** [Redacted]  
**Subject:** SPAA Question re APD and the Highlands Exemption

Good Morning [Redacted]

Hope you are well ?

I was just wondering if there was any update on the Highlands Exemption situation that you could share with me  
as I am attending A Fair Tax on Flying Meeting in London on Monday and woud like to update the emebers there

I look forward to hearing from you

Kind regards

[Redacted]  
SPAA Secretary

[Redacted]

From: [REDACTED]  
Sent: 17 July 2018 10:33:11  
To: scottish.ministers@gov.scot  
Subject: Letter to Derek MacKay MSP

Attachments: LEX Derek Mackay Letter July 18\_Signed.pdf

Dear Mr MacKay,

Please find attached a letter from [REDACTED] International Airline Group's International Relations Manager (Government Affairs), thanking you for your recent correspondence on the devolution of Air Passenger Duty to Scotland. [REDACTED] hopes to meet with you at some point over the summer to discuss Air Departure Tax in more detail, as well as IAG's commitment to and ongoing operations in Scotland.

If agreeable, I will work with your office to find a time which is convenient for you.

Kind regards,

[REDACTED]

[REDACTED]

[cid:image001.jpg@01D19950.51F6D7A0]

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[Redacted]  
International Relations Manager (Government  
Affairs)  
International Airline Group

c/o [Redacted]

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Our ref: 2018/0025503  
August 2018

Thank you for your letter dated 12 July 2018 concerning Air Departure Tax (ADT). I am pleased that you have found my ongoing engagement with the ADT Stakeholder Forum to be informative.

This might be an ideal opportunity for you to meet my colleague Kate Forbes, Minister for Public Finance and Digital Economy. Please contact her office at [MinisterPFDE@Gov.Scot](mailto:MinisterPFDE@Gov.Scot) to arrange a meeting.

**DEREK MACKAY**

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**From:** [Redacted] **On Behalf Of** Minister for Public Finance and Digital Economy  
**Sent:** 07 November 2018 12:19  
**To:** [Redacted]  
**Cc:** Minister for Public Finance and Digital Economy <[MinisterPFDE@gov.scot](mailto:MinisterPFDE@gov.scot)>  
**Subject:** RE: Meeting with Ms Forbes - 2018/0025503

Hi [Redacted] ,

Thank you, I have now amended Ms Forbes' calendar to reflect the new timings.

Regards

[Redacted]  
Assistant Private Secretary to Kate Forbes MSP  
Minister for Public Finance and Digital Economy  
4N.11 | St Andrew's House | Regent Road | Edinburgh | EH1 3DG  
Tel: [Redacted]

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**From:** [Redacted]  
**Sent:** 07 November 2018 12:03  
**To:** Minister for Public Finance and Digital Economy <[MinisterPFDE@gov.scot](mailto:MinisterPFDE@gov.scot)>; [Redacted]  
**Subject:** RE: Meeting with Ms Forbes - 2018/0025503

Hi [Redacted] ,

Apologies for the delayed response - 14.15–15.00 works for [Redacted] so if we could confirm that time that would be great.

Do get in touch if you need anything else from us at this stage or if you have any questions.

Best wishes,

[Redacted]

**From:** [Redacted] **On Behalf Of** [MinisterPFDE@gov.scot](mailto:MinisterPFDE@gov.scot)  
**Sent:** 06 November 2018 13:51  
**To:** [Redacted] |  
**Cc:** [MinisterPFDE@gov.scot](mailto:MinisterPFDE@gov.scot)  
**Subject:** RE: Meeting with Ms Forbes - 2018/0025503

Hi [Redacted] ,



Due to other commitments Ms Forbes can no longer make the arranged times of 13:45 – 14:30, would [Redacted] be able to make the amended times of 14:15 – 15:00, date still the same.

Regards

[Redacted]

Assistant Private Secretary to Kate Forbes MSP

**From:** [Redacted]

**Sent:** 30 October 2018 14:12

**To:** Minister for Public Finance and Digital Economy <[MinisterPFDE@gov.scot](mailto:MinisterPFDE@gov.scot)>; [Redacted]

**Subject:** RE: Meeting with Ms Forbes - 2018/0025503

Dear [Redacted] ,

Thank you very much for getting back and confirming the meeting.

Do let me know if you need anything else from us at this stage or if you have any questions at this point.

Best wishes,

[Redacted]

**From:** [Redacted] **On Behalf Of** [MinisterPFDE@gov.scot](mailto:MinisterPFDE@gov.scot)

**Sent:** 30 October 2018 13:20

**To:** [Redacted]

**Cc:** [MinisterPFDE@gov.scot](mailto:MinisterPFDE@gov.scot)

**Subject:** RE: Meeting with Ms Forbes - 2018/0025503

Dear [Redacted] ,

I can confirm meeting with Ms Forbes on Wednesday 14 November at 13:45 – 14:30, will be at the Parliament Building, Holyrood, Edinburgh. Please report to reception prior to the meeting and someone will collect you from there.

Regards

[Redacted]

Assistant Private Secretary to Kate Forbes MSP

**From:** [Redacted]

**Sent:** 29 October 2018 16:41

**To:** Minister for Public Finance and Digital Economy <[MinisterPFDE@gov.scot](mailto:MinisterPFDE@gov.scot)>

**Cc:** [Redacted]

**Subject:** RE: Meeting with Ms Forbes - 2018/0025503

Hi [Redacted] ,

Thank you very much. Would we please be able to go for 13:45 - 14:30 on the 14th of November?  
Also, will the meeting take place in the Scottish Parliament?

CCing my colleague who will be able to progress this as I will be out of the office for the rest of this week.

Many thanks,

[Redacted]

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**From:** [Redacted] on behalf of [MinisterPFDE@gov.scot](mailto:MinisterPFDE@gov.scot) [MinisterPFDE@gov.scot]

**Sent:** 26 October 2018 11:12

**To:** [Redacted]

**Cc:** [MinisterPFDE@gov.scot](mailto:MinisterPFDE@gov.scot)

**Subject:** RE: Meeting with Ms Forbes - 2018/0025503

[Redacted] ,

Having checked Ms Forbes' calendar, we can offer the following dates/timings;

Tuesday 13 November, timings 09:15 – 10:00

Wednesday 14 November 13:45 – 14:30.

Can you please confirm if either of the suggested dates are suitable to [Redacted] .

Regards

[Redacted]

Assistant Private Secretary to Kate Forbes MSP

**From:** [Redacted]

**Sent:** 23 October 2018 15:04

**To:** Minister for Public Finance and Digital Economy <[MinisterPFDE@gov.scot](mailto:MinisterPFDE@gov.scot)>

**Subject:** RE: Meeting with Ms Forbes - 2018/0025503

Hi [Redacted] ,

Would any of the November dates below suit for Ms Forbes to meet with [Redacted] from International Airlines Group to discuss the Scottish Government's plans on Air Passenger Duty?

- 13th November
- 14th November
- 15th November

If, understandably not, please do feel free to suggest some other later dates. We appreciate your help on this.

Kind regards,

[Redacted]

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**From:** [Redacted]  
**Sent:** 28 September 2018 11:13  
**To:** [MinisterPFDE@gov.scot](mailto:MinisterPFDE@gov.scot)  
**Subject:** RE: Meeting with Ms Forbes - 2018/0025503

Hi [Redacted] ,

Many thanks for your response and apologies for the slight delay in mine. We are exploring dates which would work and I will get back to you asap.

Regards,

Kevin

**From:** [Redacted] ] **On Behalf Of** [MinisterPFDE@gov.scot](mailto:MinisterPFDE@gov.scot)  
**Sent:** Thursday, September 13, 2018 2:17 PM  
**To:** [Redacted]  
**Cc:** [MinisterPFDE@gov.scot](mailto:MinisterPFDE@gov.scot)  
**Subject:** Meeting with Ms Forbes - 2018/0025503

Dear [Redacted] ,

Following on from your request for Ms Forbes to meet with [Redacted] , we understand from Scottish Government officials that [Redacted] will be in Edinburgh on 25 September.

Unfortunately the Minister's diary is full that day, please can you advise of other dates when he will be in Edinburgh so that we can agree a time to meet in the Scottish Parliament.

Many thanks

[Redacted]  
Private Secretary to Kate Forbes MSP  
Minister for Public Finance and Digital Economy  
[Redacted] Tel: [Redacted] Mob: [Redacted]

**From:** [Redacted]

**Sent:** 15 November 2018 08:09

**To:** Minister for Public Finance and Digital Economy <[MinisterPFDE@gov.scot](mailto:MinisterPFDE@gov.scot)>

**Subject:** Meeting Yesterday

Dear Kate,

Many thanks once again for your time yesterday. It was a pleasure to meet you and I look forward to further discussions which I hope will lead to the successful introduction of the reduced rate Air Departure Tax in Scotland in the near future.

Kind regards,

[Redacted]

**Group International Relations Manager**

Mobile: [Redacted]

Email: [Redacted]



**From:** [Redacted] **On Behalf Of** Scottish ADT Mailbox  
**Sent:** 10 September 2018 13:09  
**To:** [Redacted]  
**Cc:** Scottish ADT Mailbox <adt@gov.scot>  
**Subject:** RE: Highlands & Islands ADT forum - airline engagement

Thanks [Redacted]. That time works for me. I'll send out a scheduler with call details later today.

Someone from the Aviation team in Transport Scotland is also likely to join us – I will confirm who closer to the time.

**From:** [Redacted]  
**Sent:** 06 September 2018 10:57  
**To:** Scottish ADT Mailbox <[adt@gov.scot](mailto:adt@gov.scot)>  
**Cc:** [Redacted]  
**Subject:** RE: Highlands & Islands ADT forum - airline engagement

[Redacted],

The ideal team for me would be 1430-1530 next Wed if that works for you. A member of the BA Network Planning team will join us as they will be best placed to answer your questions.

Will you supply call details?

Kind regards,

[Redacted]  
**Group International Relations Manager**  
Mobile: [Redacted]  
Email: [Redacted]



**From:** [Redacted] **On Behalf Of** [adt@gov.scot](mailto:adt@gov.scot)  
**Sent:** 06 September 2018 10:24  
**To:** [Redacted]  
**Cc:** [adt@gov.scot](mailto:adt@gov.scot); [Redacted]  
**Subject:** RE: Highlands & Islands ADT forum - airline engagement

[Redacted],

Thanks for agreeing to speak and apologies for the delay in getting back to you.

Would you be available for a call next week? At the moment Wednesday is looking pretty clear this side or Thursday afternoon. Let me know what works best.

[Redacted] | [Directorate for Budget and Sustainability: Tax](#) | [Scottish Government](#)  
[Telephone:](#) [Redacted] | [Mobile:](#) [Redacted] | [Area 3D-North, Victoria Quay, Edinburgh, EH6 6QQ](#)

**From:** [Redacted]  
**Sent:** 20 August 2018 15:55  
**To:** [Redacted]  
**Cc:** Scottish ADT Mailbox <[adt@gov.scot](mailto:adt@gov.scot)>  
**Subject:** RE: Highlands & Islands ADT forum - airline engagement

Hi [Redacted],

The only dates I can make would be 05<sup>th</sup>/06<sup>th</sup> Sep. Let me know which works best, and I will see if I can get someone from BA to join the call as I am not an expert on route economics.

Best regards,

[Redacted]  
**Group International Relations Manager**  
Mobil [Redacted]  
Email: [Redacted]



**From:** [Redacted]  
**Sent:** 15 August 2018 13:48  
**To:** [Redacted]  
**Cc:** [adt@gov.scot](mailto:adt@gov.scot)  
**Subject:** RE: Highlands & Islands ADT forum - airline engagement

[Redacted],

Thankyou for getting straight in touch.

As you're aware from your attendance at the ADT Stakeholder Forum on 30 Nov 2017, we have convened a Highlands and Islands (H&I) Working Group. Part of its remit is to gather evidence to help us understand the importance of H&I exemption on current H&I routes. [Redacted]

I'd like to set up a conference call between you and my colleagues (who I think you already know) - [Redacted] for tax policy and [Redacted] for aviation policy. I've listed below some possible time-slots across late August and early September: please let me know if I ought to discuss this level of detail with your assistant.

Aug 27  
Aug 28, pm  
Aug 31  
Sept 3, am  
Sept 4, pm  
Sept 5, pm  
Sept 6, am

Best regards,

[Redacted].

**From:** [Redacted]  
**Sent:** 02 August 2018 12:54  
**To:** Minister for Public Finance and Digital Economy <[MinisterPFDE@gov.scot](mailto:MinisterPFDE@gov.scot)>  
**Cc:** [Redacted]  
**Subject:** RE: Meeting with Edinburgh Airport - regarding Air Departure Tax

Hi [Redacted],

Wednesday 5 September would be good for us. Our Chief Exec [Redacted] and Director of Comms [Redacted] would both attend the meeting.

Thanks,

[Redacted]  
Corporate Affairs Manager



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Edinburgh Airport Limited  
Edinburgh  
EH12 9DN  
Scotland

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fb: [facebook.com/edinburghairport](https://facebook.com/edinburghairport)

**From:** [Redacted] **On Behalf Of** [MinisterPFDE@gov.scot](mailto:MinisterPFDE@gov.scot)  
**Sent:** 02 August 2018 11:11  
**To:** [Redacted]  
**Cc:** [MinisterPFDE@gov.scot](mailto:MinisterPFDE@gov.scot); [Redacted]  
**Subject:** Meeting with Edinburgh Airport - regarding Air Departure Tax

Dear [Redacted],

In response to your email of 29 June requesting a meeting, I have looked at Ms Forbes calendar and can offer the following dates at Parliament;

Wednesday 05 September, timings 09:15 – 10:00.  
Wednesday 12 September, timings 11:15 – 12:00.  
Thursday 13 September, timings 09:15 – 10:00.

Can you also confirm who will be attending this meeting.



Regards

[Redacted]

Assistant Private Secretary to Kate Forbes MSP

Minister for Public Finance and Digital Economy

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[Redacted]

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