

EQUALITY IMPACT ASSESSMENT – RESULTS

Title of Policy	Air Departure Tax (Scotland) Bill (“the Bill”)
Summary of Aims and desired outcomes of Policy	To set out the Scottish Government’s primary legislation proposals for the structure and operation of Air Departure Tax (“ADT”), which will replace UK Air Passenger Duty (“APD”) in Scotland from 1 April 2018.
Directorate: Division: team	Directorate for Financial Strategy - Fiscal Responsibility Division

Executive Summary

The main purpose of the equality screening exercise is to identify whether the provisions contained within the Bill will adversely impact any particular group of individuals and to consider how this work can better promote equality of opportunity and good relations.

The Bill is brought forward as a consequence of measures enacted in the Scotland Act 2016, which gave the Scottish Parliament the power to legislate for a tax which will replace APD in Scotland.

Background

ADT will be introduced in Scotland on 1 April 2018 and it will be charged on the carriage of chargeable passengers by air on flights that begin at a Scottish airport. The tax is to be payable by aircraft operators and not individual passengers. ADT will replace APD in Scotland and Revenue Scotland, Scotland’s tax authority for devolved taxes, will be responsible for the collection and management of the tax.

Devolution of powers over APD to the Scottish Parliament provides the opportunity to put in place new arrangements which better support the Scottish Government’s objective to help boost Scotland’s international connectivity – helping to generate new routes, sustain existing routes and benefitting passengers, businesses and the wider economy.

It will contribute towards the achievement of the Scottish Government Strategic Objective to create a Wealthier and Fairer Scotland - including creating a competitive tax regime which incentivises business growth.

The Scope of the EQIA

This EQIA has been developed based on the outcomes of a consultation with stakeholders on the proposed replacement of APD in Scotland. It is not intended to be a definitive statement or assessment of impacts but presents possible impacts that may require further consideration by the Scottish Government.

The EQIA only takes into account provisions within the Bill at introduction to the Parliament. Detail on tax bands, exemptions and tax rate amounts (including the Scottish Government’s plans to reduce the overall tax burden by 50% by the end of

the fifth session of the Scottish Parliament) will be delivered at a later date and therefore the impact of these policies does not form part of this EQIA at this stage. The EQIA will be updated once tax bands, exemptions and tax rate amounts are known.

Key Findings

The Scottish Government does not expect that the provisions within the Bill that establish the structure of ADT and how it will be collected and managed after the existing APD regime is disapplied in Scotland, as introduced to the Scottish Parliament on 19 December 2016, will have any negative impact on equality groups. The Bill will primarily and directly affect aircraft operators, which will be liable to register, make tax returns and pay tax to Revenue Scotland in relation to ADT.

Evidence – We currently have no information to suggest that the proposed scope, structure and operation of ADT will have any significant impact on the following protected characteristics: age, disability, gender reassignment, gender including pregnancy and maternity, race, religion and belief, and sexual orientation.

Recommendation and Conclusion

The EQIA process has provided reassurance that the Bill as introduced to the Parliament does not negatively impact on any particular protected characteristic.

The Scottish Government recognises that the EQIA is an iterative process. The assessment so far has focussed on the potential impact of this Bill which deals, in the main, with the structure of ADT to be introduced in Scotland from 1 April 2018. Revenue Scotland will carry out a further equality impact assessment during the implementation phase.

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