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Our Reference: 202300388909

Your Reference: Scottish Budget - letter from Aberdeen & Grampian Chamber of Commerce

14 December 2023

Dear Ryan Crighton,

Thank you for your letter of 1 December 2023 to the Deputy First Minister and Cabinet Secretary for Finance regarding non-domestic rates. I am responding as I have portfolio responsibility for non-domestic rates.

The hospitality sector is vital to Scotland's economy. Ministers are acutely aware of the enormous pressures facing businesses across the country, including inflation, energy price rises, and higher costs of borrowing – which is why we are taking decisive steps to offer support during this crisis, with limited powers and working within the most challenging budget since devolution.

The Scottish Government is now assessing the full implications of the Chancellor's Autumn Statement and how it can both support businesses and the public sector in what are extremely challenging financial times.

The Scottish Budget 2023-24 ensures the lowest poundage in the UK for the fifth year in a row and supports a package of reliefs worth an estimated £749 million, including the Small Business Bonus Scheme (SBBS) which is estimated to take over 100,000 properties out of rates altogether. We estimate that around half of the properties in the retail, hospitality and leisure sectors are eligible for 100% SBBS relief this financial year.

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Tha Ministearanna h-Alba, an luchd-comhairleachaidh sònraichte agus Rùnaire Maireannach fo chumhachan Achd Coiteachaidh (Alba) 2016. Faicibh [www.lobbying.scot](http://www.lobbying.scot)



Decisions on non-domestic rates for 2024-25 will be made as part of the Scottish Budget which will be published later this month.

Yours Sincerely,



**TOM ARTHUR**

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