



## **STUC Briefing, Wealth Taxation for Public Services Scottish Government Debate, June 2026**

### **Scotland is a rich country but that wealth isn't shared**

- Five families hold more wealth than a quarter of Scotland's population with the least wealth combined.<sup>i</sup>
- The wealth of Scotland's ten richest people is now more than £23 billion, nine times what it was in 1999. This exceeds the Scottish Government's projected Income Tax revenues for 2026/27 (£21.5 billion).<sup>ii</sup>
- The growth in wealth of Scotland's ten richest people has not only increased massively in real terms (375%), but the growth has outstripped worker's wages more than sixfold since the establishment of the Scottish Parliament in 1999.<sup>iii</sup>
- For illustrative purposes, a wealth tax of 2% on Scotland's richest ten people alone, could raise almost £500 million a year. This could fund more than 11,600 newly qualified teachers, more than 12,900 newly qualified nurses, 13,500 new firefighters, 15,000 new civil servants, or 17,000 home care workers.<sup>iv</sup>
- Property wealth accounts for 30% of Scotland's total wealth and taxation of property is entirely within the gift of the Scottish Parliament. Yet, the council tax is still based on 1991 property values.<sup>v</sup>

### **The public support increased taxes on the wealthy**

- 85% of people in Scotland want taxes on the wealthy to increase, including a large majority of wealthy respondents.<sup>vi</sup> Similarly, a growing number of millionaires across the UK are happy to pay more tax.<sup>vii</sup>
- Excluding 'don't knows', 84% of Scots support reforming Council Tax during the next Parliament, with majority support across every age group and region of Scotland.<sup>viii</sup>
- There is a growing movement for tax justice in Scotland. STUC is a member of Tax Justice Scotland, a campaign backed by a diverse range of civil society organisations, think tanks, trade unions, economists and academics united in our mission to create a fairer Scottish tax system.<sup>ix</sup>

### **The Scottish Parliament has used income tax powers progressively**

- Scotland's devolved income tax rates and bands currently raised £1.8 billion more in revenue than if UK government rates and bands applied instead. While we often hear that higher taxes in Scotland will drive higher earners away from Scotland, there is no evidence for this. In fact, the latest HMRC data - up to 2023 - shows the opposite.<sup>x</sup>

### **But a looming fiscal gap remains**

- The Scottish Fiscal Commission forecast a forecast a £4.7 billion gap in devolved public spending and revenue by 2029-30.
- Despite Scotland's more progressive system than England, the median Scottish taxpayer pays much less in personal income taxation than counterparts in the Nordic countries or even most European countries.<sup>xi</sup> Tax is an investment that we all need to pay to create a better society and broad-based rises are likely to be required.
- The alternative, proposed by the Scottish Government, is to cut 18,000 workers from already depleted and struggling public services.

## Action to tax wealth is needed at UK level

- Action to tax wealth is needed at UK and Scottish level. Tax Justice UK have set out ten progressive measures which could raise £50 billion a year, including a 2% wealth tax on assets over £10 million and equalisation of Capital Gains and Income Tax.
- MSPs should unite in calls to demand the UK Government tax wealth more effectively.

## Action to tax wealth is needed at Scottish level

- The Scottish Parliament should immediately launch a revaluation of properties to replace the out-dated, unfair Council Tax with a proportional property tax. While a mansion tax is a step in the right direction, it is a poor substitute for the wholesale, systemic reform of local property taxation. Research for the STUC estimates a proportional property tax could raise £783 million in additional revenue while providing a rebate for low-income households.<sup>xii</sup>
- The Scottish Parliament should raise more revenue to invest in climate action, including by making polluters pay, such as a strong, quickly delivered tax on high polluting behaviours, including private jets.
- The Scottish Parliament should reform Non-Domestic Rates. In the short term, this could ensure that tax reliefs are not provided on a blanket basis but conditional upon providing the real Living Wage and recognising trade unions. In the longer term it could involve replacing business rates with a land-value tax, which Future Economy Scotland estimate could raise an additional £482 million.<sup>xiii</sup>
- The Scottish Government has the power to introduce a tax on wealth, provided this is implemented as part of the local tax system rather than a national tax. While this would be complex, modelling suggests it could raise £1.4 billion.<sup>xiv</sup>

## For further information contact:

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<sup>i</sup> STUC analysis for Tax Justice Scotland (2025) <https://taxjustice.scot/wp-content/uploads/2025/10/STUC-Taxing-Wealth-for-a-Fairer-and-Greener-Scotland.pdf>

<sup>ii</sup> STUC (2026) *Behind the Rich List* <https://www.stuc.org.uk/resources/behind-the-rich-list-scotlands-wealth-gap-2.pdf>

<sup>iii</sup> Ibid

<sup>iv</sup> STUC analysis for Tax Justice Scotland (2025) <https://taxjustice.scot/wp-content/uploads/2025/10/STUC-Taxing-Wealth-for-a-Fairer-and-Greener-Scotland.pdf>

<sup>v</sup> In 2020-22, property wealth in Scotland was estimated at £322.6 billion accounting for 30% of Scotland's total wealth (£1004 billion in 2020-22). ONS (2025) *Total Wealth: Wealth in Great Britain Table 2.7 of 'July 2006 to June 2016 and April 2014 to March 2022 edition of this dataset'*:

<https://www.ons.gov.uk/peoplepopulationandcommunity/personalandhouseholdfinances/incomeandwealth/datasets/totalwealthwealthingreatbritain>.

<sup>vi</sup> Wellbeing Economy Alliance Scotland (2026) <https://www.weallscotland.org/post/sharing-our-wealth>

<sup>vii</sup> Patriotic Millionaires (2026) <https://patrioticmillionaires.uk/latest-news/uk-millionaire-poll-2026>

<sup>viii</sup> Tax Justice Scotland polling (2026) <https://taxjustice.scot/blog/five-times-as-many-scots-support-urgent-council-tax-reform-as-oppose-it/>

<sup>ix</sup> <https://taxjustice.scot/>

<sup>x</sup> It should be noted this data is only up to 2023, so doesn't include the new advanced rate. However, it does include the introduction of the 5 band Scottish Income Tax system in 2018 to 2019. HMRC (2026) *Intra-UK migration of individuals: movements in numbers and income between 2010 to 2011 and 2022 to 2023*

<https://www.gov.uk/government/publications/intra-uk-migration-of-taxpayers/intra-uk-migration-of-individuals-movements-in-numbers-and-income-between-2010-to-2011-and-2022-to-2023>.

<sup>xi</sup> 14% in Scotland compared to 23% in the Benelux and Nordic countries. Scottish Government (2024) *Scottish Income Tax 2025 to 2026: factsheet*

<https://www.gov.scot/publications/scottish-income-tax-2025-2026-factsheet/pages/2/>.

<sup>xii</sup> Reed, H for STUC (2023) *Raising taxes to deliver for Scotland* <https://www.stuc.org.uk/resources/scottish-tax-options.pdf>

<sup>xiii</sup> Future Economy Scotland (2026) *Funding Scotland's Future: Tax Reform for a Just Transition* <https://www.futureeconomy.scot/publications/198-funding-scotland-s-future-tax-reform-for-a-just-transition>

<sup>xiv</sup> Reed, H for STUC (2023) *Raising taxes to deliver for Scotland* <https://www.stuc.org.uk/resources/scottish-tax-options.pdf>