



Economy and Taxation - Summary

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The Economic prospects for a newly independent Scotland will be manifold, but not if we maintain the policies inherent with the current union with Westminster. The potential to re-shape Scotland into a location for the manufacture of high quality goods is again available to us, as well as the opportunity to re-balance the relationship in our economy between the private and public sectors.

Scotland used to make things, creating wealth and jobs here at home with a substantial part of what we made being sold abroad. Much of what we made was based on heavy industry which consumed masses of raw materials and energy. Some would be considered environmentally unsound in today's politics. Scotland needs to secure new industries, utilising new technologies and methods of manufacture that are less damaging to the land we occupy.

Being blessed with several deep water ports and modern airports we can easily bring in part-processed/manufactured goods from abroad, assemble them here and export them again if needed, through our sea, air and road transport links. These 'Freeports' could be a key link in reviving the Scots economy, providing much needed employment.

To achieve this, the SDA would slash duties and levies on all imports, and adopt a tax policy making Scottish made goods ultra competitive in Europe and beyond.

The SDA advocate a single digit sales tax on domestic goods, products and services. This sales tax would replace the EU originated V.A.T. which Scotland would not need to pay as a member of EFTA. Such a low level of sales tax would encourage consumer led growth and encourage consumption overall, thereby providing increased tax revenues.

The SDA support a system of Flat Tax and Land Value Rent to stimulate productive use of our human and natural resources, and encourage economic growth.

Taxes in an independent Scotland would ultimately be significantly lower than at present since we would not require the substantial EU [and UK imposed] bureaucracy and regulation that currently inhibits competitiveness of our manufactured products.

By promoting wealth creation through productive output, we would generate the assets to properly fund and provide a fit for purpose public sector. We would also seek to reverse the current relationship whereby two thirds of our economy is public sector based and supported by the wealth creating private sector.

The SDA will enshrine within the Constitution the commitment to a balanced budget, wherein the taxation of the nation will be designed to reflect that commitment. Similarly, we would prohibit double dip taxation. For example it would be unconstitutional to apply a sales tax on goods which have already been subject to taxation.

Tax code simplification would become the cornerstone of our tax policy. The tax system of the present UK is inefficient, unnecessarily complex, costs too much to collect, and will be replaced.

The SDA will fully evaluate the tax raising and spending needs of a sovereign Scotland - with its own currency and financial infrastructure, and tax raising will be made simpler and cost less to collect by the use of Flat Tax and Land Value Rent.

There is a bright future for Scotland with its skilled and innovative population, which can revive the desire to prosper and succeed by their own efforts whilst retaining a greater portion of their individual wealth, all of which will be adequately supported by a capable and revitalised public sector.

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