

News story: Defence Secretary reviews tax on Armed Forces in Scotland

The Defence Secretary's intervention follows the decision by the Scottish Government last month to create new income tax bands and increased tax levels, which will see personnel in Scotland worse off than the rest of the UK.

The Defence Secretary has reassured servicemen and women that he would look to mitigate against the negative impact of Scottish taxes. Up to 8,000 service personnel are set to be hit by the tax rise.

On 21 February 2018, the Scottish Parliament ratified their income tax rates and thresholds applying to Scottish taxpayers. As a result those earning more than £26,000 will pay more tax in comparison to their counterparts in the rest of the UK.

Scotland plays a key role in the defence of the UK and its contribution is set to increase. Some, 1,400 submariners will move to HM Naval Base Clyde by 2020, creating the new single home of the entire UK Submarine Service. Army numbers are also increasing with the return of troops from Germany.

An additional 400 personnel will move to RAF Lossiemouth as it adds a fourth Typhoon squadron and prepares to receive the entire UK fleet of nine submarine hunter Poseidon P-8 Maritime Patrol Aircraft from the early 2020s.