

# Visitor Levy (Scotland) Act 2024

UPDATE – Briefing Paper for the Information of Lossiemouth  
Accommodation Owners

February 2025

**LOSSIEMOUTH BUSINESS  
ASSOCIATION**

# Introduction

In April 2024, the Lossiemouth Business Association published a briefing paper outlining the proposed Visitor Levy (Scotland) Bill. At that time the Bill was in the latter stages of being legislated.

The Bill was passed on 28 May 2024 and became an Act on 5 July 2024.

This updated briefing paper aims to provide a summary of the details of the Act and ancillary information and further explanation to assist members to better understand the key elements of the levy.

The Bill itself consists of 37 pages and is introduced with the following statement;

*'An Act of the Scottish Parliament to give local authorities the power to impose a levy in respect of persons staying in certain types of accommodation overnight'.*

The Bill is accompanied by five separate documents, listed as;

Explanatory Notes (24 pages)  
Financial Memorandum (24 pages)  
Policy Memorandum (28 pages)  
Delegated Powers Memorandum (18 pages) and  
Statement on Legislative Competence (2 pages)

On the 4 October 2024, Visit Scotland published a document titled 'Guidance on the Visitor Levy for Local Authorities' (84 pages). The guidance was authored by an 'Expert Group' previously formed by Scottish Government and chaired by Visit Scotland. There are 32 local authority areas in Scotland.

As of February 2024, four local authorities (LA) have moved to the public consultation stage or beyond, to introduce the levy in the second half of 2027. This includes Highland Council who have commenced their public consultation and ends on 31 March 2025. Edinburgh Council have completed their consultation and announced a 5% levy for visitors to their area from 24 July 2026. Argyll and Bute Council and Glasgow City Council have both commenced their consultations and end on 10 April and 2 May 2025 respectively. Aberdeen Council have yet to announce the date of their consultation commencing but media reporting suggest they are seeking to implement a 7% levy

On 19 February 2025, Moray Council announced they are moving towards commencing a consultation during October 2025. Aberdeenshire Council are at a similar stage.

As can be seen from the volume of text within the Act itself and supplementary documentation, this briefing paper aims to provide information relevant to accommodation owners to assist in a basic understanding of the key elements of the levy and in preparation for any consultation and introduction of the scheme. As a result of the volume of information available, this briefing paper is longer than first intended and draws information from multiple published documents on the scheme. To fully understand the Act, further reading is required and to assist, links are provided to the documents mentioned.

## Visitor Levy (Scotland) Bill

The final version of the Bill consists of 30 pages in seven parts;

## **Part 1 - Visitor Levy** *(note - text in italics are provided from the Guidance on the Visitor Levy for Local Authorities to clarify sections or provide examples)*

Section 1 - Part 1 of the Act provides local authorities (LA's) the power to impose a levy to be charged on the purchase of overnight accommodation, which is to be known as the 'visitor levy'.

## **Part 2 - Key Concepts**

Section 3 - Part 2 of the Act provides the levy is to be charged in respect of a chargeable transaction and becomes payable when a person takes entry to the overnight accommodation.

Section 4 - Accommodation types are hotels, hostels, guest houses, bed and breakfast accommodation, self catering accommodation, camping sites, caravan parks, accommodation in a vehicle, or on board a vessel, which is permanently or predominantly situated in one place, any other place at which a room or area is offered by the occupier for residential purposes otherwise than as a visitor's only or usual place of residence.

Two exemptions to the levy are provided. A local authority gypsy and traveller site and accommodation in a vehicle or vessel, that is undertaking a journey involving one or more overnight stops. *(e.g. cabin on a train/ferry and campervan)*

Section 5 - The amount of levy chargeable is calculated by taking the accommodation portion of the transaction and multiplying that amount by the percentage rate set by a local authority *(Note – earlier versions of the Act, deducted commission fees to a travel booking service prior to applying the % rate. This is removed in the final version)*

The accommodation portion does not include meals or drinks, parking, laundry services, entertainment, transportation to and from the premises.

Section 6 - A LA seeking to introduce a levy scheme must set the percentage rate of the levy chargeable in respect of the transaction. This rate may be different for different purposes or different areas within the local authority's area but may not be different in relation to different types of accommodation.

Section 7 - A LA may specify that a maximum number of nights may apply in respect of the transaction for a period of consecutive nights. They can only do this if they have consulted representative of communities and businesses engaged in tourism.

Section 8 - The person liable to pay the levy charged is the person who provides the overnight accommodation and is the occupier of the premises at which that overnight accommodation is provided. The person is to be known as the 'liable person'. *(This will normally be the owner or tenant of the premises)*

Section 9 - A liable person may make arrangements for a person to collect the levy, make returns and pay the levy to the relevant LA, on behalf of the liable person. *(Third parties can include online booking platforms, tour operators or destination management companies to collect, remit and pay the levy, however in these circumstances consent would be required by the relevant LA and the accommodation owner remains the 'liable person')*.

Section 10 - The Scottish Ministers may, by regulations, require persons to issue an invoice to a visitor which specifies separately the cost of the overnight accommodation, the percentage rate of

the levy charged, the amount attributed to the accommodation portion of the accommodation provided, **any deduction made to a travel booking service and the amount of levy charged in respect of the accommodation.**

Section 11 - The Scottish Ministers may, by regulations, specify the cases or circumstances in which the levy is not payable or reimbursed) and provide for the making of arrangements for the issuing of exemption vouchers to categories of visitors in which a chargeable transaction is not subject to the levy.

### **Part 3 - Introduction and Administration of the Levy**

Section 12 - Part 3 of the Act provides LA's may introduce a scheme/s to impose the levy for all or part of its area and also modify or revoke the scheme.

A levy scheme may make different provision for different purposes or different areas with the LA. (e.g. A LA may set different rates for different purposes or different areas. For example, different rates could be set for a particular event but different rates cannot be set for different types of accommodation).

Two or more LA's may act jointly to make a visitor levy scheme. In these circumstances they must continue to act jointly in relation to the scheme in all respects.

Section 13 - Before a visitor levy scheme is introduced or modified, a LA must prepare and publicise an outline of the proposed scheme or modification, make a statement about the cases and circumstances in which the levy is not payable or may be reimbursed, make a statement about the objectives of the proposal, including how the LA intends to measure and report on the achievement of those objectives and make an assessment of the impacts of the proposal in the authority's area.

The LA must also consult such persons as the authority considers to be represented of communities, businesses engaged in tourism in its area and such other persons as the authority considers likely to be affected by the proposal.

Following such a consultation, the LA must prepare and publish a report which summarises the consultation responses received, state whether or not the authority intends to proceed with the proposal (or modification) and sets out the authority's reason for whether or not it intends to proceed.

In stating the objectives of the scheme, the LA must relate those objectives to developing, supporting or sustaining facilities or services which are substantially for or used by persons visiting the scheme area for leisure or business purposes (or both). (*Note – earlier versions of the Bill stated leisure purposes only*).

In stating the impacts of the scheme, the LA must set out what they consider to be the likely effects of the proposal on persons living in the scheme area and such other persons considered likely to be affected by the proposal.

Section 14 - A visitor levy scheme must specify the scheme area, the date the scheme is to come into force, the scheme period (which may be indefinitely), when during the scheme period the transaction is to give rise to the levy, the percentage rate/s of the levy set by the LA, the schemes objectives, arrangements for the review of decision, the cases in which the levy is not payable or may be reimbursed, the arrangements for the reimbursement, the cases\* (see next para) in which the levy is not payable (or reimbursed), when the person is in receipt of benefits, payments or allowances for a disability (five Acts are listed), the arrangement for administration of such

exemptions or reimbursements and the manner in which the LA intends to make decisions on the use of the net proceeds of the scheme.

(\*In such cases, the scheme must specify whether the levy is not payable in relation to accommodation which has an annual turnover below the VAT threshold)

The date on which the levy comes into force must be at least 18 months after the date the LA decision to introduce the scheme.

Section 15 - As soon as reasonably practicable after the date of its decision to introduce a levy, A LA must publicise its decision to introduce the scheme and the proposed date on which the scheme is to come into force.

Section 16 - A LA operating a levy scheme must by no later than 6 months after the date of its decision to introduce a scheme, establish a forum for the scheme, maintain the levy forum for the duration of the scheme and ensure the forum is able to carry out its functions and meet at least twice per year. The functions of the forum are to discuss and advise the LA and any other person or body consulting the forum on matters having to do with the scheme and to discuss and respond to each consultation on a modification and each consultation on the use of net proceeds of the levy. The forum is to consist of such persons as are appointed to it by the LA operating the scheme. It must ensure such persons to be representative of communities and businesses engaged in tourism and tourist organisations in its area, consisting of a reasonable balance of such persons. The LA may appoint one or more of its own members to the forum provided they do not form a majority of the members.

Section 17 - Transitional arrangements - The levy must not be charged in respect of a chargeable transaction that is paid for (in full or part) before the date the LA's decision to introduce the levy.

The levy may be charged in respect of a chargeable transaction that is paid (in part or in part) after the date the LA's decision to introduce the scheme but before the date on which the levy scheme comes into force, if the visitor takes entry to the accommodation that the transaction relates to after the date on which the scheme comes into force.

Section 18 - A LA operating a levy scheme must keep an account for the scheme and for each financial year, credit the account with the amount of money received (including penalties) and debit the account with the expenses of operating the scheme.

Section 19 - A LA operating a levy scheme must use the net proceeds for the purposes of facilitating the achievement of the scheme's objectives and developing, supporting and sustaining facilities and services which are substantially for and used by persons visiting the LA area for leisure or business purposes (or both).

In using the net proceeds of the levy scheme, the LA must from time to time consult such persons as the authority considers to be representative of communities, businesses engaged in tourism in its area and have regard to its local tourism strategy.

Section 20 - A LA operating a levy scheme must prepare a report on the scheme in respect of each reporting period, including information on the amount of money collected, how the net proceeds have been used and the performance of the scheme by reference to its objectives.

A LA must publish the report as soon as reasonably practicable after the end of the reporting period and in such a manner as it considers appropriate. It must provide a copy of the report to the levy forum. In the case of the first report from the date the scheme came into force, the maximum period

for the LA to make the report will be a maximum of 18 months. For subsequent reports this period will be 12 months from the previous report.

Section 21 - A LA must review the scheme before the end of the period of 3 years from when it came into force and before the end of each subsequent 3 years.

Section 23 – A LA must, when it has introduced a levy, have regard to any guidance published under this section. In this regard, VisitScotland must prepare and publish guidance for LA's and from time to time review the guidance and if appropriate, publish updated guidance.

## **Part 4 - Returns and Payments**

Section 26 - The liable person must make returns to the relevant LA. Returns must include an assessment of the amount of levy payable in respect of the relevant period and be made before the end of the period of 30 days beginning with the end of each relevant period.

Where the liable person is the occupier of more than one set of premises within the area, the return must include assessments of the levy for each set of premises.

The relevant period means each quarter, or such period or periods specified by the LA.

Section 27 - The return must be in the form specified by the LA, contain such information specified by the LA and be made in such a manner as specified by the LA.

Section 28 - A liable person must keep any records that may be needed to enable the person to make a correct and complete return and preserve those records for a period of 5 years from the date the return is made or such period as specified by the LA.

The duty to keep and preserve these records also applies to any person with whom a liable person has made an arrangement under Section 8 and applies to a liable person, whether such an arrangement has been made.

Section 29 - The levy payable must be paid to the LA. The total amount must be paid at the same time as the return is made.

## **Part 5 - Enforcement of the Levy and Penalties**

Sections 30 to 44 provide LA's, in circumstances of non-compliance, with investigatory and inspection powers to obtain and remove information and documents (including electronic records) from liable persons and third parties. These powers include the power to enter a liable person's business premises and inspect the premises and business documents which are on those premises.

Sections 45 to 61 provides information on the power of LA's to impose penalties in circumstances where the liable person has failed to make returns, failed to pay the levy, failed to keep and preserve records, failed to comply or obstruct, provides inaccurate information or documents, or concealed or destroyed documents.

Sections 62 to 68 provides information on the assessment and enforcement of penalties, failure to comply with time limits and the powers provided to LA's to reduce, suspend or waive penalties. These sections also provide information on interest payable on unpaid levy and penalties and the rates of interest payable

Section 70 provides information on the recovery of unpaid amounts.

Sections 71 and 72, provides information on the role of Scottish Ministers to review decisions made by the LA and appeals.

In summary, Part 5 of the Act provides LA's strong and wide ranging powers to investigate and impose penalties to liable persons who fail to comply with the provisions of the Act.

## **Part 6 - Register of Liable Persons and Information Sharing**

Section 73 states that LA's may establish and maintain a register of liable persons. Any register established must include the names of all liable persons offering overnight accommodation in their area covered by the scheme, the addresses of all places at which overnight accommodation is provided and such other information considered necessary by the LA to allow it to carry out its functions under the Act.

## **Part 7 - Final Provisions**

Not applicable to this briefing paper.

# **Guidance on the Visitor Levy for Local Authorities**

As alluded to earlier, this document is 85 pages and is a comprehensive guide for local authorities on the development and implementation of the visitor levy. It also recognises the guidance may be useful to accommodation providers responsible for collecting and remitting the levy.

The guidance strongly recommends to LA's to undertake engagement around proposals for a scheme prior to commencing a consultation in order to bring forward proposals that are well understood by those who will be paying, collecting and remitting the levy (liable persons).

The guidance sets out three principles for LA's to consider to inform preparation for the required consultation;

1. The scheme outline - In developing an outline for a levy scheme. LA's should identify and engage with stakeholders who have an interest in the scheme. Examples provided are, business (liable persons), resident (they may wish to know how the funds are spent), tourism organisations and visitor interests. In identifying these stakeholders, LA's should make efforts to engage them in understanding their priorities and take the opportunity to test early thinking with these stakeholders.
2. Scheme Objectives - In developing an outline for a levy scheme the LA should be able to draw a clear link to the objective of its local tourism strategy to allow them to ensure the scheme objective links to wider strategic thinking on the visitor economy. In addition, LA's should ensure that stakeholders understand these priorities.
3. Scheme Impacts - LA's are required to assess the impacts of their proposal as part of the consultation. The guide recommends LA's undertake work to identify the impacts on business collecting and remitting the levy, visitors paying the levy, communities who may benefit from the levy and LA's administering the levy. This work should be undertaken openly and transparently, working with stakeholders appropriately. LA's should also engage with liable persons to develop awareness of the costs that may be incurred by a liable person and around possible options for addressing those costs, which could then be included as part of the consultation process.

In conducting a consultation, the guidance recommends that LA's take steps to ensure that adequate publicity about the proposal is given to persons likely to be affected by it. It will be up to LA's to determine how long to run the consultation for but recommends 12 weeks.

Following any consultation, LA's are required to publish a report which summarises the consultation responses received, states whether or not the authority intends to proceed with the proposal and sets out the authorities reasons for whether or not it intends to proceed. In this report they should demonstrate good decision making in relation to the proposal, and the decision to take forward the scheme, not to take it forward, or take it forward adapted in light of the consultation.

If, following consultation, a LA decided to implement the scheme, the guidance reminds LA's that any levy cannot be implemented until at least 18 months following the decision to introduce the scheme. This implementation period is intended to allow LA's, communities and businesses to prepare for the introduction of a levy scheme.

Within the implementation period, LA's are encouraged to support key stakeholders, including accommodation businesses collecting and remitting the levy. For accommodation providers, LA's may wish to conduct more targeted engagement, providing specific information on the technical aspects of the scheme. If, through early engagement and consultation, a LA has chosen to take forward measures to help mitigate costs to businesses as part of the levy scheme, the LA should take appropriate steps to communicate and implement those measures during this period.

A LA will need to consider how best to notify those accommodation providers who will be collecting and remitting the levy. This includes information on transitional levy payments.

There is no statutory cap on the maximum number of nights that an overnight visitor would be required to pay a visitor levy. However, LA's may wish to consider creating a local cap in its scheme. This cap could be in the form of a monetary value or represent a maximum number of nights the levy applies.

The guidance provides several practical examples of possible exemptions and other scenarios they may wish to integrate into their levy scheme. These include disability exemption for persons who are in receipt of Disability Living Allowance and gives the option for LA's to allow such persons to be exempt from paying the levy or implement a reimbursement scheme. LA's also have the power to apply levy charges at certain times of the year and this includes applying different percentage rates at different times of the year. Other examples provided include where breakfast is included in the overnight accommodation charge and scenarios where the LA has applied caps to the number of nights payable in one transaction and where the LA has introduced a maximum monetary cap. Examples are also provided where the establishment is VAT registered.

With regards to the percentage rate of the levy, it will be for individual LA's to determine the percentage rate to suit local circumstances. The Act gives LA's discretion over the rate that be charged, with no explicit cap, however the LA' consider key local factors, such as: the performance of the local visitor economy, the demographic profile of overnight visitor and the accommodation stock. When setting the rate LA's should take account of the estimated revenue generated and its relation to set up and ongoing administrative costs.

A LA may specify a maximum number of consecutive nights a levy can be charged. This can only be applied after consulting representatives of communities and businesses engaged in tourism and tourism organisations.

As stated in the Act, LA's can only use the levy funds for certain specified purposes and in line with the scheme's objectives and they should support and sustain facilities and services for or used by

visitors to a LA area for leisure or business purposes. They will need to consult with representatives of communities, businesses engaged in tourism and tourist organisations on the use of the funds.

Over time, updated versions of the guidance intends to provide a bank of case study examples of how LA's make best use of funds accrued from the levy.

Section 13 of the guidance deals with accommodation owners (liable persons) and recommends that LA's consider a range of common scenarios faced by businesses associated with the purchase of overnight accommodation and have the potential to cause confusion regarding the status of the liable person. Examples provide include refusal to pay, cancellations, refunds and transitional provision. It is of note that in relation to a guest's refusal to pay the levy, guidance concludes by stating that in these circumstances the accommodation provider remains the liable person and could choose to cancel the booking or absorb the cost of the levy.

Whilst there is no statutory requirement for LA's to provide any specific form of assistance to liable persons, it does suggest several areas where LA's may choose to assist and suggests that the form of assistance will be based on local needs and circumstances. The guidance recognises that where LA's do choose to assist liable persons this may result in a range of benefits, including higher levels of compliance, a reduction in potential disputes and an efficient levy scheme overall.

The guidance suggests LA's provide liable persons with assistance in the following areas: remittance, exemptions, enforcement and compliance, billing and business costs.

At an early stage in preparation for the introduction of a levy, LA's should work closely with accommodation providers to establish what, if any, booking and invoice systems are currently being used by businesses and how invoicing is handled. The guidance recognises that smaller providers might not use a digital service and suggests LA's need to consider how to support these types of businesses.

Section 17 of the guidance provides detailed information on which groups of persons are exempt from paying the levy. LA's have the discretion to decide who is, and is not, exempt from paying the levy and they should ensure that all stakeholders have a detailed understanding of this. LA's should begin the process of considering exemptions at an early stage in the development of a scheme. In this regard they should recognise the potential administrative burden on accommodation providers and also the implications for them in handling personal and sensitive data.

The guidance highlights that LA's wishing to introduce a levy scheme have a number of flexibilities they can use with their scheme. Several are mentioned earlier in this paper. Others include the ability to set the frequency with which accommodation owners are required to make returns to the LA, the ability to specify which records must be kept and preserved and the ability to take an approach to compliance and enforcement that works for the LA.

For LA's, the guidance states that for a levy scheme to be successfully implemented, appropriate and effective communication with a variety of interested parties and various stages will be crucial. The guidance provides four general principles to guide good communication when it concerns the preparation and establishment of a levy scheme. These are:

Accessible - to make sure publication of proposed activities and information is accessible to all relevant stakeholders.

Engaging - to consider how opportunities for feedback on communication can be maximised.

Transparent - to demonstrate how feedback has influenced thinking and/or has been incorporated into decisions made.

Ongoing - to encourage open and engaging communication with stakeholders which should continue long-term.

In terms of compliance, the guidance states the Act gives LA's a range of powers to enforce compliance with a VL scheme or delegate these powers to a third party. These powers are in line with those already available to LA's in ensuring compliance with other local taxes, such as council tax and non-domestic rates. The guidance recommends that LA's build on existing best practice when considering the enforcement of penalties. The use of penalties should be a last resort, and only used after other compliance actions have failed. The guidance provides examples of when LA's may wish to apply penalties to liable persons and also examples of 'reasonable excuse' for failing to comply.

Lastly, the guidance reminds LA's they have the power to establish and maintain a register of liable persons. This is not a mandatory requirement but at the discretion of the LA. The register can include the names of liable persons, the address of all the premises and other information which the LA considers necessary.

## Moray Council

As reported in the initial LBA briefing paper, the background to the levy in Moray began when in September 2023, the Council agreed in principle to support the concept of raising funds through a visitor levy scheme.

Following this decision, scoping work was undertaken and at the full council meeting on 19 February 2025 a motion was approved for further preliminary work (known as Stage 1) to be carried out to establish if the council wish to proceed with the levy and conduct a public consultation.

At the 19 February meeting, a report was submitted to the council from the Deputy Chief Executive of the Economy, Environment and Finance Department. The report outlined the background to the levy, the key provisions of the Act, a summary of the implications and a conclusion. The conclusion stated 'the establishment of a levy in Moray represented a strategic opportunity to strengthen the regions tourism infrastructure and sustainability while promoting economic growth. It offers Moray Council a reliable funding resource at a time of financial uncertainty to invest in tourism infrastructure and support the long-term viability of its visitor economy, benefiting residents and visitors alike. The intensive development process depends on member support, sufficient resource in terms of available staffing and additional funds to cover the external expertise required. Without this capacity, introduction of a Moray VL will not be possible'.

The report advised that according to the Scottish Economic Activity Monitor in 2021, visitors in Moray stayed on average 3.7 nights and spent £19.03 million on local accommodation and based on a 5% levy this could potentially generate an annual revenue of £950,000. The report states that currently, the administration costs to procure an IT system or upgrade an existing system along with recruitment and training of staff and ongoing costs to administer, monitor and review the levy are unknown and it is of note that no projections are offered in the paper (Scottish Government estimates set up costs for a council area to be between £100k to £460k and ongoing yearly costs will mainly consist of salary and IT costs but provide no estimate).

The reports states that funds from the levy can be used to fund infrastructure and facilities essential to tourism such as car parks, core paths and public toilets and enable town centre flower beds, open spaces and parks and amenities to become more attractive.

The report highlights that despite the advantages of the levy, it may also face opposition from accommodation providers and visitors concerned about higher costs, in addition to the recent increases to the cost of doing business. It adds that other LA's are proposing to provide support to

businesses and that these areas faced significant push back from the industry. In Highland, negativity from the industry is at the forefront of the current consultation and responding appropriately can be resource intensive.

For Stage 1 in the development of the process in Moray, the report estimated that at least £15,000 will be required from the 2024/25 transitional fund to secure specialist expertise to develop the information and carry out the pre-consultation required to move to Stage 2 (consultation and implementation stage), which will require an additional £15,000 of funding. It was reported Visit Moray Speyside will contribute £2,000 of the Stage 1 fund and it is expected that Highlands and Islands Enterprise (HIE) will be able to support the strategy via their specialist contractor framework.

The report stated that to develop the levy a cross-departmental working group, to be known as the Visitor Levy Working Group will be formed. Another group, to be known as the Officer Working Group will also be established. The Visitor Levy Working Group will oversee the development of a potential levy scheme, ensure collaboration across external stakeholders and review the findings from the Officer Working Group. The Officer Working Group will conduct in-depth exploration of their focus area, collaborate officer and shareholder to identify opportunities and challenges and report findings and recommendations to the working group. The Visitor Levy Working Group will adopt a comprehensive engagement plan and this includes engagement with community groups and the wider public.

The papers presented to the Committee included a detailed timeline of the work to be undertaken. The public consultation is forecasted to commence in October 2025 and likely to run for 3 months. If the levy was to be implemented, the earliest it would come into force is August 2027.

At this stage and prior to any consultation having taken place, it is difficult to predict whether Moray Council will introduce a levy scheme or not. It is strongly suspected our Council will be maintaining a watchful eye on how the levy proceeds in the Highland Council area. It is also worth pointing out that our local Councillors will potentially be making the decision on whether to vote in favour of the levy or not and that party politics may have a bearing on their vote. This was apparent during the council meeting on 19 February 2025 where two SNP Councillors and one Green Party Councillor spoke in favour of the levy and three Conservative Councillors spoke against the introduction of the levy. Of the current 26 Moray Councillors 2 are not aligned, 4 Independent, 9 Conservative, 1 Green, 3 Labour and 7 SNP.

## VisitScotland / VisitMoraySpeyside

VisitScotland's role in the visitor levy scheme is long standing and originated several years ago when Scottish Government Ministers, requested VisitScotland bring together the tourism industry, local authorities and government to deliver the guidance for local authorities on the levy.

From the content of the Foreword of the guidance by VisitScotland it is considered they are broadly supportive of a levy scheme, stating *'if developed collaboratively between local authorities and businesses, a visitor levy scheme represents a unique and significant opportunity to deliver a multi-million pound annual investment in the sector'*.

Locally, VisitMoraySpeyside (VMS) have included information about the visitor levy in their recent publication 'Unlocking Our Region's Potential', in support of their Tourism BID (Business Improvement District) for 2025 to 2029.

On page 16, VMS state (if successful) they 'will lead the development of a new Tourism Strategy for Moray & Speyside, covering the period from 2025 to 2035, which will incorporate all future investments and play a key role in the potential introduction of a Visitor Levy Scheme.'

Page 18, headlined 'Visitor Levy', provides further information on what the introduction of a levy would mean for VMS, opening with 'If the Visitor Levy is introduced, and Visit Moray Speyside receives £200,000 in funds which is an indicative annual amount, it would be a transformative opportunity for the region's tourism sector.' Further information is then provided by VMS on how they would help shape any visitor levy scheme introduced and work in partnership with tourism businesses across Moray to gather their views on how the funds from the levy should be spent.

In projecting the income of VMS between 2025 and 2027, they forecast the visitor levy scheme will provide £200,000 each year from 2027 to 2029, totalling £600,000. They do however provide a proviso that this income will be dependent on whether or not the levy is introduced, the model set and allocation of funds.

It is worth noting that VMS have stated the allocation of these funds in their publication but this is not mentioned in any Moray Council documents on the levy and also prior to the formation of a Moray Levy Forum, who's statutory duty is to be involved in the allocation of the net funds raised (Sections 16 (1) and (2) of the Act).

## **Lossiemouth – What This Means to You and What Happens Next?**

The Lossiemouth Business Association will continue to monitor progress of the visitor levy, both locally and nationally, and update its members on progress. This will include face to face open meetings. The levy will undoubtedly cause divide, but current media reporting and social media commentary points heavily towards Scottish accommodation owners being heavily against the introduction of the levy or at least in its current format.

We see our role currently is to report and provide factual information and as the levy progresses, to take the views of our members and feed these back to Moray Council when and where appropriate. Accommodation owners are encouraged to make themselves fully aware of the implications the levy may cause to them individually and for their businesses and when appropriate make direct contribution to the consultation and make representation to their local area Councillor.

There is little evidence of the levy being supported by accommodation owners, however in a recent Highland public meeting facilitated by Highland Council, many accommodation owners stated they supported the levy in principle but not in its current format. Areas of concern and suggestions included,

- The levy should be a flat rate fee.
- The levy will push some accommodations owners over the VAT threshold. Small businesses may need to reduce trading days or lower rates to stay under the VAT threshold.
- The levy will be paid not only by 'tourist' visitors from outwith Scotland but also by visitors from other Scottish local authority areas and those who are on business.
- Patients attending medical appointments in Moray will pay the levy and also include locum doctors, nurses and healthcare staff.
- Accommodation owners will become tax collectors and handle additional administration without compensation.
- Increased levels of informal camping due to no levy applying to motorhomes/tents.

- Less money in the pockets of visitors to spend in local cafes, bars, restaurants and tourist attractions.

These concerns may not be your own and it will be helpful that your views, for or against the levy, are shared in order to best represent the uniqueness of Lossiemouth.

To contribute or if you have any queries, please speak to any of our committee members or message [lba@lossiemouth.org](mailto:lba@lossiemouth.org).