



HM Revenue
& Customs

Research report

The introduction of the Scottish Rate of Income Tax – Communications Research

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Customer Insight & Knowledge Team

Scottish Rate of Income Tax***About PT Change***

PT Change is a “Directorate” within HMRC’s Personal Tax (PT) line of business and is principally concerned with overseeing and bringing together for PT a Portfolio of Programmes which will help transform HMRC business, led by customer understanding.

The PT Change Portfolio will deliver all the changes to processes, structure and systems needed to deliver better services to our customers and enable savings from within PT.

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Research requirement (background to the project)

The Scotland Act 2012 significantly strengthens and deepens the Scottish devolution settlement and enhances the financial accountability of the Scottish Parliament and Scottish Government in addition to extending their powers.

A legislative framework is in place to enable the Scottish Parliament to set a Scottish Rate of Income Tax (SRIT) which will be administered by HM Revenue & Customs (HMRC) on behalf of the Scottish Government from the 2016/17 tax year onwards.

The Scottish Rate of Income Tax will be implemented in April 2016. This will replace the Scottish Variable Rate (SVR) which was introduced by the Scotland Act 1998 but has never been used. From April 2016, the income tax rates to be paid by Scottish taxpayers will consist of the main UK rates, minus ten percentage points, plus the Scottish Rate of Income Tax.

The introduction of the Scottish Rate of Income Tax will be a significant change for affected HMRC customers and presents a range of challenges to HMRC. This is because of the importance of income tax as the single biggest source of tax revenue in Scotland and because it will have implications for around 3 million income tax payers in Scotland.

With this in mind, HMRC commissioned an external research agency to explore:

- The extent to which customers demonstrate an awareness and understanding of their current tax position; when and how to communicate changes in circumstance to HMRC; and the introduction of the Scottish Rate of Income Tax.
- Customers' information needs before the Scottish Rate of Income Tax is introduced.
- How best to communicate the introduction of the Scottish Rate of Income Tax to customers; testing clarity, content and timing of planned communications outputs linked to the introduction of the Scottish Rate of Income Tax.
- The possible direct and indirect changes in behaviour that taxpayers may exhibit following the introduction of the Scottish Rate of Income Tax.
- Likely contact levels amongst Scottish resident taxpayers in response to the draft Scottish Rate of Income Tax notification letter.
- Customer responses to a draft call to action around the need to inform HMRC of an address change.
- How best to manage and respond to customers' needs following the introduction of the Scottish Rate of Income Tax.
- How customers in the rest of the UK are likely to respond to the Scottish Rate of Income Tax (including planned messaging) and whether those customers would make contact with HMRC.

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When the research took place

The research was carried out in two phases:

- Phase 1 ran from May 2014 – August 2014. This consisted of focus groups and depth interviews to explore the information needs of a range of customers before the Scottish Rate of Income Tax is introduced, and the possible direct and indirect changes in behaviour that taxpayers may display.
- Phase 2 ran from October 2014 – March 2015. This phase consisted of focus groups, depth interviews and surveys with Scottish taxpayers and taxpayers in the rest of the UK to understand how best to communicate the introduction of the Scottish Rate of Income Tax to customers and how to manage and respond to their needs following its introduction.

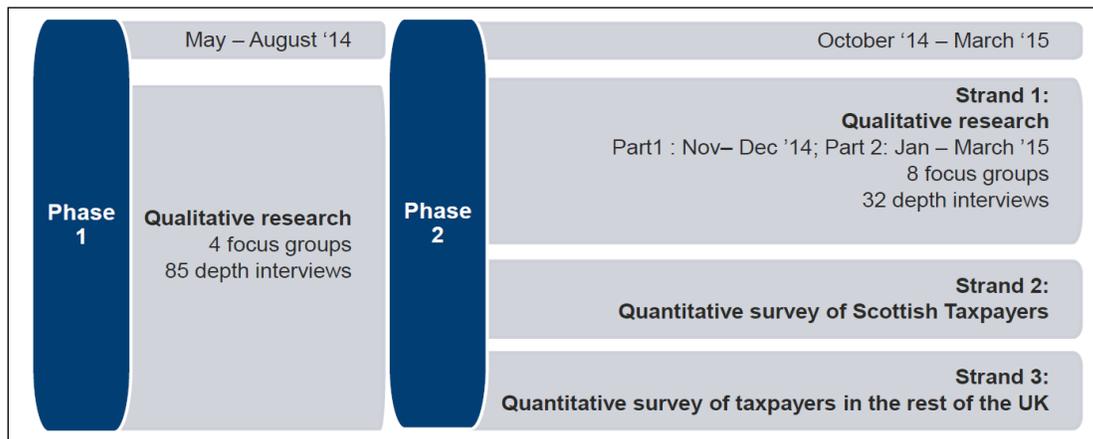
Further details of each phase are outlined below.

Who did the work (research agency)

Ipsos MORI, a market research agency, undertook both phases 1 and 2 of the research.

Method, Data and Tools used, Sample

Qualitative research was carried out in phase 1 and part of phase 2, while quantitative research was carried out in phase 2 only. For the purpose of this report, findings from the qualitative research from both phases are reported together. Below is an overview of the research methods used for both phases.



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PART 1: QUALITATIVE RESEARCH

Qualitative research spanned across phase 1, with further research carried out in phase 2 to build on findings from the first phase. In total, 12 focus groups and 116 depth interviews were conducted across a variety of audiences. A breakdown of the profile of the research sample is provided in the tables below.

Focus group participants	
Profile of participants	Number of participants
Self-assessment; higher/additional rate; 41+ years	9
PAYE; higher/additional rate; 18-40 years	11
Self-assessment (and PAYE); mix of tax rates; 41+ years	6
PAYE; basic rate; 18-40 years	8
People living and working in Scotland	
Cumbernauld: PAYE; higher/additional rate; 41+ years	8
Aviemore: Self-assessment; basic rate; 18-50 years	8
Edinburgh: PAYE and Self-assessment; higher/additional rate; 41+ years	7
Dundee: PAYE; basic rate; 18-40 years	10
Glasgow: Pensioners; 65+ years	8
People living/working on the border (spread of ages, tax brackets and heads of duty)	
Berwick-upon-Tweed: Participants living in England and working in Scotland	4
Kelso: Participants living in Scotland and working in England	7
Dumfries: Participants living in Scotland and working in England	10
TOTAL	96

Depth interview participants - Employers, pension providers and payroll agents	
Profile of participants	Number of participants
Employers based solely in Scotland	9
Employers which have businesses on the border	5
Employers that are national companies	6
Employers based in UK with little or no presence in Scotland	3
Pension providers – Scotland	2
Pension providers – rest of UK	3
Payroll agents	5
TOTAL	33

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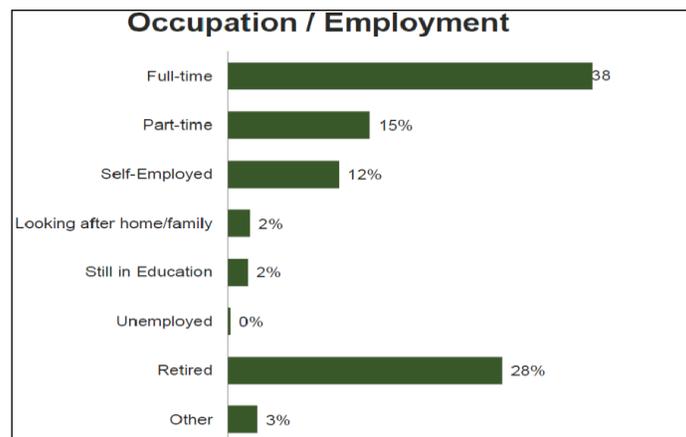
Depth interview participants – Individuals	
Profile of participants	Number of participants
Mobile workers	17
Pensioners	16
Non-digitally active	4
Needs-enhanced support	5
Armed Forces	7
Students	8
Offshore workers	3
Minority ethnic groups	8
Living / working on Border	8
Living in the rest of UK, working in Scotland	7
TOTAL	83

PART 2: QUANTITATIVE RESEARCH

The quantitative research comprised two surveys, the first with Scottish taxpayers, and the second with taxpayers in the rest of the UK.

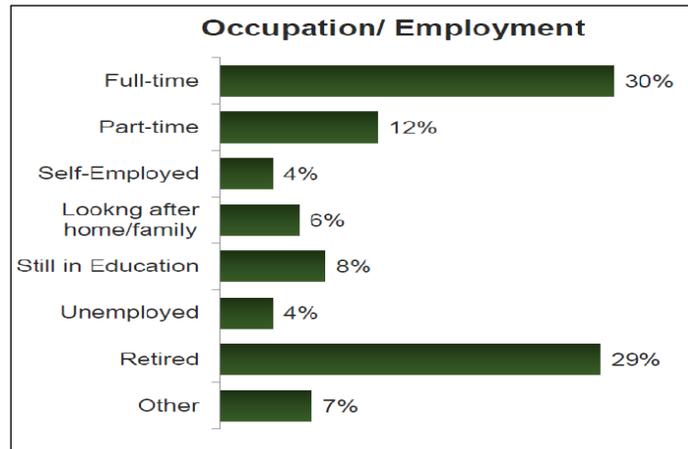
The first survey carried out with Scottish taxpayers was a random, pre-selected survey of 1,505 Scottish taxpayers sampled from HMRC records to ensure estimates of customer contact rates were as robust as possible. The representativeness of the sample was confirmed by checking the sample profile against comparable key estimates from the Scottish Household Survey.

The main focus of the survey was to test taxpayers' reactions to the notification letter. Heads of duty were sampled disproportionately to achieve around 500 interviews with each of PAYE, SA and PAYE/SA customers, allowing separate analysis of each. The occupation/employment status of respondents is shown below.



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The second survey was delivered through face-to-face interviews with a representative sample of 1,989 people living in England, Scotland and Wales. Throughout the report, rUK refers to the 1,770 survey participants who were resident in England or Wales at the time of the survey. The occupation/employment status of respondents is shown below.



Main Findings

PART 1: QUALITATIVE RESEARCH

The qualitative research was required to inform the development of the communications and stakeholder strategy for the Scottish Rate of Income Tax by providing insights and evidence on the likely information needs, behaviours and responses of customers when the Scottish Rate of Income Tax is introduced. The research also aimed to establish how best to communicate the introduction of the Scottish Rate of Income Tax to customers; testing clarity, content and timing of planned communications outputs linked to the introduction of the Scottish Rate of Income Tax.

Awareness and understanding

Participants were provided with a description of the Scottish Rate of Income Tax. During the initial stages of research, the description was clear for most participants, but there were some areas of confusion. This tended to be as a result of a lack of understanding of the current income tax system (i.e. "what does the '20p rate' relate to?"), therefore they were not clear on how the system was being changed. As a result, a revised description was used for the remainder of the research.

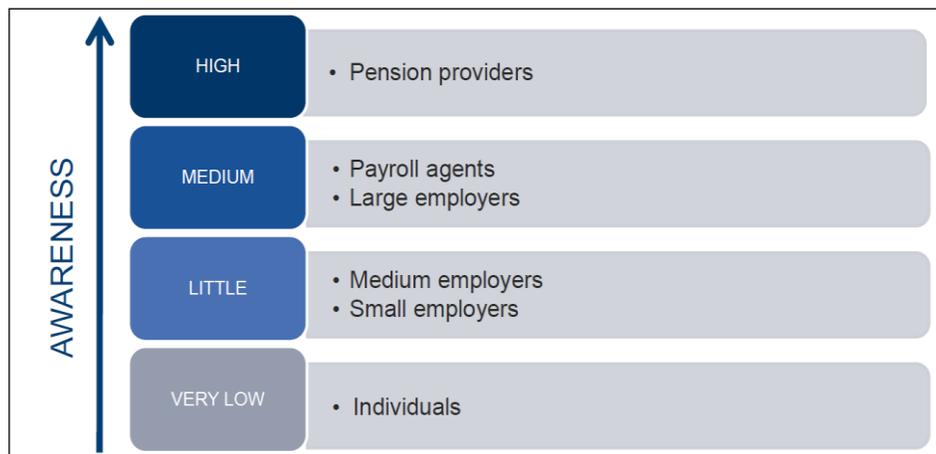
For the most part, participants felt they understood the revised description and few queries were raised. A few participants had some difficulty understanding the description fully, but understood it more clearly once they were also shown a set of tables outlining the current rates, the change in UK rates and the potential impact of the Scottish Rate. Overall,

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participants felt that the description used was an appropriate way of explaining the Scottish Rate of Income Tax, but that in certain cases it may also need a worked example showing the potential differences between the Scottish Rate of Income Tax and the current income tax rates.

Among individuals, awareness of the forthcoming change to the Scottish Rate of Income Tax was low. Only one of the 85 participants across the range of customer groups knew about it. It was common for participants to express surprise that they hadn't been aware that a major change to income tax was happening. Among employers and payroll agents, awareness was mixed. Larger organisations tended to be more aware than small and medium sized organisations, although in some cases their knowledge of the Scottish Rate of Income Tax was vague. Payroll agents, on the other hand, demonstrated detailed understanding of the Scottish Rate of Income Tax (with one exception). Similarly, pension providers had a high level of understanding of the Scottish Rate of Income Tax, with most already beginning to put measures in place to prepare their internal systems for the change.

The figure below summarises the varying levels of awareness of the Scottish Rate of Income Tax among each audience.



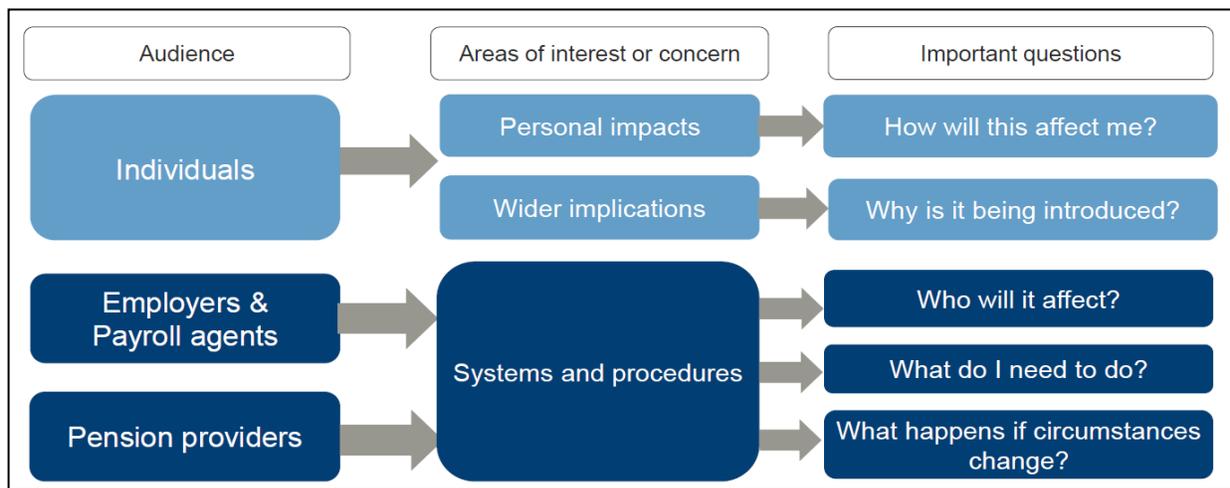
Key information needs

Respondents participated in a card sorting exercise which was the main focus of the depth interviews in Phase 1. Participants were given a set of cards, each with a question printed on it which represented something that an individual or organisation might need to know about the introduction of the Scottish Rate of Income Tax. On the back of each card was the answer to that question. Participants were asked to go through the cards and identify the questions that were most important to them personally. Following discussion of priority questions, all the cards were prioritised. Examples of the cards used are shown below.

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Card used with individuals		Card used with employers	
What do I need to do about the Scottish Rate of Income Tax?	You do not need to do anything, HMRC will contact you if their records show you are a UK taxpayer and your main place of residence is in Scotland.	How will this affect my employees?	Employees identified as Scottish Taxpayers will be subject to the Scottish Rate of Income Tax on their earnings and it may affect how much tax they pay.

When participating in the card sorting exercise, different audiences took different approaches to the types of information and questions that they considered to be most important. The figure below summarises the different areas of interest or concern for each audience, and the types of questions that were of importance within these areas.



Several individuals wanted to know whether they would be financially better off or worse off as a result of the Scottish Rate of Income Tax. This was the main reason for choosing questions such as ‘*how will the Scottish Rate of Income Tax affect me?*’, ‘*how will the Scottish rate affect tax on savings*’ and ‘*how will the Scottish rate affect tax on pensions?*’.

It was also common for individuals to be interested in the political context for, and the wider implications of, the Scottish Rate of Income Tax. Questions such as ‘*why is the Scottish Rate of Income Tax being introduced?*’ and ‘*how is the Scottish Rate of Income Tax calculated?*’ were chosen as people were keen to know the political background to the change and also wanted detailed information on the rationale for any change to the current rate.

In terms of differences by audience ‘*who will be a Scottish taxpayer?*’ was of particular interest for those living on one side of the border and working on the other, as well as by

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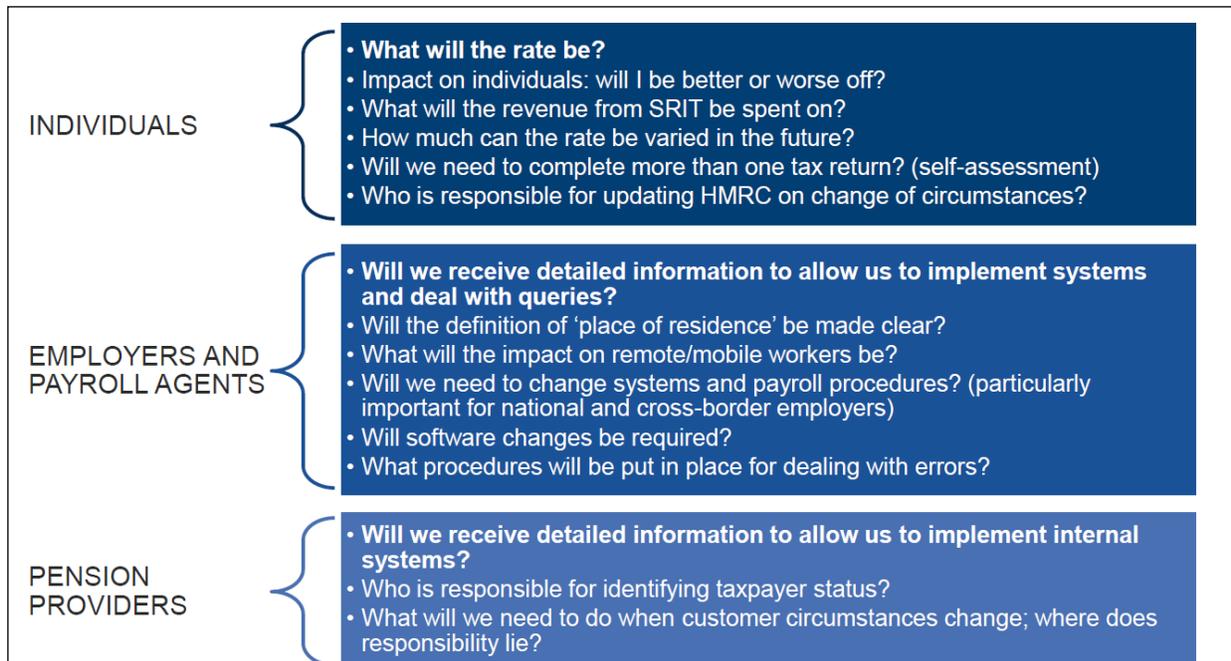
those who travel regularly between Scotland and the rest of the UK for work. However, once they read the answer to this question and grasped that the Scottish rate would be based on main residence rather than their work location, most participants very quickly understood whether or not the change was relevant to them.

Mobile workers who were residing in England and spent weekdays working in Scotland and living in hotels or guest houses still felt the Scottish Rate of Income Tax might affect them if their nights in Scotland were considered ‘resident’.

There were three main themes to the questions of importance from employers, payroll agents and pension providers.

- Who will it affect? Discussions about this theme focused on identification and residency. This was a particular issue for cross-border and national employers. This is reflected by the fact that *‘Who will be a Scottish taxpayer?’* was the most commonly selected card by employers and payroll agents.
- What do I need to do? This was exemplified by the selection of *‘How will the Scottish Rate of Income Tax affect employers?’* as one of the key questions. When discussed in more detail, employers/payroll agents’ concerns were about technical and compliance issues around the systems that need to be put in place to ensure the smooth implementation of the Scottish Rate of Income Tax.
- What happens if circumstances change? Due to the high level of awareness, the pension providers already knew most of the information the cards provided.

Further questions were raised by each audience. These are summarised below with the most commonly asked questions shown in bold.



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Communications

Among individuals, there were mixed views about when information regarding the Scottish Rate of Income Tax should be communicated to the public. While some participants felt that the communications should start now, others felt that sharing information should wait until the new rate has been decided. The common message, however, was that once the rate has been decided, information should be communicated to the public to allow people to plan any changes to their budgets if necessary.

Employers typically felt that they should receive information in advance of their employees, allowing them enough time to plan and implement any changes to their systems, including any updates to software that may be necessary. Payroll agents would like information earlier than the general public and employers, allowing them sufficient time to ensure payroll systems are up to date and to respond to any client queries about the change.

Among pension providers, the level of awareness and understanding of the Scottish Rate of Income Tax was already high, but they would like the additional technical details as soon as possible to allow time to plan developments to their internal systems. Like payroll agents, pension providers felt that they should receive information in advance of employers and the general public so that they can respond to any questions from their scheme members.

There was no single preferred method of communicating information about the Scottish Rate of Income Tax. Across each audience, several participants felt that a combination of communication methods should be used.

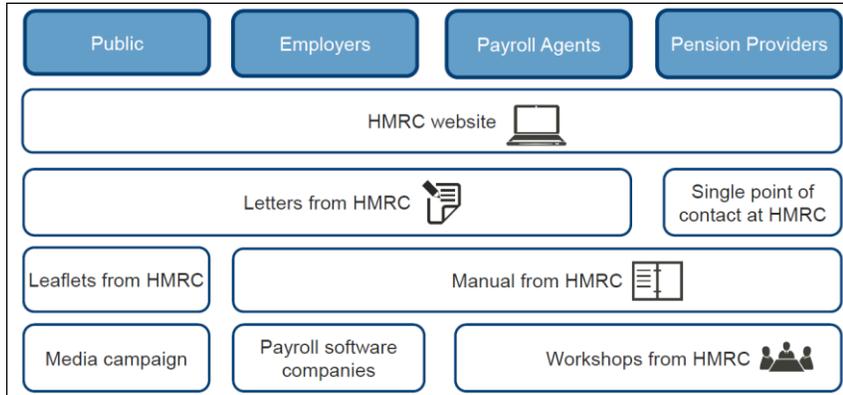
All audiences felt that information should be provided on the HMRC website. Participants felt that the website should provide basic/introductory information about the Scottish Rate of Income Tax, as well as more detailed information should people need to find it. The universal role of the HMRC website and earlier criticisms of it as authoritative but confusing suggests a need for information on the website to be carefully tailored to the needs of each type of customer.

Each audience also felt that correspondence from HMRC would be an effective way of communicating the change to the Scottish Rate of Income Tax. For individuals, letters or leaflets to households were considered an effective means of informing them about the change. Employers (particularly large organisations), payroll agents and pension providers tended to expect a comprehensive manual from HMRC explaining the implications of the Scottish Rate of Income Tax in detail.

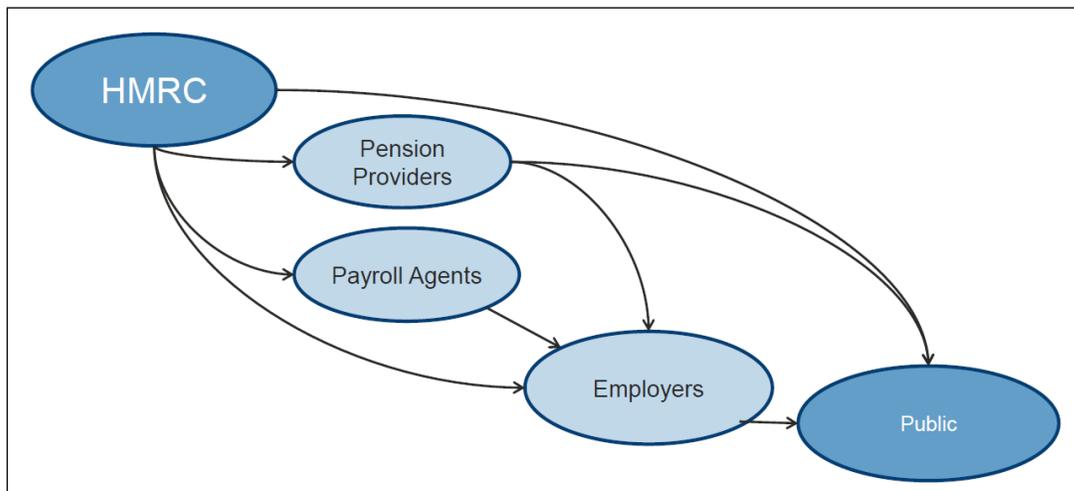
For payroll agents and pension providers, the preferred means of communication was direct contact with HMRC staff. Workshops were viewed as a particularly important means of receiving the detailed information that these audiences need, allowing issues to be discussed and questions answered. Pension providers also expected to have a single point of contact at HMRC to answer their queries.

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The figure below summarises the methods of communication that were identified by each audience. The preferred methods of communication are shown beneath the boxes for each audience.



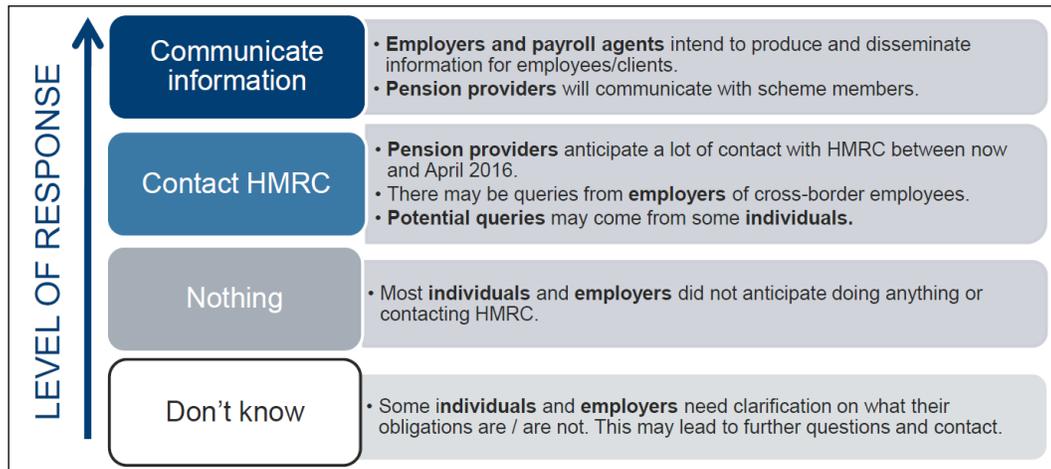
Rather than information flowing from HMRC to customers, participants spoke in ways that suggested a more complex 'web' of information provision (see figure below).



Key customers – agents, pension providers and employers – were both recipients and providers of information. They received and interpreted information from HMRC and disseminated information to their own customers, clients and employees. These customers have potential to act as useful agents on HMRC’s behalf, ensuring information reaches end users and mediating contacts that might otherwise be directed at HMRC.

Response and Impact

Participants were asked what they would need to do when the Scottish Rate of Income Tax is introduced and whether or not they felt they would need to contact HMRC. The figure below demonstrates the different levels of response anticipated from each audience.

 Scottish Rate of Income Tax


Most individuals thought that they would not have to do anything about the Scottish Rate of Income Tax and did not anticipate having to contact HMRC about the Scottish Rate of Income Tax. But some PAYE taxpayers were uncertain of this and felt that they needed confirmation of their obligations, even if this was to confirm that they would not need to do anything.

Overall, no significant impact was expected on where people live or work, although some felt that they would not know how it would affect them until the rate is announced. It was felt that there could be an impact on *mobile workers, those living / working on the borders, and those living in rUK and working in Scotland* if the rate is substantially higher or lower than the rest of the UK. Feedback from individuals suggests that decisions on where people live and work may be influenced by how any increase in the rate is explained, particularly if higher taxation funds improved public services.

Most employers thought there was very little they needed to do in relation to the Scottish Rate of Income Tax, or that it would at least be straightforward. Others thought they would need more information, particularly in relation to how software and payroll systems may need to be updated. Most employers and payroll agents felt they would need to produce information about the Scottish Rate of Income Tax for their employees and clients, although some felt that this was the responsibility of HMRC.

Employers and payroll agents do not anticipate contacting HMRC with the exception of those with staff frequently crossing the border. However, some are reserving judgement on the level of contact they will have with HMRC until more information about the Scottish Rate of Income Tax is released. Employers also identified the possibility of increased time and cost required to update payroll functions, and to correct any errors in tax paid if they were notified by HMRC of a change to an individual's taxpayer status (i.e. from Scottish to rUK or vice versa).

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Pension providers seemed well informed about what they will need to do as a result of the introduction of the Scottish Rate of Income Tax, but said they need more detailed information to make changes to their systems. Pension providers are used to changes in regulations and the role HMRC plays in these types of situations. In terms of the impact of the Scottish Rate of Income Tax, they were fully focused on the practical implementation rather than the political implications.

Pension providers anticipated having a lot of contact with HMRC between now and April 2016 to iron out the details. They were confident that their systems will be able to cope with the change once developed but they anticipated problems from potential errors in the initial classification of people as Scottish taxpayers and from changes in residential status.

Testing the Scottish Rate of Income Tax communication outputs

Draft notification letter

Three versions of a draft notification letter were designed to inform Scottish taxpayers about the introduction of the Scottish Rate of Income Tax. Each version was tested at different stages of the research for clarity and content; amendments were made following feedback and the revised letters were re-tested.

Participants received the draft notification letter (and, where applicable, the Scottish Rate of Income Tax factsheet) in a brown, HMRC-branded envelope and were asked for their immediate reaction. All participants stated that they would open and read the letter. They felt that the brown envelope and HMRC logo made it look important, so they would not ignore it, but they would assume that it did not contain good news. If the letter had been addressed to the wrong person, it was most common for participants to say they would score out the name and return the letter to HMRC.

Overall reactions to version 1 of the notification letter were that it was clear and easy to understand. However, the discussions raised a number of questions that indicated that not all information in the letter had been understood. Based on feedback on version 1 of the draft notification letter, the following amendments were suggested:

- Provide some more explanation on why the change is happening
- Reword the terminology around tax thresholds, making it clear that they exclude the personal tax allowance
- Emphasise that the Scottish Rate of Income Tax may be a different rate to the rest of the UK
- Reword the residency definition to make it clear which of the criteria takes precedence (e.g. being a UK taxpayer, having an address in Scotland, family home, or length of time spent in Scotland)

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In response to these suggestions, a second version of the draft notification was prepared. This was only tested with a small number of participants, so feedback was limited. Following the additional feedback, a third version was produced and tested with a larger number of respondents. The overall objective of this experience was to identify whether the revised letter was clearer and more relevant to participants. As the scores below show, version 3 of the notification letter scored higher than version 1, both in terms of clarity and relevance.



For those who would look for information online, the preference was for a single URL to be provided on the letter, rather than both the HMRC and Scottish Government URLs, and for the website provided to lead directly to specific content related to the Scottish Rate of Income Tax, rather than a generic homepage.

It was rare for participants to say that they would contact HMRC as a result of reading the letter. Among the few that would contact HMRC for more information, they would prefer to do so by phone. The frequency of references to websites and the lack of a contact phone number on the letter was noted, particularly by the non-digitally active participants, including NES customers and pensioners, but also by others expressing some concern on behalf of people with no internet access.

Among participants with no internet access, there were those who did not necessarily think that they *would* phone, but would appreciate having a phone number as the references to online materials which they were unable to access made them feel that there was important information that they were missing out on. NES customers, in particular, may have had problems with HMRC in the past which made them more anxious about the possibility of missing important information.

The most popular times for receiving the letter were November 2015 (as soon as possible after the draft budget is announced) and January (after Christmas but still a few months in advance). Sending the letter before the rates are announced was generally considered “pointless”, as participants felt the rate would be the most important information to communicate.

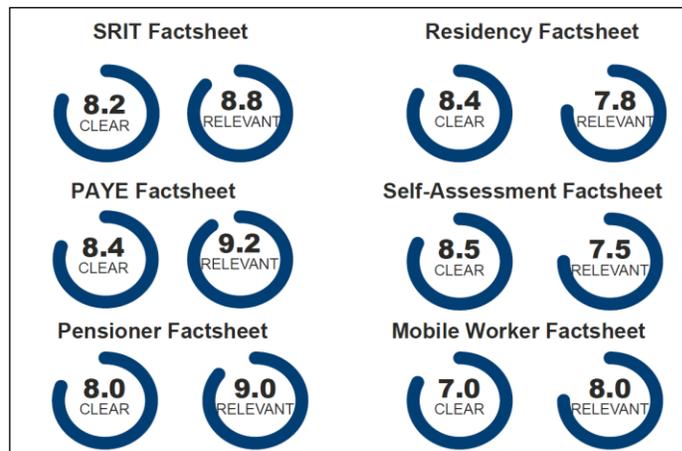
Members of the armed forces would expect to receive a notification letter. However, they felt that this would be usefully supplemented with other means of communication specific to the armed forces. This was partly because of problems with the receipt of mail, which arise as a

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result of room moves, but also reflects the ways in which they are used to receiving information relating to financial matters. They tend to rely on armed forces welfare officers and payroll clerks for any information on changes to taxes or pensions and felt that ensuring that these staff are fully aware of the implications of the Scottish Rate of Income Tax was vital.

Factsheets

In addition to the notification letter, several factsheets tailored to particular audiences and their specific needs were designed to provide further information about the Scottish Rate of Income Tax. Participants were asked to score each of the factsheets in terms of their clarity and relevance and overall these were scored highly in terms of both clarity and relevance across the two stages.



There was a consensus that the factsheets were a useful addition to the notification letter, if at times a bit repetitious, in helping to increase participants' overall understanding of the Scottish Rate of Income Tax. For some participants, the layout of the factsheets was more appealing than that of the letter. They liked the way in which information was segregated into boxes and commented that the information was more concise. On the other hand, there were those who preferred the more traditional layout of the letter.

In terms of access to the factsheets, suggestions included: on HMRC's website or the Scottish Government website; distributed by employers; public places such as libraries, post offices and Citizens' Advice Bureaux. There were some concerns about accessing the factsheets if they were only available online. For such customers, ensuring the factsheets were available in publically accessible places such as libraries and post offices was important. The prevailing view was that the factsheets should be made available at the same time as the letter once the Scottish Rate of Income Tax rate has been set.

Scottish Rate of Income Tax**Scenarios**

Four sets of scenarios were tested across the focus groups and depth interviews. There was consensus that the scenarios were clear but that they did not add anything more than was already contained in the letter or the factsheets, nor did they aid understanding of the issues. The main criticism was that participants tended to struggle to identify someone in the scenarios whose circumstances were similar enough to their own to make them relevant. There was a high degree of clarity and lower degree of relevance assigned to the scenarios, as shown below.

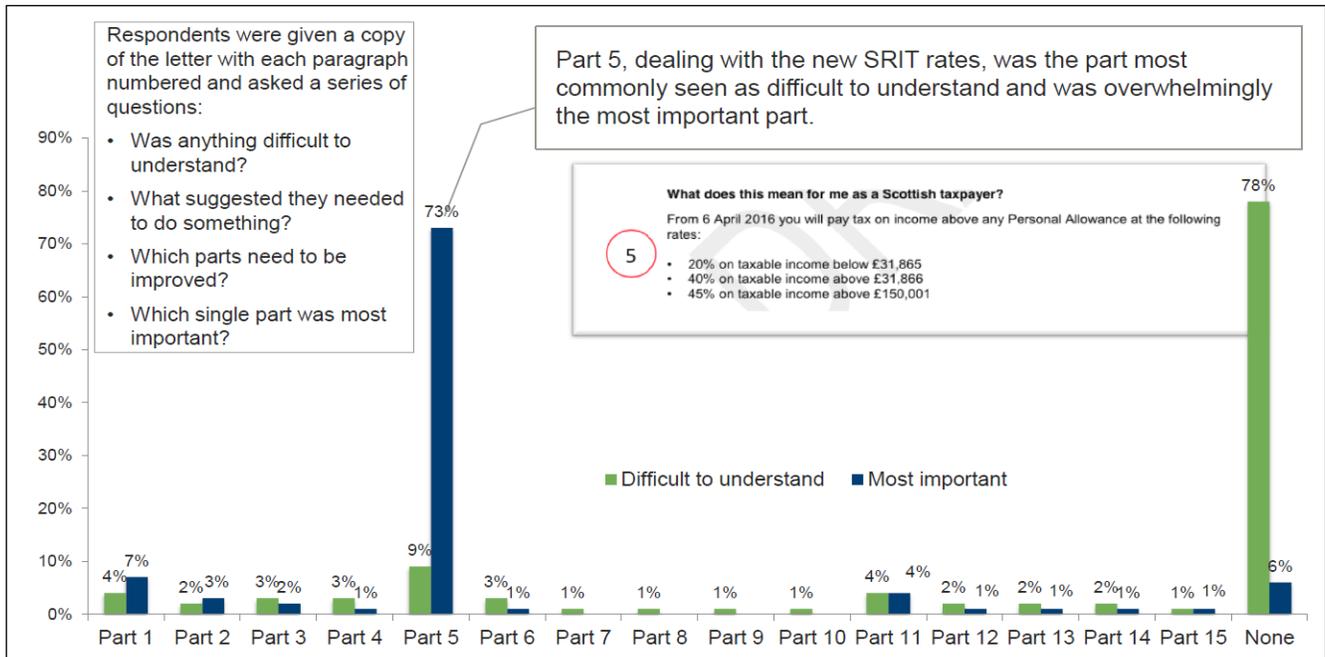
**PART 2: QUANTITATIVE RESEARCH****Survey of Scottish taxpayers**

Feedback on the look of the notification letter was mainly positive. The importance of the letter was clear to most respondents and this was reflected in the actions they would take when receiving the letter. Almost nine in ten (88%) respondents agreed that the notification letter and envelope looked important and 83% agreed that it stood out from other mail. Three quarters of people agreed that they would open the notification letter first when they received it while only 17% of respondents agreed that they would put it aside to open later.

Like responses to the envelope, feedback on the content of the notification letter was also mainly positive. More than nine in ten taxpayers (91%) agreed that the notification letter informed them who was a Scottish taxpayer and 87% felt that it was easy to understand. Slightly lower proportions agreed that the notification letter gave them all the information they needed (74%) and that it tells them what they need to do once the Scottish Rate of Income Tax is introduced (77%). Around four in five taxpayers (82%) agreed that the letter tells them what the Scottish Rate of Income Tax will cost them.

The figure below shows one stand out element of the notification letter; participants felt that understanding the new rates would be challenging but that this was the most important part of the letter.

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After reading the letter, almost four in ten taxpayers said they would need more information or clarification about the Scottish Rate. What it will cost and who is eligible for the Scottish Rate of Income Tax stand out as key topics for further information.

The issues about which people would need more information very much reflect the findings of the qualitative research about this version of the letter:

- The financial impact of the Scottish Rate of Income Tax – whether it will lead to higher or lower rates is a key issue mentioned directly by 31% of those needing more information. It is also likely to be a key element of “how it will affect me”, mentioned by over half.
- The question of “if it applies to me” is likely to encompass two issues identified in the qualitative research: whether someone is a Scottish taxpayer and whether, given their income, they would be liable for tax under the Scottish Rate of Income Tax. This latter point applied particularly to low income participants.

Taxpayers were more likely to want more information or clarification about how the Scottish Rate of Income Tax will impact them if the tax rates are set higher than the rUK rate. If the rates are higher, three in five (58%) would want more information. This compares to the two in five taxpayers (40%) who said they would want more information or clarification if the rate was set lower than the rUK rate.

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Most taxpayers who will seek some further contact after hearing about the Scottish Rate of Income Tax would do so online.

The context for the telephone estimates is critical; the raw survey estimate was likely to overstate the motivation to contact HMRC by phone and most potential callers (70%) have internet access. Therefore, evidence-based reductions were applied to the survey estimates. Assumptions about motivations to call and alternative information sources (Online/ Gov.uk website) suggests a telephone contact rate of 1.2%, although to achieve this there is a need to focus on those most likely to contact and increase the attractiveness of online information. Weighted contact rates are shown below.

	Rates same		Rates higher		Rates lower	
	%	Number	%	Number	%	Number
Phone	1.2%	32,300	1.8%	48,300	1.1%	29,500
Email	0.2%	4,800	1.2%	31,200	0.9%	23,900
Write	0.2%	5,300	0.6%	15,700	0.5%	11,900

The survey shows a strong preference to receive the letter either before September 2015 (20%) or in January 2016 (24%). It is unlikely that information will be distributed before the Scottish Government sets the rate. Therefore, assuming that people who gave earlier dates will want information as soon as possible, this gives a clear preference to providing information in December 2015.

Interviews were carried out with 85% of the named contacts supplied by HMRC; in the remaining cases, the survey respondent was selected from existing household members. The survey measure of those at their current address for less than 18 months showed that 79% moved to that address from within Scotland, 8% from the rest of the UK and 13% from outside the UK. This is broadly consistent with 2011 Census data on migration. Half of respondents who were not named contacts who had moved within the last 18 months had informed HMRC of their change of address. Almost all had moved since the sample of PAYE customers was extracted in April 2014. Of those who hadn't, 70% were having their mail redirected so would still receive HMRC letters.

Survey with rUK taxpayers

A *newspaper article* of the type that may appear in the press regarding the Scottish Rate of Income Tax was tested with people living in England, Scotland and Wales to understand how they might react to the Scottish Rate of Income Tax.

After reading the article, around one in ten participants (11%) agreed that it was relevant to them and 69% felt that it was not. A fifth of participants were, however, unclear whether or

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not the article was relevant to them (17% 'neither agree nor disagree' and 3% 'don't know'). This suggests that the information provided was not sufficient for this group to determine its relevance.

The findings were similar when participants were asked about the article's relevance to another household member: 10% of people agreed that the article was relevant to another household member, 69% disagreed, 18% neither agreed nor disagreed and 3% did not know. 7% of participants agreed that the article prompted them to do something, while 71% disagreed. Again, around one in five were less sure - 19% neither agreed nor disagreed that the article had prompted them to do something and 3% did not know.

After reading the article, just over three quarters (77%) of participants living in the rest of the UK did not think that they were a 'Scottish taxpayer'. Two thirds (66%) answered that they were 'definitely not' a Scottish taxpayer. 7% thought the definition of a 'Scottish taxpayer' did apply to them, while 16% were unsure. Again, this suggests that the information provided was not sufficient to allow them to make this decision.

The highest proportion of those who thought the definition of a Scottish taxpayer applied to them were located in London. 14% of participants in London thought the definition of a Scottish taxpayer may apply to them – a significantly greater proportion than in Yorkshire (1%) and the North West (1%). The highest proportion of people who were 'not sure' if they were a Scottish taxpayer were located in London (37%), Wales (30%) and the East Midlands (28%). This suggests that people who live in the North of England, close to the Scottish border, are not the most likely to feel that they will be affected by this change or be unsure as to whether they will be.

Participants' main reasons for contacting HMRC about the Scottish Rate of Income Tax were to understand 'how it will affect me' (30%) and 'if it applies to me' (29%). This suggests that the information in the article was not adequate on these points. Clearer information would mean that confusion, and the need for taxpayers to contact HMRC, may be avoided.

When asked how likely or unlikely they would be to contact HMRC about the Scottish Rate of Income Tax having seen the newspaper article, responses differed based on whether the new rate would be the same, higher or lower than the rUK rate, as shown below.

Scottish Rate of Income Tax

