



Ministry of Defence

Ministry of Defence
Main Building
Whitehall
London
SW1A 2HB

Our Reference: FOI2018/03735

Email: [REDACTED]

16 March 2018

Dear [REDACTED]

Thank you for your email dated 12 March 2018 to the Ministry of Defence (MOD) in which you requested the following information:

1. Do UK military personnel pay tax at the rate of the country in which they are stationed?
2. In the case of Scotland, would only personnel who had previously been employed and resident in Scotland be liable for Scottish rate tax? - to rephrase that, 'who would be liable for Scottish tax?'
3. The figures quoted in the article from the Defence Secretary mean that over 70% of personnel stationed in Scotland hold the rank of Staff Sergeant or above? Can you confirm this? (I ask because it seems rather unlikely?)
4. Without revealing too much- can you confirm the rank at which salary exceeds £43,000.00.

I am treating your correspondence as a request for information under the Freedom of Information Act 2000 (FOI Act). I can advise that following a search of our records, I have established that the MOD does hold information within the scope of your request.

I can confirm that in answer to Questions 1 and 2 the MOD holds information within the scope of your request. This information is exempt under Section 21 of the FOI Act, because it is reasonably accessible to you by other means. It is already in the public domain at the following link:

<https://www.gov.uk/guidance/work-out-if-youll-pay-the-scottish-rate-of-income-tax> In brief, Scottish taxpayer status is determined on where the taxpayer lives and not where they work.

In answer to Question 3, the claim that 70% of Service personnel who are Scottish taxpayers will pay more tax in Tax Year 2018/19 is based on an estimate which assesses all taxable earnings and not just salary (e.g. includes allowances and other payments). Given the nature of these additional remunerative elements, many of which are activity-driven, there can be no direct correlation between rank and total

taxable earnings. It is therefore not the case that this 70% only represents Staff Sergeants and above.

Finally, in answer to Question 4, the information requested is also exempt under Section 21 of the Freedom of Information Act (FOIA), because it is reasonably accessible to you by other means. It is already in the public domain at the following link:

<https://www.gov.uk/government/publications/armed-forces-pay-review-body-fortysixth-report-2017>.

Section 16 of the FOIA sets out the duty on public authorities to provide advice and assistance, as far as is reasonable to expect the public authority to do so, to anyone who is considering, or has made, a request for information to it.

For Tax Year 2018/19, all Scottish taxpayers with taxable earnings of more than £26,000 will pay more tax on the same taxable earnings compared to a taxpayer with the same earnings taxed elsewhere in the UK. For Tax Year 2017/18 the threshold for paying more tax in Scotland is £43,000.

The MOD has published a News Story on the Government website regarding this subject which be of assistance to your enquiry. This is available at:

<https://www.gov.uk/government/news/defence-secretary-reviews-tax-on-armedforces-in-scotland>

If you have any queries regarding the content of this letter, please contact this office in the first instance.

If you wish to complain about the handling of your request, or the content of this response, you can request an independent internal review by contacting the Information Rights Compliance team, Ground Floor, MOD Main Building, Whitehall, SW1A 2HB (e-mail CIO-FOI-IR@mod.gov.uk). Please note that any request for an internal review should be made within 40 working days of the date of this response.

If you remain dissatisfied following an internal review, you may raise your complaint directly to the Information Commissioner under the provisions of Section 50 of the Freedom of Information Act. Please note that the Information Commissioner will not normally investigate your case until the MOD internal review process has been completed. The Information Commissioner can be contacted at: Information Commissioner's Office, Wycliffe House, Water Lane, Wilmslow, Cheshire, SK9 5AF. Further details of the role and powers of the Information Commissioner can be found on the Commissioner's website at <https://ico.org.uk/>.

Yours sincerely,

(Original Signed)
Defence People Secretariat