



Ministry
of Defence

Defence Business Services
Secretariat
Room 6303
Tomlinson House
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Thornton-Cleveleys
FY5 3WP

Ref: FOI2022/11065

Email: DBSRES-Secretariat@mod.uk

[REDACTED]

24 October 2022

Dear [REDACTED]

Thank you for your email of 24 September 2022 to the Ministry of Defence (MOD) requesting the following information:

- “1. How many armed personnel have been transferred from England to Scotland in 2018, 2019, 2020, 2021, 2022?”*
- 2. Do they receive a tax bounty every April to offset income tax differences in Scotland and if so, how much do they get/how is the bounty decided?*
- 3. How much money has the MoD spent on these tax bounties in 2018, 2019, 2020, 2021, 2022?*
- 4. Is there plans to increase the amount following mini budget announcement?”*

I am treating your correspondence as a request for information under the Freedom of Information Act 2000 (FOIA).

A search for the information has now been completed within the Ministry of Defence and I can confirm that some information in scope of your request is held.

In answer to Q1, the table below shows the number of UK Regulars who have been transferred from England to Scotland, by calendar year.

Calendar Year	Personnel Transferred
2018	3520
2019	3530
2020	3190
2021	3530
2022 (to September)	2810

Please note that figures are based on service personnel's stationed location, and not their location of residence. Figures are rounded to the nearest 10, numbers ending in 5 have been rounded to the nearest multiple of 20 to prevent systematic bias.

Information in answer to Q2 and Q4 of your request falls entirely within the scope of an absolute exemption under Section 21 (Information reasonably accessible by other means) of the FOIA. Section 21(1) has been applied, as the information already exists in the public domain and therefore, reasonably accessible to you at the link provided under Section 16 below. Section 21 is an absolute exemption and as such, there is no requirement to consider the public interest in making a decision to withhold the information.

In answer to Q3, the table below shows the total costed value of tax mitigation payments by calendar year. The information below was extracted from the Joint Personnel Administration (JPA) system on 18 October 2022.

Calendar Year	Total Costed Value of Tax Mitigation Payments	Count of UK Regulars in receipt of Tax Mitigation Payments
2018		
2019	£4.08M	7040
2020	£6.45M	6950
2021	£7.10M	7150
2022 (to September)	£7.21M	7160

Please note the Tax Mitigation Payments were not implemented until 2019.

Figures are rounded to the nearest 10, numbers ending in 5 have been rounded to the nearest multiple of 20 to prevent systematic bias.

Under Section 16 (Advice and Guidance), information in answer to Q2 and Q4 of your request was provided within the last public announcement made regarding Scottish Income Tax on 9 July 2020. This announcement is available on the Gov.UK website at <https://www.gov.uk/government/news/permanent-protection-from-higher-tax-for-military-personnel-in-scotland>.

The announcement explains that Scottish income tax mitigation payments are made as “a single payment made retrospectively in June”, not April. The size of the payment is determined by the difference in tax experienced, “payable to all regular personnel who pay Scottish Income Tax, regardless of where in the world they are serving. Mitigation of between £12 and £2,200 will be paid, with payments grossed up to take account of income tax and national insurance applied when they are made.”

Regarding tax year 2023/24, “by guaranteeing a permanent Scottish Income Tax Mitigation, the Ministry of Defence (MOD) is providing ongoing certainty to our armed forces. The minimum amount of mitigation that will be paid will remain at £12 and the maximum cap will be reviewed annually following the Scottish Government’s announcement on tax rates and thresholds.”

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,

A solid black rectangular box used to redact the signature of the sender.

Defence Business Services (Secretariat)