



Dear Chancellor,

We, the undersigned, are writing to urge you to introduce a new, internationally competitive, tax-free shopping scheme for international visitors at the Spring Budget.

As the collective voices of Scotland's business communities, operating across retail, tourism, manufacturing, hospitality, culture, and real estate, we collectively employ huge swathes of the public and contribute significantly to the Scottish and UK economy. The removal of tax-free shopping has had a negative impact on business revenue in Scotland, and for some, forced us to downsize operations, take steps to reduce our UK footprint and mitigate the impact across supply chains.

Tourism is a vital part of the Scottish economy, and we were encouraged by your comments on making the British tourism and retail industry competitive at the Autumn Statement, and welcome your decision to review the economic impact of the removal of tax-free shopping. Research by the Association for International Retail shows that British shops are losing £1.5 billion per year as non-EU international visitors choose instead to spend in France, Italy, and Spain where tax-free shopping schemes are in place.

Businesses across Scotland would greatly welcome a decision to introduce a new internationally competitive scheme. From manufacturers and retailers to businesses and hospitality venues, in towns and cities across Scotland, to both big and small businesses - we would all benefit from a boost in visitor numbers and spend increase to match those we have seen in nations we compete with on the world stage.

The Government seeks to position the UK as a global leader, secure its economic recovery, and boost the local economies up and down the country. We urge you to introduce a new, internationally competitive tax-free shopping incentive for all overseas visitors at the next fiscal event, a scheme that works for the Exchequer and the economy.

Yours sincerely,

Dr Liz Cameron CBE, Chief Executive, Scottish Chambers of Commerce  
Andrew McRae, Scotland Policy Chair, Federation of Small Businesses (FSB)  
David Lonsdale, Director, Scottish Retail Consortium

Liz McAreavey, Chief Executive, Edinburgh Chamber of Commerce  
Colin Marr, Chief Executive, Inverness Chamber of Commerce  
Marc Crothall MBE, Chief Executive, Scottish Tourism Alliance  
Roddy Smith, Chief Executive, Essential Edinburgh  
Kyron Keogh, Chair, Glasgow City Centre Retail Association  
Adrian Watson, Chief Executive, Aberdeen Inspired BID  
Russell Borthwick, Chief Executive, Aberdeen and Grampian Chamber of Commerce  
Mike Stuart, Inverurie Whisky Shop & Foghouse Gin  
Ron Duncan, C R Developments Ltd  
Richard Cumming, Sirology, Elgin  
Jamie Stewart, Juniper, Aberdeen  
Peter Crome, The Carnegie Club at Skibo Castle  
Neil Hampton, Royal Dornoch Golf Club  
John & Nicola Sugden, Campbell's of Beaully  
Andy Johnstone, The Jail, Dornoch  
William Crawford, The Old School, Beaully