

HMRC's errors on Scottish tax revenues suit Westminster

Published: January 12, 2026, 8:40 pm

As [The Times](#) reports this morning:

Taxpayers in Wales face having extra money taken out of their wages after being incorrectly labelled as Scottish.

And as it adds:

This year The Times revealed that about [30,000 Scottish taxpayers](#), including 45 MSPs, had been labelled as living in England.

If evidence was required that HMRC is not taking the issue of devolved taxation seriously, this supports that view.

And despite this and other obvious problems many people still claim Scotland has accurate records that show it is short of revenue and runs a trade deficit. I stress, it may run a trade deficit. But I would add that the data to prove that does not exist as there is no reliable record of intra-UK trade. And as for Scottish revenue accounting, as I have long argued, that is at best described as a vague approximation to the truth.

There are many things HMRC should be doing better. This is very definitely one of them. But on this occasion the errors suit Westminster. Don't expect any change any time soon.