Scottish Land Commission
Coimisean Fearainn na h-Alba

alma economics

Understanding the impact of re-introducing rates for shooting and deer forests

Fiscal and economic effects following removal of the exemption under the Land Reform (Scotland) Act 2016

REPORT

August 2026

Contents

This report should be cited as:

Alma Economics (2026) Understanding the impact of re-introducing rates for shooting and deer forests. Scottish Land Commission.

For further information on this project contact:

Kathie Pollard
Scottish Land Commission,
An Lòchran,
10 Inverness Campus,
Inverness,
IV2 5NA

Tel: 01463 423 300

1 Executive summary

Part 6 of the Land Reform (Scotland) Act 2016 ended the exemption from rating for shootings and deer forests, bringing these activities onto the valuation roll from April 2017, and aligning their treatment with other rateable non-domestic properties.

As of February 2026, there are 11,280 shooting-related entries on the valuation roll covering deer forests and shooting rights. The valuation base for shooting and deer forests is heavily concentrated at the lower end of the rateable value distribution. Of all entries, 99.4% have an annual rateable value below £12,000 and would typically qualify for 100% relief under the Small Business Bonus Scheme (SBBS), if held as single properties.

Only 63 properties have a rateable value above £12,000, and just 13 exceed £20,000. A small number of multiple-property owners exceed the £35,000 cumulative threshold for SBBS relief eligibility. The effective tax base is therefore narrow. Before factoring in reliefs, the total rateable value of shooting properties was approximately £13.5 million in 2024-25. Applying the poundage rates implies a potential gross business rates liability of around £6.7 million per annum across these properties.

The latest statistics for 2025 indicate that approximately £4.5 million of reliefs, which include the Small Business Bonus Scheme as well as other reliefs, were awarded to shooting properties, implying net revenue of around £2.2 million from sporting rates.

In context, total non-domestic rates income in Scotland was approximately £3.1 billion in 2024–25. Revenue from shooting properties, therefore, represents less than 0.1% of overall receipts.

Given the relatively small fiscal scale, material sector-wide economic effects – for example, on overall employment, tourism, or aggregate output – are unlikely to have been significant. However, stakeholders reported practical impacts. These included the complexity of valuing sporting rights, administrative effort for both assessors and estates, compliance costs, and cash flow pressures. In particular, rates are paid first, with relief applied later, which can create short-term financial strain.

Definitive conclusions regarding business viability, employment, tourism, or environmental management would require further research and are currently constrained by data limitations. Another important consideration for future research is to examine the trade-off between administrative effort and revenue yield.

2 Methodology

The Scottish Land Commission commissioned Alma Economics to assess the impact of reintroducing non-domestic rates for shootings and deer forests. The study examines the economic effects of bringing these activities onto the valuation roll and the extent to which the policy has brought activity into scope and generated revenue.

This review is retrospective in nature. It does not assess the prospective removal of eligibility for the Small Business Bonus Scheme (SBBS) for shootings and deer forests (with exclusions) from 2026–27.

The study combined a desk-based review with targeted stakeholder engagement.

The desk-based element comprised a rapid review of relevant policy documentation, literature, and existing evidence. This included examination of the policy rationale and historical context for removing the exemption, detailed analysis of valuation roll data from the Scottish Assessors Association, and identification of key data and evidence gaps mapped against the research questions.

A key limitation of the study is the structure of available administrative data. The valuation roll records rateable value and proprietor or occupier details, but does not include information on economic activity, profitability, employment, environmental management, or ownership status. Time-series data on revenue specific to shooting properties are not published. In addition, there is no comprehensive baseline dataset describing the number or characteristics of shooting estates prior to their inclusion on the valuation roll in 2017, limiting the ability to assess structural or behavioural changes over time.

Desk-based analysis was complemented by stakeholder engagement, including interviews and focus groups with sector representatives. Participants included an estate manager, a deer management representative, a land manager and sporting tenant, and a representative from the Scottish Government's non-domestic rates team. This engagement provided insight to support the interpretation of the quantitative findings and to address identified evidence gaps.

3 Policy context

3.1 Background

Part 6 of the **Land Reform (Scotland) Act 2016** ended the exemption from rating for shootings and deer forests, bringing these activities into line with other rateable non-domestic properties. The legislation provided for the valuation of shooting rights and deer forests by local assessors and their inclusion on the valuation roll, with effect from April 2017. Revaluations have since taken place in 2023 and 2026, with the latter not in scope of this report.

The policy rationale for reintroducing rating for shootings and deer forests was to align these properties with other rateable non-domestic properties, thereby promoting fairness within the tax system and contributing to public revenues.

The wider economic context provides relevant background. **A review** of the socio-economic impacts of grouse moor management notes that the evidence base remains relatively narrow and is often drawn from commissioned or industry-collated sources, which may be subject to self-selection or self-reporting bias. Nonetheless, available studies indicate that grouse shooting and associated land management can play a role in some remote and fragile local economies. The **Fraser of Allander Institute** (2010) estimated that approximately 1,070 full-time equivalent (FTE) jobs were directly reliant on the grouse moor sector in 2009, with £14.5 million spent on wages and a total Gross Value Added contribution of £23 million, equivalent to around 0.02% of the Scottish economy.

Similarly, deer management has been identified as economically significant in parts of the Highlands and other rural areas. Burns and Westbrook (2000) estimate that at least 850 FTE jobs are directly associated with deer management in Scotland. **Prentice in 2006** suggested that deer management was worth approximately £105 million annually to the Scottish economy, including both direct activity (such as stalking and venison production) and indirect effects through wildlife-related tourism.

However, much of this evidence predates the reintroduction of sporting rates. As noted in the **2014 Economic Contribution of Estates report**, a comprehensive understanding of the regional and national economic contribution of privately owned estates, including sporting activities, would require systematic data collection.

Stakeholder engagement conducted for this study reinforced the view that deer management supports employment, tourism, and local communities in some rural areas. However, participants also emphasised that margins can be tight.

3.2 Consultation

Prior to the legislation, the Scottish Government consulted in 2014 on proposals for further land reform, including the removal of the exemption from non-domestic rates for shootings and deer stalking.

Analysis of the **consultation responses** indicated that 71% of respondents supported the removal of the exemption, although nearly all private landowning organisations that responded opposed it. Supporters of reform emphasised fairness and parity with other businesses, the potential to generate additional public revenue, and the removal of what was perceived as an implicit subsidy. Some respondents also suggested that bringing shootings into the rating system could encourage greater land diversification, reduce overstocking of deer or grouse, and deliver wider environmental benefits.

Opponents expressed concern about possible impacts on rural employment, tourism, and estate viability, including the risk that some estates could become financially unsustainable. It was suggested that reduced income might lead to lower levels of land management, potentially contributing to an increase in wild deer populations.

Respondents also highlighted the technical complexity of valuing sporting rights, the administrative burden of maintaining accurate and up-to-date valuations, and the challenge of designing a system that clearly distinguishes between commercial sporting activity and land management.

Questions were also raised as to whether any short-term economic disruption might be offset by longer-term diversification in land use. These themes provide an important context and framework for assessing subsequent outcomes.

4 Valuation roll and tax

4.1 Entries and overall rateable value

Using the **valuation roll**, it is possible to examine the scale of the tax base created by the removal of the exemption. The analysis below includes all entries listed on the valuation roll for non-domestic rates with a core description of shooting. The data was downloaded on the 2nd of February 2026 and reflects the most recent completed revaluation cycle of April 2023.

As of 2nd February 2026, there were 11,280 listings. **Non-domestic rates relief statistics** for 2025 reporting 11,278 listings as of 1st of June 2025. SPICe undertook a **similar analysis** in Spring 2023, identifying 11,327 listings, and the SBBS evaluation reported 11,732 listings as of 1st January 2020. Taken together, these figures indicate relative stability in the number of entries over the past few years. However, a more comprehensive trend analysis extending back to the original inclusion of sporting entries on the valuation roll would be required to assess this more definitively.

The overall rateable value is **publicly reported**. As of the 1st of June 2025, the total rateable value was approximately £13.5 million. This is broadly consistent with the £13.9 million total rateable value estimated by SPICe in 2023 and illustrates the overall scale of the tax base following the reintroduction of rating for shootings and deer forests.

Applying the poundage rate of 0.498 implies an estimated potential gross revenue of £6.7 million, before accounting for reliefs. This provides the basis for assessing realised revenue and the interaction with relief schemes, particularly the SBBS.

4.2 Interaction with the Small Business Bonus Scheme

The **SBBS** offers a reduction on a property's non-domestic rates bill where the rateable value is below £20,000.

For ratepayers with a single property:

- Where the rateable value is up to £12,000, 100% relief applies.
- Between £12,001 and £15,000, relief tapers from 100% to 25%.
- Between £15,001 and £20,000, relief tapers from 25% to 0%.

For ratepayers with multiple properties:

- 100% relief applies where the combined rateable value is up to £12,000.
- Where the combined value is between £12,000 and £35,000, relief is 25% for properties with an individual rateable value of £15,000 or less, tapering to 0% for properties between £15,001 and £20,000.

These reliefs apply to all eligible non-domestic properties and are not specific to shooting estates.

Further examination of the valuation roll shows that entries for shooting are heavily concentrated at the lower end of the rateable value distribution, with almost all properties up to the £12,000 threshold for 100% relief.

This contrasts with the wider non-domestic property base in Scotland. The **2022 independent evaluation** of the SBBS found that just over three-quarters of non-domestic properties associated with single-property businesses fell below £15,000, which was the threshold for 100% relief under the scheme at the time, and the **latest figures** from the Scottish Government show that 49% of all non-domestic properties received a 100% relief. Shooting entries are therefore more heavily skewed toward low rateable values than the wider non-domestic property base.

Table 1: Shooting estates by rateable value

Rateable Value	Number of Shooting Estates	% of All Shooting Estates
< £12,001	11,217	99.4%
£12,001 – £15,000	35	0.3%
£15,001 – £20,000	15	0.1%
> £20,000	13	0.1%
Total	11,280	100%

Table 1: Alma Economics analysis of the valuation roll

As the table shows, as of February 2026, 99.4% of shooting estates have a rateable value below £12,000. If each were held as a single property by an individual ratepayer, they would be eligible for 100% relief. A further 50 estates (0.4%) fall between £12,001 and £20,000 and would be eligible for partial relief under SBBS, again assuming single-property ownership. Only 13 properties exceed £20,000 in rateable value and would therefore receive no SBBS relief.

Actual relief depends on ownership structure and whether relief is claimed. The SBBS evaluation also showed that take-up among eligible properties is relatively high.

4.3 Reliefs and estimated net revenue

Non-domestic rates relief statistics for 2025 (as of 1st June 2025) report that approximately £4.5 million of relief was provided to shooting properties, of which £3.6 million related to the SBBS. Comparing this with the estimated gross liability of £6.7 million, we can estimate that annual net income was £2.2 million (£6.7m minus £4.5m).

Of the 11,278 listed properties as of June 2025, 8,890 properties received some sort of relief, with 8,600 receiving 100% relief, further illustrating the narrow effective tax base once reliefs are applied. Given that the number of listings has changed only marginally since that date, it is reasonable to expect that current revenue levels remain similar.

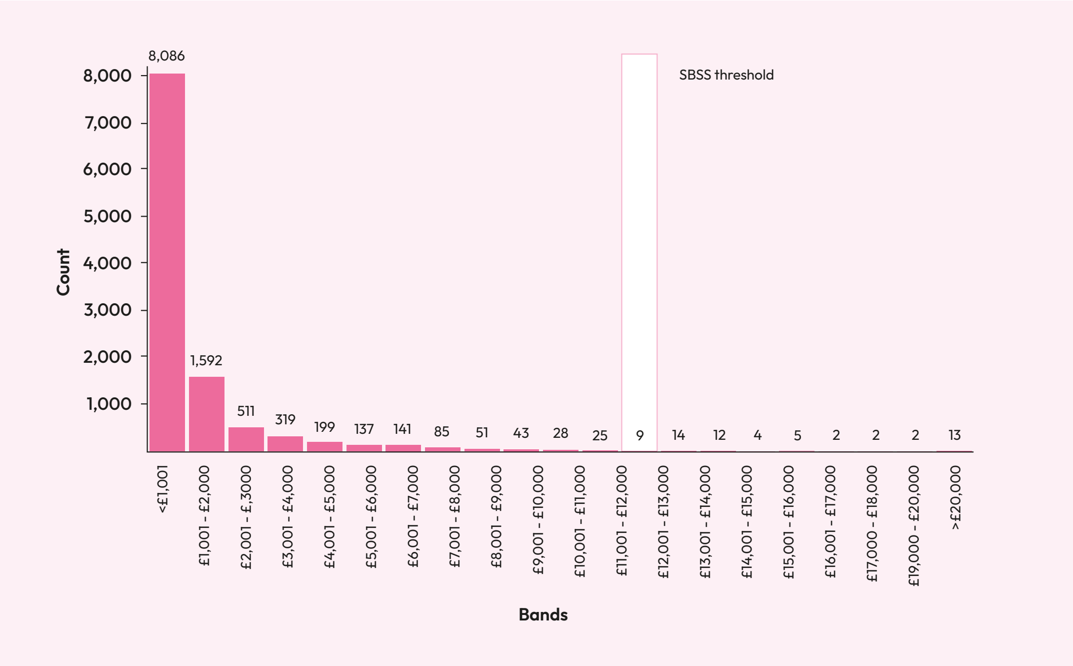
It should be noted, however, that overall revenue needs to be inferred from gross liability and reported relief. In addition, to the best of our knowledge, time-series data is not published, which limits the ability to assess the fiscal impact.

For comparison, a **Parliamentary Question** response reported that in 2021–22, shooting rights and deer forests raised £1.7 million in non-domestic rates income and received £4.9 million in reliefs. That figure was based on the 2017 valuation roll rather than the 2023 revaluation, which may account for some of the difference in reported totals.

4.4 Distribution and threshold effects

As Figure 1 shows, entries for shootings on the valuation roll are highly skewed towards very low rateable values. Of 11,280 entries, 99.4% are below £12,000. Indeed, 72% are below £1,000 and 86% below £2,000. The tax base is therefore dominated numerically by very small entries.

Figure 1: Shooting estates by rateable value compared to the threshold



Out of the total, only 63 properties have a rateable value above £12,000, and just 13 of these exceed the £20,000 threshold at which tapering of relief ends.

These 63 entries are geographically concentrated. Twenty-five are located in Highland and the Western Isles, and a further 20 in Tayside. The median rateable value among them is £14,700, with a maximum of £28,250. In terms of classification, they are split broadly evenly between deer forests and shooting rights.

Ownership concentration also affects relief eligibility. In its 2023 analysis, SPICe grouped properties with identical proprietor names to approximate multiple ownership. Very large landowners – including Forestry and Land Scotland, Buccleuch Estates, Scottish Ministers, and the Crown Estate – were identified as exceeding the £35,000 ceiling for SBBS eligibility. These large owners accounted for around 600 property listings and were assumed to receive no SBBS relief.

Beyond these, just over 1,000 ratepayers were identified as holding multiple shooting estates. In most cases, their combined rateable value still remained below the £12,000 threshold for 100% relief. Only 63 multiple owners exceeded £12,000 in combined rateable value, and for these, SPICe assumed 25% relief under SBBS.

Taken together, this evidence suggests that while the majority of shooting properties generate little or no net liability after reliefs, net revenue is likely to be concentrated among a relatively small number of larger or multi-property ratepayers.

Threshold effects

Given the design of SBBS, it is useful to look closely at properties with rateable values just below and just above the £12,000 threshold. In simple terms, this means checking whether there are unusually many properties clustered just under the point at which 100% relief ends.

When tax or relief systems include cut-offs, it is common to see a concentration of cases just below the threshold. This can arise for a range of reasons. For example, ratepayers just above the threshold may be more likely to appeal a valuation, while those just below it may be less inclined to undertake changes that could increase their rateable value.

Table 2: Shooting estates by rateable value

Rateable Value	Number of Shooting Estates
£10–11k	28
£11–12k	25
£12–13k	9
£13–14k	14

Table 2: Alma Economics analysis of the Valuation Roll

As the table above shows, there is a marked drop between the £11–12k and £12–13k bands. Although the numbers are small and valuations are assessor-determined, this pattern is consistent with incentives created by the removal of 100% relief at £12,000.

Similar threshold effects have been identified elsewhere in the non-domestic rates system. The independent evaluation of the SBBS found evidence of clustering around eligibility thresholds, with patterns shifting when thresholds changed and higher appeal rates observed among properties just above the 100% relief boundary. The presence of tapered relief between £12,001 and £20,000 is likely to moderate such effects.

However, more detailed data and analysis would be needed to draw firm conclusions around the behavioural response, and it is beyond the scope of this study.

5 Further discussion

As summarised above, the most recent non-domestic rates relief statistics (June 2025) imply a net income of approximately £2.2 million based on reported gross liability and relief applied.

However, assessment of the fiscal impact of the reintroduction of rates is constrained by the absence of detailed revenue data specific to shooting estates. In addition, the lack of time-series data limits the scope for trend analysis, especially when comparing revaluation cycles.

More fundamentally, there is no comprehensive baseline dataset describing the number, distribution, or characteristics of shooting estates prior to their inclusion on the valuation roll in 2017. This limits the ability to assess wider impacts of the policy change, including potential effects on estate prevalence, land use patterns, or management practices.

A central finding of both the quantitative analysis and stakeholder engagement is that robust impact assessment is constrained by data limitations. The valuation roll provides the address and rateable value of the entry, but does not capture detailed business turnover, employment levels, profitability, or land management outcomes.

This limitation is not unique to sporting rates and has been identified in wider evaluations of non-domestic rates reliefs. It means that conclusions regarding business viability, employment, or environmental outcomes must be interpreted cautiously.

An important consideration for policy is the relationship between administrative effort and revenue yield. The reintroduction of sporting rates requires valuation, ongoing maintenance of entries, and the handling of appeals. In this context, the annual revenue of about £2 million raises questions about proportionality and administrative efficiency within the wider non-domestic rates system. This theme emerged consistently in stakeholder engagement, noting that the administrative burden was one of the reasons sporting rates were abolished in 1994.

However, no disaggregated data are available on the administrative costs associated specifically with sporting rates. A comparison of revenue raised against administrative costs would provide a clearer assessment of efficiency and proportionality, but such an analysis is beyond the scope of this study.

Stakeholders highlighted complexity in defining sporting units. Unlike buildings, sporting rights lack fixed physical boundaries, may be fragmented across crofts or multiple lease agreements, and often require interpretation when restructured. Appeals can incur professional fees, and rates must generally continue to be paid while appeals are outstanding.

While this study does not quantify administrative costs, qualitative evidence suggests that the system imposes administrative burdens on valuers, owners, and tenants.

For context, total **non-domestic rates income** in Scotland was approximately £3.1 billion in 2024–25. Revenue from shooting estates, therefore, represents less than 0.1% of total non-domestic rates income. This suggests that, in aggregate fiscal terms, the measure has a limited impact on overall revenues. Its significance appears to lie more in principles of tax equity and consistency across sectors than in material revenue generation. This was one of the stated objectives of the policy.

The relatively small fiscal scale suggests that sector-wide behavioural effects are likely to have been limited, including impacts on business viability, employment, and tourism. This assessment is necessarily cautious, as the available data do not allow comparison with a clear pre-reform baseline.

Regardless, sector stakeholders emphasised that for those in scope, liability is passed to sporting tenants rather than landowners, meaning the burden is borne by those operating the businesses directly, where margins may already be tight. As a result, rates are often treated as an additional operating cost for those delivering sporting activities. In addition, the structure of payment and relief – requiring upfront payment followed by reimbursement several months later – was described as creating working capital pressures for some operators.

As for the environment, the small fiscal impact implies that wider trends, such as changes in deer populations or associated habitat impacts, are unlikely to be directly attributable to the reintroduction of sporting rates in isolation. Although, as mentioned above, the absence of baseline data limits our ability to say this with confidence.

Finally, some stakeholders identified perceived tensions between environmental incentive schemes and rates liability. Public funding is allocated through schemes linked to deer management objectives, such as payments tied to achieving cull targets, while rates liability applies to the same activity. Participants suggested that this interaction merits further consideration within the wider fiscal and land-use policy framework. More broadly, some stakeholders questioned how sporting rates fit within the overall policy environment.

Ma tha sibh ag iarraidh lethbhreac den sgrìobhainn seo sa Ghàidhlig, cuiribh post-d gu **commsteam@landcommission.gov.scot** no cuiribh fòn gu **01463 423 300**.

If you would like to request a copy of this document in Gaelic, please email **commsteam@landcommission.gov.scot** or call **01463 423 300**.

Scottish Land Commission
Coimisean Fearainn na h-Alba

Scottish Land Commission
An Lòchran
10 Inverness Campus
Inverness
IV2 5NA
info@landcommission.gov.scot
01463 423 300
www.landcommission.gov.scot

August 2026