



Business Rates 2020/21

Non-Domestic Rates

Non-Domestic Rates, or business rates, collected by local authorities are the way that those who occupy non-domestic property contribute towards the cost of local services. Under the business rates retention arrangements introduced from 1 April 2013, authorities keep a proportion of the business rates paid locally. The money, together with revenue from council tax payers, locally generated income and grants from Central Government, is used to pay for the services provided by your local authority and other local authorities in your area. Further information about the business rates system, may be obtained at www.mybostonuk.com and at www.gov.uk/introduction-to-business-rates

Rateable Value

Apart from properties that are exempt from business rates, each non-domestic property has a rateable value which is set by the valuation officers of the Valuation Office Agency (VOA), an agency of Her Majesty's Revenue and Customs. They compile and maintain a full list of all rateable values, which is available at www.gov.uk/voa

The rateable value of your property is shown on the front of your bill. This broadly represents the yearly rent the property could have been let for on the open market on a particular date specified in

legislation. For the current rating list the date was set as 1 April 2015.

The valuation officer may alter the value if circumstances change. The ratepayer (and certain others who have an interest in the property) can appeal against the value shown in the list if they believe it is wrong.

Further information about the grounds on which challenges may be made and the process for doing so can be found at www.gov.uk/guidance/how-to-check-your-rateable-value-is-correct

Revaluations

All non-domestic property rateable values are reassessed at revaluations. The most recent valuation took effect from 1 April 2017. Revaluations ensure that business rates bills are up-to-date, more accurately reflect current rental values and relative changes in rents. Frequent revaluations ensure the system continues to be responsive to changing economic conditions.

Revaluation 2021

The Government have announced that the next business rates valuation has been brought forward from 2022 to 2021 and future revaluations will be carried out every three years. Further details will follow later in the year.



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National Non-Domestic Rating Multiplier

The local authority calculates the business rates bill by multiplying the rateable value of the property by the appropriate multiplier. There are two multipliers; the standard non-domestic rating multiplier and the small business non-domestic multiplier. The Government sets the multipliers for each financial year, except in the City of London where special arrangements apply.

Ratepayers who occupy a property with a Rateable Value which does not exceed £50,999 (and who are not entitled to certain other mandatory relief(s) or are liable for unoccupied property rates) will have their bills calculated using the lower small business non-domestic rating multiplier rather than national non-domestic rating multiplier.

The multiplier for a financial year is based on the previous year's multiplier adjusted to reflect the consumer price index (CPI) inflation figure for the September prior to the billing year. The current multipliers are shown on the front of your bill.

Business Rates Instalments

Payment of business rate bills is automatically set on a 10-monthly cycle. However, the Government has passed legislation to allow businesses to ask for their business rate bills to be spread over 12 months to help with cash flow. If you wish to take up this offer, you should contact your local authority as soon as possible.

Business Rates Reliefs

Depending on individual circumstances, a ratepayer may be eligible for a rate relief (i.e. a reduction in your business rates bill). There are a range of available reliefs. Some of the permanent reliefs are set out below but temporary reliefs are often introduced by the Government at budgets. You should contact your local authority for details on the latest availability of business rates reliefs and advice on whether you may qualify.

Further detail on reliefs is also provided at www.gov.uk/introduction-to-business-rates or at www.mybostonuk.com

Transitional Rate Relief

At a revaluation, some ratepayers will see reductions or no change in their bill whereas some ratepayers will see increases.

Transitional relief schemes are introduced at each valuation to help those facing increases. This relief has been funded by limiting the reduction in bills for those who have benefitted from the revaluation. Transitional relief is applied automatically to bills.

Further information about transitional arrangements and their reliefs may be obtained

from the local authority or the website www.gov.uk/introduction-to-business-rates

Unoccupied Property Rate Relief

Business rates are generally payable in respect of unoccupied non-domestic property. However they are generally not payable for the first three months that a property is empty. This is extended to six months on the case of certain other properties (for example industrial premises or listed buildings).

Full details on exemptions can be obtained from your local authority or from www.gov.uk at www.gov.uk/apply-for-business-rate-relief

Small Business Rate Relief

If a ratepayer's sole or main property has a rateable value which does not exceed an amount set out in regulations, the ratepayer may receive a percentage reduction in their bill for this property of up to a maximum of 100%. The level of reduction will depend on the rateable value of the property - for example eligible properties below a specified lower threshold will receive 100% relief, and you may receive partial tapered relief up to a specified upper threshold. The relevant thresholds for relief are set out in regulations and can be obtained at www.gov.uk/introduction-to-business-rates

Generally, this percentage reduction (relief) is only available to ratepayers who occupy either-

- (a) one property, or
- (b) one main property and other additional properties providing those additional properties each have a rateable value which does not exceed the limit set in regulations.

The aggregate rateable value of all the properties mentioned in (b), must also not exceed an amount set in regulations.

For those businesses that take on an additional property which would normally have meant the loss of small business rate relief, they will be allowed to keep that relief for a fixed additional period. Full details on the relevant limits in relation to second properties and the current period for which a ratepayer may continue to receive relief after taking on an additional property can be obtained from your local authority or at www.gov.uk/introduction-to-business-rates

Certain changes in circumstances will need to be notified to the local authority by a ratepayer who is in receipt of relief (other changes will be picked up by the local authority). The changes which should be notified are:

- (a) the property falls vacant
- (b) the ratepayer taking up occupation of an additional property, and
- (c) an increase in the rateable value of a property occupied by the ratepayer in an area other than the

area of the local authority which granted the relief.

Charity and Community Amateur Sports Club Relief

Charities and registered Community Amateur Sports Clubs are entitled to 80% relief where the property is occupied by the charity or the club and is wholly or mainly used for the charitable purposes of the charity (or of that and other charities) or for the purposes of the club (or of that and other clubs).

The local authority has discretion to give further relief on the remaining bill. Full details can be obtained from the local authority.

Local Discounts

Local authorities have a general power to grant discretionary local discounts. Full details can be obtained from the local authority.

State Aid

The award of such local discounts is considered likely to amount to state aid. However it will be state aid compliant where it is provided in accordance with the De Minimis Regulations EC 1407/2013. The De Minimis Regulations allow an undertaking to receive up to EUR 200,000 'de minimis' aid over a rolling three year period. If you are receiving, or have received, any 'de minimis' aid granted during the current or two previous financial years (from any source), you should inform the local authority immediately with details of the aid received.

Rate Relief for Businesses in Rural Areas

Certain types of properties in a rural settlement with a population below 3,000 may be entitled to a discount. The property must be the only general store, the only post office or a food shop and have a rateable value of less than £8,500, or the only public house or the only petrol station and have a rateable value of less than £12,500. The property has to be occupied. An eligible rate payer is entitled to relief at 50% of the full charge whilst the local authority also has discretion to give further relief on the remaining bill. The 2016 Autumn statement confirmed the doubling of rural rate relief from 50% to 100% from 1st April 2017. Local authorities are expected to use their local discount powers to grant 100% rural rate relief to eligible ratepayers from 1st April 2017. Full details can be obtained from the local authority.

Hardship Relief

The local authority has a discretion to give hardship relief in specific circumstances. Full details can be obtained from the local authority.

Rating Advisers

Ratepayers do not have to be represented in discussions about their rateable value or their rates bill. However, ratepayers who do wish to be represented should be aware that members of the Royal Institution of Chartered Surveyors (RICS - website www.rics.org) and the Institute of Revenues, Rating and Valuation (IRRV - website www.irrv.org.uk) are qualified and are regulated by rules of professional conduct designed to protect the public from misconduct. Before you employ a rating advisor, you should check that they have the necessary knowledge and expertise, as well as appropriate indemnity insurance.

Information Supplied with Demand Notices

Information relating to the relevant and previous financial years in regard to the gross expenditure of the local authority is available at www.mybostonuk.com

A hard copy is available on request by writing to the council or telephoning 01205 314200.

Business Rates Assurance

The Council are engaged in business rates assurance activities to promote fairness and equity in the business rates system. In recognition of this approach, the Government has awarded some additional funding to support us with this work. We are keen to ensure that all business premises are captured in the Local Rating List and that the rateable values are correct and reflect any changes made since the last assessment. If you run or are aware of any business that may not be rated (or if you think that the rating assessment is not up to date), please inform us without delay to ensure that you are not targeted as part of these assurance activities.

To check to see if premises are already rated, please follow this link www.gov.uk/correct-your-business-rates

If the premises are not rated, or if you think that the assessment is out of date, please call our Business Rates Assurance Manager on 01205 314430 or email andy.hall@boston.gov.uk with the relevant details. All information provided will be treated in confidence.

It is important that owners, tenants and occupiers of premises keep us informed of any relevant changes that could affect the rates bill (for example, changes in occupation status, liable party, exemptions and rate relief entitlements). Please help us to keep our records up to date by contacting our business rates team at the earliest opportunity.