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SCOTTISH STATUTORY INSTRUMENTS

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**2014 No. 31**

**RATING AND VALUATION**

**The Non-Domestic Rating (Unoccupied Property)  
(Scotland) Amendment Regulations 2014**

<i>Made</i>	- - - -	<i>4th February 2014</i>
<i>Laid before the Scottish Parliament</i>	- - - -	<i>6th February 2014</i>
<i>Coming into force</i>	- -	<i>1st April 2014</i>

The Scottish Ministers make the following Regulations in exercise of the powers conferred by section 24B(3) of the Local Government (Scotland) Act 1966(1) and all other powers enabling them to do so.

**Citation and commencement**

1. These Regulations may be cited as the Non-Domestic Rating (Unoccupied Property) (Scotland) Amendment Regulations 2014 and come into force on 1st April 2014.

**Amendment of the Non-Domestic Rating (Unoccupied Property) (Scotland) Regulations 1994**

2. The Non-Domestic Rating (Unoccupied Property) (Scotland) Regulations 1994(2) are amended as follows.

3. In regulation 1(2) (interpretation)—

(a) after the definition of “the 1966 Act” insert—

““hotel” has the same meaning as it is given by article 2 of the Non-Domestic Rating (Petrol Filling Stations, Public Houses and Hotels) (Scotland) Order 2009(3);”;

(b) after the definition of “industrial lands and heritages” insert—

““payday lending” means, in the course of a business involving lending, the making of, or advertising the availability of, loan agreements in relation to which the credit provided is to be repaid or substantially repaid over a period that does not exceed

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(1) 1966 c.51. Section 24B was added by the Local Government etc. (Scotland) Act 1994 (c.39), section 155 and subsection (3) added by the Local Government Finance (Unoccupied Properties etc.) (Scotland) Act 2012 (asp 11), section 1(4).  
(2) S.I. 1994/3200, which is amended by S.S.I. 2000/55, S.S.I. 2008/83 and S.S.I. 2013/37.  
(3) S.S.I. 2009/69.

twelve months and being loan agreements with an annual percentage rate of interest equal to or exceeding 100%;

“public house” has the same meaning as it is given by article 2 of the Non-Domestic Rating (Petrol Filling Stations, Public Houses and Hotels) (Scotland) Order 2009;”;  
and

(c) after the definition of “relevant lands and heritages” insert—

““restaurant” means lands and heritages which are premises in which the sole or principal use is the sale of food or refreshments to members of the public for consumption on those premises and includes any café, coffee shop, bistro, fast food restaurant or snack bar that is so used;”.

4. In regulation 4 (lands and heritages to be treated as unoccupied)—

- (a) in paragraph (1)(b)(i) after “shop premises” insert “or were used as a hotel, public house or restaurant”;
- (b) in paragraph (1)(b)(ii) after “shop premises” insert “or are being used as a hotel, public house or restaurant”;
- (c) in paragraph (1)(c) for “£45,000” substitute “£65,000”; and
- (d) in paragraph (3) after “2016” insert “or in respect of lands and heritages used for payday lending”.

St Andrew’s House,  
Edinburgh  
4th February 2014

*DEREK MACKAY*  
Authorised to sign by the Scottish Ministers

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## EXPLANATORY NOTE

*(This note is not part of the Regulations)*

These Regulations amend the Non-Domestic Rating (Unoccupied Property) (Scotland) Regulations 1994 (“the principal Regulations”) mainly to extend the classes of properties that qualify for rates relief under the scheme known as “Fresh Start”.

Regulation 4(a) provides a non-domestic rate relief for property that was last used as a hotel, public house or restaurant and has been unoccupied for at least a year before again becoming occupied. Where other qualifying criteria in the principal Regulations are met, such property will be deemed to be unoccupied, notwithstanding the actual occupation, for a period of up to one year. As a result, the rate payable will usually be 50% of the rate that would otherwise apply.

This rate relief is also applied, by regulation 4(b), to premises that have not previously been occupied, where the first use is as a hotel, public house or restaurant.

Regulation 4(c) raises the rateable value threshold at which eligibility for “Fresh Start” relief ceases, to allow property with a rateable value up to £65,000 to qualify (instead of £45,000).

Regulation 4(d) provides that no rate relief is to be granted where “payday lending”, within the terms of the definition inserted into the principal Regulations by regulation 3(b), is carried out on the property. This exclusion of relief will, from 1st April 2014, apply in respect of the classes of properties that already qualify for relief and to the classes of properties that these Regulations will allow to qualify for relief from that date.