

**2004 No. 92**

**RATING AND VALUATION**

**The Non-Domestic Rates (Levying) (Scotland) Regulations  
2004**

<i>Made</i> - - - -	<i>8th March 2004</i>
<i>Laid before the Scottish Parliament</i>	<i>9th March 2004</i>
<i>Coming into force</i> - -	<i>1st April 2004</i>

The Scottish Ministers, in exercise of the powers conferred by section 153 of the Local Government etc. (Scotland) Act 1994(a) and of all other powers enabling them in that behalf, hereby make the following Regulations:

**Citation and commencement**

1. These Regulations may be cited as the Non-Domestic Rates (Levying) (Scotland) Regulations 2004 and shall come into force on 1st April 2004.

**Interpretation**

2. In these Regulations—

“the 1962 Act” means the Local Government (Financial Provisions etc.) (Scotland) Act 1962(b);

“the 1966 Act” means the Local Government (Scotland) Act 1966(c);

“the 1975 Act” means the Local Government (Scotland) Act 1975(d);

“the 1997 Act” means the Local Government and Rating Act 1997(e);

“the 2003 Regulations” means the Non-Domestic Rates (Levying) (Scotland) Regulations 2003(f);

“part residential subjects” has the meaning assigned to it in section 99(1) of the Local Government Finance Act 1992(g);

“rateable value”, in relation to lands and heritages and a particular date, means—

- (a) in the case of part residential subjects, the rateable value entered in the roll for that date and apportioned to the non-residential use of those subjects; and
- (b) in any other case, the rateable value entered in the roll for that date in respect of those lands and heritages,

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(a) 1994 c.39. The functions of the Secretary of State were transferred to the Scottish Ministers by virtue of section 53 of the Scotland Act 1998 (c.46).

(b) 1962 c.9.

(c) 1966 c.51.

(d) 1975 c.30.

(e) 1997 c.29.

(f) S.S.I. 2003/160.

(g) 1992 c.14.

and includes a rateable value so entered with retrospective effect;

“rates” means non-domestic rates levied under section 7B of the 1975 Act(a);

“the relevant year” means the period of 12 months beginning with 1st April 2004;

“the roll” means a valuation roll made up under section 1 of the 1975 Act(b).

### **Amount payable as rates - lands and heritages with rateable value of £10,000 or less**

**3.—(1)** This regulation applies to lands and heritages on a day in the relevant year where they have a rateable value of £10,000 or less.

(2) Subject to paragraphs (3) and (4) below, where the cumulative rateable value of lands and heritages to which this regulation applies falls within one of the ranges specified in column 1 (cumulative rateable value range) of the table below, the amount of rates payable shall be reduced by the percentage of rate relief specified in the corresponding entry in column 2 (percentage of rate relief) of that table.

<i>Cumulative rateable value range</i>	<i>Percentage of rate relief</i>
Less than £3,000	50%
£3,000 or above but under £4,000	40%
£4,000 or above but under £5,000	30%
£5,000 or above but under £6,000	20%
£6,000 or above but under £7,000	10%

(3) Where the amount of rates payable in respect of any lands and heritages to which this regulation applies falls to be –

(a) reduced by virtue of one or more of the following enactments:–

(i) section 4(2) of the 1962 Act(c);

(ii) section 24(3) of the 1966 Act(d);

(iii) section 24A of the 1966 Act(e);

(iv) the Rating (Disabled Persons) Act 1978(f);

(v) paragraphs 3 and 3A(g) of Schedule 2 to the 1997 Act; or

(b) determined in accordance with sections 6(1) and 7B(2) of the Valuation and Rating (Scotland) Act 1956(h),

then the amount of rate relief shall be restricted to 5% in respect of the rates payable as so reduced or, as the case may be, determined.

(4) Where the amount of rates payable in respect of any lands and heritages to which this regulation applies falls to be reduced or remitted by virtue of a rating authority exercising any of the powers listed at regulation 5(b) below, and paragraph (3) above does not apply, then the percentage of rate relief as calculated under paragraph (2) above shall be applied to the rates payable as so reduced or, as the case may be, remitted.

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(a) Section 7B was inserted by the Local Government Finance Act 1992 (c.14), section 110(2) and was amended by the Local Government etc. (Scotland) Act 1994 (c.39) (“the 1994 Act”), Schedule 13, paragraph 100(4).

(b) Section 1 was repealed in part by the Local Government and Rating Act 1997 (c.29), Schedule 4.

(c) Section 4(2) was amended by the Local Government (Miscellaneous Provisions) (Scotland) Act 1981 (c.23), section 5(a) and Schedule 4, the Local Government and Planning (Scotland) Act 1982 (c.43), section 5(1)(a) and the Local Government Finance Act 1988 (c.41), Schedule 12, paragraph 7.

(d) Section 24 was substituted by the 1994 Act, section 154.

(e) Section 24A was inserted by the 1994 Act, section 155.

(f) 1978 c.40.

(g) Paragraph 3 was amended and paragraph 3A was inserted by sections 28 and 29 respectively of the Local Government in Scotland Act 2003 asp 1.

(h) 1956 c.50; section 7B was inserted by the Local Government and Housing Act 1989 (c.42), section 145 and Schedule 6, paragraph 4.

(5) Where the cumulative rateable value is £7,000 or above but includes lands and heritages which are valued at £10,000 or under then the amount of rate relief for any such lands and heritages that are valued at £10,000 or under shall be 5%.

(6) For the purposes of this regulation the “cumulative rateable value” is the total rateable value of all lands and heritages occupied by an individual ratepayer in Scotland.

#### **Amount payable as rates – lands and heritages with rateable value of more than £25,000**

4.—(1) This regulation applies to lands and heritages on any day in the relevant year when they have a rateable value exceeding £25,000.

(2) The amount payable as rates in respect of lands and heritages and a day on which this regulation applies to them shall be calculated in accordance with the formula—

$$\text{ARP} = \frac{RV(PR + S)}{365}$$

where—

ARP is the amount of rates payable;

RV is the rateable value of the lands and heritages on that day;

PR is the poundage rate of 0.488; and

S is the additional factor of 0.003.

#### **Exemptions and discretionary reductions and remissions**

5. Nothing in these Regulations—

- (a) shall require rates to be paid in respect of lands and heritages and a day where those lands and heritages are under any enactment entirely exempt from rates for that day; or
- (b) shall prejudice the power of a rating authority to grant a reduction or remission of rates under section 4(5) of the 1962 Act(a), section 25A of the 1966 Act(b) or paragraph 4 of Schedule 2 to the 1997 Act(c).

#### **Revocation**

6.—(1) Subject to paragraph (2) below, the 2003 Regulations are hereby revoked.

(2) Nothing in paragraph (1) above shall affect the continuing operation of the 2003 Regulations as regards any day prior to 1st April 2004.

*ANDREW P KERR*  
A member of the Scottish Executive

St Andrew's House,  
Edinburgh  
8th March 2004

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(a) Section 4(5) was amended by the Local Government and Planning (Scotland) Act 1982, section 5(1)(b), the 1994 Act, Schedule 13, paragraph 57 and the Local Government and Rating Act 1997, Schedule 3, paragraph 2(a).

(b) Section 25A was inserted by the 1994 Act, section 156.

(c) Paragraph 4 was amended by section 28 of the Local Government in Scotland Act 2003 asp 1.

## EXPLANATORY NOTE

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

These Regulations make provision as to the amount payable in certain circumstances as non-domestic rates in respect of property in Scotland. They apply only to financial year 2004-2005.

Regulation 3 provides for a general reduction in rates for non-domestic subjects with a rateable value of £10,000 or less. Regulation 3(2) provides for a reduction on a sliding scale of between 10 per cent and 50 per cent on the rates payable where the cumulative rateable value of the property occupied by the ratepayer is less than £7,000. Where the amount of the rates payable is reduced or remitted by virtue of any of the enactments listed at regulation 3(3)(a) or is determined in accordance with regulation 3(3)(b) then the reduction in rates is limited to 5 per cent. Where the amount of rates payable is reduced or remitted by virtue of the enactments listed at regulation 5(b) and regulation 3(3) does not apply then the percentage of rates relief given on the sliding scale shall be applied to the rates as reduced or remitted. Where the cumulative value of the non-domestic subjects occupied by the ratepayer is £7000 or above but includes subjects which are valued at £10,000 or under then the reduction on the rates payable on the said subjects is restricted to 5 per cent.

Regulation 4 provides for a general increase in rates for properties with a rateable value of more than £25,000.

£3.00

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under the authority and superintendence of Carol Tullo, the Queen's Printer for Scotland  
150 03/04 19593

