



# General Rate Act 1967

## 1967 CHAPTER 9

### PART IV

#### BEARING OF RATES BY PERSONS OTHER THAN OCCUPIER

#### **55 Rating of owners instead of occupiers.**

- (1) Any rating authority may by resolution direct that, in the case of all hereditaments in their area which belong to a class to be defined in the resolution by reference to rateable value and also, if rent is paid and the rating authority so decide, by reference to the interval at which rent from time to time becomes payable or is collected, the owners thereof shall be rated instead of the occupiers :

Provided that the class shall not be so defined as to include any hereditaments the rateable value of which exceeds fifty-six pounds or such other limit as may for the time being be fixed by an order under subsection (5) of this section.

- (2) Where a rating authority give any such direction as aforesaid, the owners of any hereditaments in that authority's rating area to which the direction applies shall, in the case of any rate made while the resolution is in force, be rated accordingly, and the rating authority shall make to any owner who being so rated pays the amount due from him in respect of the rate before the expiration of half the period in respect of which the rate was made (or, if the rate is payable by instalments, half the period in which the instalment is payable), or before such later date or dates as may be specified in the resolution, an allowance equal to ten per cent. of the amount payable.
- (3) A resolution of the rating authority rescinding a previous resolution under subsection (1) of this section shall take effect only on the expiration of a rate period.
- (4) Any owner who under subsection (2) of this section pays any rate which, as between the owner and the occupier, the occupier is liable to pay shall be entitled to be reimbursed by the occupier the amount so paid.
- (5) The Minister may by order substitute a different limit for that specified in the proviso to subsection (1) of this section ; but any such order shall not affect any person's liability

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for rates for any period before the coming into force of the first new valuation list to come into force after the date of the order.

- (6) Any order under subsection (5) of this section shall be subject to annulment in pursuance of a resolution of either House of Parliament.
- (7) In the application of this section to the Temples, for any reference to a resolution of the rating authority there shall be substituted a reference to an order of the rating authority.

## **56 Payment or collection of rates by owners by agreement.**

- (1) The owner of any hereditament the rent of which ; becomes payable or is collected at intervals shorter than quarterly may by agreement in writing with the rating authority undertake either—
  - (a) that he will pay the rates chargeable in respect of the hereditament whether it is occupied or not; or
  - (b) that he will so long as the hereditament is occupied pay the rates chargeable in respect of it; or
  - (c) that he will on behalf of the authority collect the rates due from the occupier of the hereditament;

and the authority may agree, where the owner so undertakes and pays over to the authority on or before the date or dates specified in the agreement the amounts payable by him thereunder, to make him an allowance not exceeding in the case of an undertaking under paragraph (a) of this subsection ten per cent., in the case of an undertaking under paragraph (b) thereof seven and a half per cent., or in the case of an undertaking under paragraph (c) thereof five per cent.

- (2) An allowance made under subsection (1) of this section in respect of any hereditament to an owner who is rated under section 55 of this Act shall be in substitution for any allowance to which he might otherwise have been entitled in respect of that hereditament under the said section 55.
- (3) An agreement entered into under this section shall continue in force until determined by notice given either by the rating authority to the owner or by the owner to the rating authority, and in the event of a change in the ownership of any hereditament while the agreement is in force shall continue to be binding upon the new owner as if it had been made by him.
- (4) A notice for the purposes of subsection (3) of this section shall take effect only on the expiration of a rate period and shall be given before the commencement of that period.
- (5) In the case of an undertaking by an owner under subsection (1)(c) of this section, the amount due from the owner shall be taken to be an amount which bears to the total amount of the rates due the same proportion as the aggregate amount actually collected by him in respect of rent and rates bears to the aggregate amount due in respect thereof.
- (6) In the case of an undertaking by an owner under subsection (1)(c) of this section, unless the undertaking expressly so provides—
  - (a) the expression " rates due " in the provisions of this section relating to such an undertaking shall not include rates accruing due before the date on which the undertaking comes into operation; and
  - (b) account shall not be taken for the purposes of subsection (5) of this section of rent which accrues due before that date.

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- (7) Section 177 of the City of London Sewers Act 1848 shall not apply to any hereditament in the City of London so long as an undertaking in respect of that hereditament is in force under subsection (1)(a) of this section.

## **57 Provisions supplementary to ss.55 and 56.**

- (1) Where in the case of any hereditament the owner is rated in respect thereof in pursuance of section 55 of this Act, or has undertaken in pursuance of section 56 of this Act to pay or collect the rates charged in respect thereof, the amount due from him in respect of those rates shall be recoverable by the rating authority from him, or, where the rates are collected by an agent of his, either from him or from that agent, in like manner and subject to the like conditions as rates payable by the occupier of a hereditament (not being an occupier by whom a notice under section 50(1) of this Act has been given and is for the time being in force) are recoverable from the occupier.
- (2) Every owner who is rated under the said section 55 instead of the occupier, or who enters into an agreement with the rating authority under the said section 56, in respect of any hereditaments shall, without prejudice to the rights of the occupier of any of those hereditaments, be treated in relation to any right of appeal against a rate under section 7 of this Act as standing in the same position as the occupier.
- (3) Every owner who is rated under the said section 55 instead of the occupier or who enters into an agreement with a rating authority under the said section 56 shall from time to time on demand deliver to the rating authority—
- (a) a list of the occupiers of the hereditaments in respect of which he is so rated or has so agreed ; and
  - (b) such particulars with respect to the periods for which any of those hereditaments have been unoccupied and with respect to the amount which he has failed to collect from the occupiers as the authority may require for the purpose of enabling them to determine what amount is properly due from the owner under the said section 55 or 56;
- and if any such owner refuses or neglects to comply with the provisions of this subsection, or knowingly delivers to any authority particulars which are untrue in any material respect, he shall in respect of each offence be liable on summary conviction to a fine not exceeding five pounds and, in the case of refusal or neglect to deliver particulars, to a further penalty not exceeding one pound for each day during which the offence continues after conviction therefor.
- (4) Subject to subsection (5) of this section, the foregoing provisions of this Part of this Act shall have effect in substitution for any provisions contained in any local Act with respect to the rating of owners instead of occupiers.
- (5) Where in the case of any rating area a resolution of the rating authority made under Schedule 2 to the Rating and Valuation Act 1928 was in force immediately before the date of commencement of this Act whereby any provisions contained in any local Act with respect to the rating of owners instead of occupiers applied to any rates made by the authority, then, until that resolution is rescinded—
- (a) those provisions shall continue so to apply and, if and so far as they may have been repealed by, or by any order made under, the Rating and Valuation Act 1925, shall have effect as if re-enacted in this Act; and

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- (b) all resolutions, agreements and notices in force under those provisions immediately before the said date shall continue to have effect until they are rescinded or modified.

**58 Deduction of rates from rent by lessees for short terms.**

Where a hereditament is let to the occupier for a term not exceeding three months—

- (a) the occupier shall be entitled to deduct any amount paid by him in respect of rates upon that hereditament from the rent due or accruing due to the owner, and every such payment shall be a valid discharge of the rent to the extent of the rates so paid ;
- (b) the occupier shall not be compelled to pay to the rating authority at any one time or within any four weeks a greater amount by way of rates than would be due for one quarter of the year.

**59 Deduction from rent of rates omitted to be paid by owner.**

Where an owner who has undertaken, whether by agreement with the occupier or with the rating authority, to pay rates, or has otherwise become liable to pay rates, omits or neglects to pay any rate, the occupier may pay that rate and deduct the amount of the payment from the rent due or accruing due to the owner, and the receipt for the rate shall be a valid discharge of the rent to the extent of the rate so paid.

**60 Owner's liability for rates where occupier entitled to diplomatic immunity.**

- (1) Without prejudice to the operation of any other provision of this Act, where—
  - (a) any hereditament in a rating area in Greater London is occupied upon terms which provide that the owner shall pay the rate charged on that hereditament; and
  - (b) the occupier of the hereditament would in any proceedings against him by the rating authority to enforce payment of the rate be entitled to claim diplomatic immunity,

the owner shall be liable to pay to the rating authority an amount equal to so much of any payment in respect of rent received by him from the occupier as represents the proportion of rate included in that payment, and that amount may be recovered from the owner in the same manner and subject to the same conditions as rates recovered from the occupiers of rated hereditaments.

- (2) In this section—
  - (a) the expression " diplomatic immunity " means immunity from suit and legal process which is accorded by law to an envoy or other public minister of a foreign sovereign power accredited to Her Majesty, or to the family or official or domestic staff of such an envoy or minister or to the families of any such staff, and includes any like immunities and any exemption or relief from rates which is conferred on any person or organisation by or under the Diplomatic Privileges Act 1964;
  - (b) the expression " owner " in relation to a hereditament includes any person who receives any rent of the hereditament whether on his own account or as agent or trustee for another person.

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## **61 Recovery of rates from tenants and lodgers.**

- (1) Where the rates due from the person rated for any hereditament are in arrear, it shall be lawful for the rating authority to serve upon any person paying rent in respect of that hereditament, or any part thereof, to the person from whom the arrears are due a notice stating the amount of those arrears of rates and requiring all future payments of rent (whether already accrued due or not) by the person paying the rent to be made direct to the rating authority until those arrears shall have been duly paid ; and that notice shall, subject to subsection (2) of this section, operate to transfer to the rating authority the right to recover, receive and give a discharge for that rent.
- (2) The right of the rating authority to recover, receive and give a discharge for any rent by virtue of subsection (1) of this section shall be postponed to any right in respect of that rent which may at any time be vested in a superior landlord by virtue of a notice under section 6 of the Law of Distress Amendment Act 1908.
- (3) In this section, the expression " rent " includes a payment made by a lodger.

## **62 Recovery of rates unpaid by owner.**

Notwithstanding that the owner of a hereditament has become liable for payment of the rates assessed thereon, the goods and chattels of the occupier shall be liable to be distrained and sold under Part VI of this Act for payment of such rates as may accrue during his occupation of the hereditament at any time while those rates remain unpaid by the owner, except that—

- (a) no such distress shall be levied unless the rate has been demanded in writing by the rating authority from the occupier and the occupier has failed to pay it within fourteen days of the service of that demand;
- (b) no greater sum shall be raised by the distress than shall at the time of making the distress be actually due from the occupier for rent of the premises on which the distress is made;
- (c) the occupier shall be entitled to deduct the amount of rates for which the distress is made, and the expenses of the distress, from the rent due or accruing due to the owner, and every such payment shall be a valid discharge of the rent to the extent of the rates and expenses paid.

## **63 Deduction from rent etc. of rates by certain tenants of mines.**

Any lessee, licensee, or grantee of a mine rateable by virtue of section 16W) of this Act whose lease, licence or grant was granted or made before 6th April 1875 may, unless before that date he had specifically contracted to pay any rates in respect of the mine in the event of the abolition of his exemption from being so rated, deduct from any rent, royalty, or dues payable by him during the continuance of his lease, licence or grant, or before the arrival of the period at which the amount of the rent, royalty or dues is liable to revision or readjustment, whichever is the less of the following, that is to say—

- (a) one half of any rates paid by him in respect of the mine; or
- (b) one half of what those rates would have been if calculated upon the rent, royalty or dues so payable by him.

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**64 Deduction from rent of rate in respect of land used as plantation, etc.**

Where the rateable value of any land is increased by reason of its being estimated in accordance with section 27(2) or (4) of this Act, the occupier of that land under any lease or agreement made before 6th April 1875 may, during the continuance of the lease or agreement, deduct from his rent any amount paid by him by way of rates in respect of that increase ; and the valuation officer, on the application of the occupier, shall certify in the valuation list or otherwise the fact and amount of that increase.

**65 Deduction from rent in respect of rate for rights of sporting.**

In a case to which section 29(1) of this Act applies, if the rateable value of any land is increased by reason of its being estimated in accordance with the said section 29(1), but not otherwise, the occupier of the land may, unless he has specifically contracted to pay the rates in the event of such an increase, deduct from his rent such portion of any rate as is paid by him in respect of the increase; and the valuation officer, on the application of the occupier, shall certify in the valuation list or otherwise the fact and amount of the increase.

**66 General provision as to deduction of rates from rent, etc.**

Where any person is authorised by section 63, 64 or 65 of this Act to deduct any rate or sum in respect of a rate from any rent, royalty, or dues payable by him, then—

- (a) any payment so authorised to be deducted shall be a good discharge for such amount of rent, royalty or dues as is equal to the amount of the payment, and shall be allowed accordingly ;
- (b) any payment so authorised to be deducted may be recovered as an ordinary debt from the person to whom rent, royalty, or dues may be payable;
- (c) the person receiving the rent, royalty or dues shall have the same right of appeal and objection with reference to the rate and to the valuation of the hereditament in respect of which the rate is payable as he would have if he were the occupier of that hereditament.