



Local Government Finance Act 1988

1988 CHAPTER 41

PART III

NON-DOMESTIC RATING

Interpretation

64 Hereditaments.

- (1) A hereditament is anything which, by virtue of the definition of hereditament in section 115(1) of the 1967 Act, would have been a hereditament for the purposes of that Act had this Act not been passed.
- (2) In addition, a right is a hereditament if it is a right to use any land for the purpose of exhibiting advertisements and—
 - (a) the right is let out or reserved to any person other than the occupier of the land, or
 - (b) where the land is not occupied for any other purpose, the right is let out or reserved to any person other than the owner of the land.

[^{F1}(2A) In addition, a right is a hereditament if—

- (a) it is a right to use any land for the purpose of operating a meter to measure a supply of gas or electricity or such other service as—
 - (i) the Secretary of State in relation to England, or
 - (ii) the National Assembly for Wales in relation to Wales,may by order specify, and
 - (b) the meter is owned by a person other than the consumer of the service.]
- (3) The Secretary of State may make regulations providing that in prescribed cases—
 - (a) anything which would (apart from the regulations) be one hereditament shall be treated as more than one hereditament;
 - (b) anything which would (apart from the regulations) be more than one hereditament shall be treated as one hereditament.

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[^{F2}(3ZA) In relation to England, where—

- (a) two or more hereditaments (whether in the same building or otherwise) are occupied by the same person,
- (b) the hereditaments meet the contiguity condition (see subsection (3ZC)), and
- (c) none of the hereditaments is used for a purpose which is wholly different from the purpose for which any of the other hereditaments is used,

the hereditaments shall be treated as one hereditament.

(3ZB) In relation to England, where—

- (a) two or more hereditaments (whether in the same building or otherwise) are—
 - (i) owned by the same person, and
 - (ii) unoccupied,
- (b) the hereditaments—
 - (i) ceased to be occupied on the same day, and
 - (ii) have each remained unoccupied since that day,
- (c) immediately before that day, the hereditaments were, or formed part of, a single hereditament by virtue of subsection (3ZA), and
- (d) the hereditaments meet the contiguity condition (see subsection (3ZC)),

the hereditaments shall be treated as one hereditament.

(3ZC) The hereditaments meet the contiguity condition if—

- (a) at least two of the hereditaments are contiguous, and
- (b) where not all of the hereditaments are contiguous with each other—
 - (i) one or more of the other hereditaments is contiguous with one or more of the hereditaments falling within paragraph (a), and
 - (ii) each of the remaining hereditaments (if any) is contiguous with at least one hereditament that falls within sub-paragraph (i) or this sub-paragraph.

(3ZD) For the purposes of subsection (3ZC) two hereditaments are contiguous if—

- (a) some or all of a wall, fence or other means of enclosure of one hereditament forms all or part of a wall, fence or other means of enclosure of the other hereditament, or
- (b) the hereditaments are on consecutive storeys of a building and some or all of the floor of one hereditament lies directly above all or part of the ceiling of the other hereditament,

and hereditaments occupied or owned by the same person are not prevented from being contiguous under paragraph (a) or (b) merely because there is a space between them that is not occupied or owned by that person.]

[^{F3}(3A) The Secretary of State may make regulations providing that where on any land there are two or more moorings which—

- (a) are owned by the same person,
- (b) are not domestic property, and
- (c) are separately occupied, or available for separate occupation, by persons other than that person,

a valuation officer may determine that, for the purposes of the compilation or alteration of a local non-domestic rating list, all or any of the moorings, or all or any of them

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together with any adjacent moorings or land owned and occupied by that person, shall be treated as one hereditament.

(3B) Regulations under subsection (3A) above may provide that—

- (a) where a valuation officer makes a determination as mentioned in that subsection, he shall, if prescribed conditions are fulfilled, supply prescribed persons with prescribed information;
- (b) while such a determination is in force—
 - (i) the person who on any day is the owner of the moorings (or the moorings and land) which constitute the hereditament shall be treated for the purposes of sections 43, 44A and 45 above as being in occupation of all of the hereditament on that day; and
 - (ii) no other person shall be treated for those purposes as being in occupation of all or any part of the hereditament on that day.]

(4) A hereditament is a relevant hereditament if it consists of property of any of the following descriptions—

- (a) lands;
- (b) coal mines;
- (c) mines of any other description, other than a mine of which the royalty or dues are for the time being wholly reserved in kind;
- ^{F4}(d)
- (e) any right which is a hereditament by virtue of subsection (2) [^{F5}or (2A)] above.

^{F6}(5)

^{F6}(6)

^{F6}(7)

^{F6}(7A)

^{F6}(7B)

^{F6}(7C)

^{F6}(7D)

(8) A hereditament is non-domestic if either—

- (a) it consists entirely of property which is not domestic, or
- (b) it is a composite hereditament.

(9) A hereditament is composite if part only of it consists of domestic property.

(10) A hereditament shall be treated as wholly or mainly used for charitable purposes at any time if at the time it is wholly or mainly used for the sale of goods donated to a charity and the proceeds of sale of the goods (after any deduction of expenses) are applied for the purposes of a charity.

(11) In subsection (2) above “land” includes a wall or other part of a building and a sign, hoarding, frame, post or other structure erected or to be erected on land.

[^{F7}(11A) The Secretary of State in relation to England, and the National Assembly in relation to Wales, may by regulations make provision as to what is to be regarded as being a meter for the purposes of subsection (2A) above.

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(11B) In subsection (2A) above “land” includes a wall or other part of a building.]

^{F8}[(12) In subsections (3A) and (3B) above “owner”, in relation to a mooring, means the person who (if the mooring is let) is entitled to receive rent, whether on his own account or as agent or trustee for any other person, or (if the mooring is not let) would be so entitled if the mooring were let, and “owned” shall be construed accordingly.]

Textual Amendments

- F1** S. 64(2A) inserted (27.11.2003 for W., 1.4.2005 for E.) by [Local Government Act 2003 \(c. 26\)](#), [ss. 66\(1\)](#), [128\(6\)](#); [S.I. 2003/3034](#), [art. 2](#), [Sch. 1 Pt. I](#); [S.I. 2004/3132](#), [art. 3\(2\)\(b\)](#)
- F2** S. 64(3ZA)-(3ZD) inserted (with effect in accordance with s. 1(2) of the amending Act) by [Rating \(Property in Common Occupation\) and Council Tax \(Empty Dwellings\) Act 2018 \(c. 25\)](#), [s. 1\(1\)](#)
- F3** S. 64(3A)(3B) inserted (7.3.1992) by [1992 c. 14](#), [s. 104](#), [Sch. 10 para. 2\(1\)](#) (with [s. 118\(1\)\(2\)\(4\)](#)); [S.I. 1992/473](#), [art. 2](#)
- F4** S. 64(4)(d) repealed (1.4.2000) by [1997 c. 29](#), [s. 2\(2\)](#), [33\(2\)](#), [Sch. 4](#); [S.I. 1998/2329](#), [art. 3\(1\)](#) (with [art. 3\(2\)](#))
- F5** Words in s. 64(4)(e) inserted (27.11.2003 for W., 1.4.2005 for E.) by [Local Government Act 2003 \(c. 26\)](#), [ss. 66\(2\)](#), [128\(6\)](#); [S.I. 2003/3034](#), [art. 2](#), [Sch. 1 Pt. I](#); [S.I. 2004/3132](#), [art. 3\(2\)\(b\)](#)
- F6** S. 64(5)-(7D) repealed (1.4.2000) by [1997 c. 29](#), [s. 33\(1\)\(2\)](#), [Sch. 3 para. 25](#), [Sch. 4](#); [S.I. 1998/2329](#), [art. 3\(1\)](#) (with [art. 3\(2\)](#)) and s. 64(7)(da)(db) expressed to be repealed (1.4.2002) by [2001 c. 16](#), [s. 128](#), [137 Sch. 6 Pt. 3 para. 72](#), [Sch. 7 Pt. 5\(1\)](#); [S.I. 2002/344](#), [art. 3\(k\)](#) (with transitional provisions in [art. 4](#))
- F7** S. 64(11A)(11B) inserted (27.11.2003 for W., 1.4.2005 for E.) by [Local Government Act 2003 \(c. 26\)](#), [ss. 66\(3\)](#), [128\(6\)](#); [S.I. 2003/3034](#), [art. 2](#), [Sch. 1 Pt. I](#); [S.I. 2004/3132](#), [art. 3\(2\)\(b\)](#)
- F8** S. 64(12) inserted (7.3.1992) by [1992 c. 14](#), [s. 104](#), [Sch. 10 para. 2\(2\)](#) (with [s. 118\(1\)\(2\)\(4\)](#)); [S.I. 1992/473](#), [art. 2](#)

Modifications etc. (not altering text)

- C1** Pt. III modified (E.) (1.4.2005) by [The Non-Domestic Rating \(Alteration of Lists and Appeals\) \(England\) Regulations 2005 \(S.I. 2005/659\)](#), [regs. 1](#), [15](#)
- C2** S. 64 applied (29.4.1996) by [1996 c. 12](#), [S. 2\(3\)](#)
- C3** S. 64(10) excluded by [S.I. 1990/2329](#), [reg. 3\(3\)](#)

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Changes and effects yet to be applied to the whole Act associated Parts and Chapters:

- Act applied (with modifications) by S.I. 2024/414 art. 5Sch. 1 para. 7

Whole provisions yet to be inserted into this Act (including any effects on those provisions):

- s. 44A(2A) inserted by 2023 c. 53 Sch. para. 2(b)
- s. 44A(5)(e) inserted by 2023 c. 53 Sch. para. 2(c)
- s. 52A inserted by 2023 c. 53 s. 8
- s. 54(7A) inserted by 2023 c. 53 Sch. para. 34
- s. 57A(7A) inserted by 2023 c. 53 Sch. para. 4(d)
- s. 63A(1A) inserted by 2023 c. 53 s. 12(1)
- s. 63E inserted by 2023 c. 53 s. 12(2)
- s. 67(1A) inserted by 2023 c. 53 Sch. para. 7(a)
- s. 67(8A)(8B) inserted by 2023 c. 53 Sch. para. 37(a)
- s. 143(7A)-(7F) inserted by 2023 c. 53 Sch. para. 8(c)
- s. 143(9AZB) inserted by 2023 c. 53 Sch. para. 39(a)
- Sch. 4ZA inserted by 2023 c. 53 s. 1(3)
- Sch. 4ZB inserted by 2023 c. 53 s. 2(4)
- Sch. 5A para. 8 inserted by 2023 c. 53 Sch. para. 38
- Sch. 5A inserted by 2023 c. 53 s. 3(3)
- Sch. 9 para. 4B-4H and cross-heading inserted by 2023 c. 53 s. 13(2)
- Sch. 9 para. 4I-4M and cross-heading inserted by 2023 c. 53 s. 13(3)
- Sch. 9 para. 5BA-5BC and cross-heading inserted by 2023 c. 53 s. 13(6)
- Sch. 9 para. 5BD-5BF and cross-heading inserted by 2023 c. 53 s. 13(7)
- Sch. 9 para. 5CA and cross-heading inserted by 2023 c. 53 Sch. para. 46
- Sch. 9 para. 5CB inserted by 2023 c. 53 Sch. para. 47
- Sch. 9 para. 5F(1A)(1B) inserted by 2023 c. 53 Sch. para. 49(c)
- Sch. 9 para. 5F(A1) inserted by 2023 c. 53 Sch. para. 49(a)
- Sch. 9 para. 5FA inserted by 2023 c. 53 Sch. para. 50
- Sch. 9 para. 5FB inserted by 2023 c. 53 Sch. para. 51
- Sch. 9 para. 5ZA5ZB and cross-heading inserted by 2023 c. 53 s. 13(4)
- Sch. 9 para. 5ZC-5ZF and cross-heading inserted by 2023 c. 53 s. 13(5)
- Sch. 9 para. 7B inserted by 2023 c. 53 s. 10