



Local Government Act 2003

2003 CHAPTER 26

PART 5

NON-DOMESTIC RATES

60 Submission of proposed rating lists

- (1) In section 41(5) of the 1988 Act (proposed local non-domestic rating list to be sent to billing authority not later than 31 December preceding compilation date) for “31 December” there is substituted “30 September”.
- (2) In section 52(5) of that Act (proposed central non-domestic rating list to be sent to Secretary of State not later than 31 December preceding compilation date) for “31 December” there is substituted “30 September”.

61 Small business relief

- (1) Section 43 of the 1988 Act (occupied hereditaments: liability) is amended as follows.
- (2) In subsection (4) (which, subject to subsections (5) and (6A), shows how the chargeable amount for a chargeable day is to be calculated) after “subsections” there is inserted “(4A),”.
- (3) After subsection (4) there is inserted—

“(4A) Where subsection (4B) below applies, the chargeable amount for a chargeable day shall be calculated—

- (a) in relation to England, in accordance with the formula—

$$\frac{A \times D}{C \times E}$$

- (b) in relation to Wales, in accordance with the formula—

AxB

CxE

(4B) This subsection applies—

(a) in relation to England, where—

- (i) the rateable value of the hereditament shown in the local non-domestic rating list for the first day of the chargeable financial year is not more than any amount prescribed by the Secretary of State by order,
- (ii) on the day concerned any conditions prescribed by the Secretary of State by order are satisfied, and
- (iii) the ratepayer has made an application for the purposes of this subsection to the billing authority concerned by such date as may be prescribed by the Secretary of State by order,

(b) in relation to Wales, where—

- (i) the rateable value of the hereditament shown in the local non-domestic rating list for the first day of the chargeable financial year is not more than any amount prescribed by the National Assembly for Wales by order, and
- (ii) on the day concerned any conditions prescribed by the National Assembly for Wales by order are satisfied.

(4C) An application under subsection (4B)(a)(iii) above shall be made in such form, and contain such information, as may be prescribed by the Secretary of State by order.

(4D) If the ratepayer—

- (a) makes a statement in an application under subsection (4B)(a)(iii) above which he knows to be false in a material particular, or
- (b) recklessly makes a statement in such an application which is false in a material particular,

he shall be liable on summary conviction to imprisonment for a term not exceeding 3 months or to a fine not exceeding level 3 on the standard scale or to both.”

(4) For subsection (8A) there is substituted—

“(8A) In relation to any hereditament in respect of which both subsections (4A) and (6A) above (but not subsection (5) above) have effect on the day concerned, the chargeable amount—

- (a) in relation to England, shall be calculated in accordance with subsection (6A) above,
- (b) in relation to Wales, shall be calculated in accordance with whichever of subsections (4A) and (6A) above produces the smaller amount.

(8B) In relation to any hereditament in respect of which—

- (a) subsections (4A), (5) and (6A) above each have effect on the day concerned,
- (b) subsections (4A) and (5) above both have effect on that day, or
- (c) subsections (5) and (6A) above both have effect on that day,

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the chargeable amount shall be calculated in accordance with subsection (5) above.”

(5) In section 44 of the 1988 Act (occupied hereditaments: supplementary) after subsection (6) there is inserted—

“(7) Subject to subsection (8) below, D is the small business non-domestic rating multiplier for the financial year.

(8) Where the billing authority is a special authority, D is the authority’s small business non-domestic rating multiplier for the financial year.

(9) E is such amount as may be prescribed—

(a) in relation to England, by the Secretary of State by order,

(b) in relation to Wales, by the National Assembly for Wales by order.”

(6) In section 47 of the 1988 Act (discretionary relief), in subsection (1) after “subsection (3) below,”, in the second place where it occurs, there is inserted “or the small business condition and the second condition mentioned in subsection (3) below,”.

(7) After subsection (3C) of that section there is inserted—

“(3D) The small business condition is—

(a) that the hereditament is situated in Wales, and

(b) that on the chargeable day section 43(4B) above applies to the hereditament.”

62 Calculation of non-domestic rating multiplier

(1) Schedule 7 to the 1988 Act (non-domestic rating multipliers) is amended as follows.

(2) In paragraph 1 (Part 1 of Schedule 7 has effect to determine non-domestic rating multiplier) after “multiplier” there is inserted “and, in relation to England, the small business non-domestic rating multiplier”.

(3) For paragraph 3 (calculation of non-domestic rating multiplier for years in which no list compiled) there is substituted—

“3 (1) In relation to England, the small business non-domestic rating multiplier for a chargeable financial year shall be calculated in accordance with this paragraph if the year is not one at the beginning of which new lists must be compiled.

(2) An amount shall be found in accordance with the formula—

$$\frac{A \times B}{C}$$

(3) Subject to sub-paragraph (5) below, that amount may be adjusted by the Secretary of State to reflect the extent to which his last estimate of the total mentioned in paragraph 5(6) or (7) below appears to him to differ from the actual total.

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- (4) The amount under sub-paragraph (2) above or, if an adjustment is made under sub-paragraph (3) above, the adjusted amount shall be the small business non-domestic rating multiplier for the year.
- (5) No adjustment may be made under sub-paragraph (3) above for a chargeable financial year beginning before 2006.
- 3A (1) In relation to England, the non-domestic rating multiplier for a chargeable financial year shall be calculated in accordance with this paragraph if the year is not one at the beginning of which new lists must be compiled.
- (2) The non-domestic rating multiplier for the year shall be the amount found by—
- (a) increasing the small business non-domestic rating multiplier for the year under paragraph 3 above to reflect the Secretary of State’s estimate of the difference between—
- (i) the aggregate amount which will be payable to him and all billing authorities by way of non-domestic rates as regards the year, and
- (ii) the aggregate amount which would be so payable if section 43(4A) to (4D) above were omitted, and
- (b) if the Secretary of State thinks fit, adjusting the amount found under paragraph (a) above to reflect the extent (if any) to which his estimate of the difference mentioned in that paragraph for an earlier financial year appears to him to differ from the actual difference for that earlier year.
- 3B (1) In relation to Wales, the non-domestic rating multiplier for a chargeable financial year shall be calculated in accordance with this paragraph if the year is not one at the beginning of which new lists must be compiled.
- (2) An amount shall be found in accordance with the formula—
- $$\frac{A \times B}{C}$$
- (3) Subject to sub-paragraph (5) below, that amount may be adjusted by the National Assembly for Wales to reflect the extent to which its last estimate of the total mentioned in paragraph 5(6) or (7) below appears to it to differ from the actual total.
- (4) The amount under sub-paragraph (2) above or, if an adjustment is made under sub-paragraph (3) above, the adjusted amount shall be the non-domestic rating multiplier for the year.
- (5) No adjustment may be made under sub-paragraph (3) above for a chargeable financial year beginning before 2006.”
- (4) For paragraph 4 (calculation of non-domestic rating multiplier for year in which list must be compiled) there is substituted—
- “4 In relation to England, the small business non-domestic rating multiplier for a chargeable financial year shall be calculated in accordance with the following formula if the year is one at the beginning of which new lists must be compiled—

$$\frac{A \times B \times D}{C \times F}$$

- 4A (1) In relation to England, the non-domestic rating multiplier for a chargeable financial year shall be calculated in accordance with this paragraph if the year is one at the beginning of which new lists must be compiled.
- (2) The non-domestic rating multiplier for the year shall be the amount found by—
- (a) increasing the small business non-domestic rating multiplier for the year under paragraph 4 above to reflect the Secretary of State's estimate of the difference between—
- (i) the aggregate amount which will be payable to him and all billing authorities by way of non-domestic rates as regards the year, and
- (ii) the aggregate amount which would be so payable if section 43(4A) to (4D) above were omitted, and
- (b) if the Secretary of State thinks fit, adjusting the amount found under paragraph (a) above to reflect the extent (if any) to which his estimate of the difference mentioned in that paragraph for an earlier financial year appears to him to differ from the actual difference for that earlier year.
- 4B In relation to Wales, the non-domestic rating multiplier for a chargeable financial year shall be calculated in accordance with the following formula if the year is one at the beginning of which new lists must be compiled —

$$\frac{A \times B \times D}{C \times F}$$

- (5) In paragraph 5(1) for “3 and 4” there is substituted “3 to 4B”.
- (6) For sub-paragraph (2) of that paragraph (which defines A) there is substituted—
- “(2) In relation to England, A is the small business non-domestic rating multiplier for the financial year preceding the year concerned (or, if there is no such multiplier for that year, A is the non-domestic rating multiplier for that year).
- (2A) In relation to Wales, A is the non-domestic rating multiplier for the financial year preceding the year concerned.”
- (7) For sub-paragraphs (6) and (7) of that paragraph (which define D and E) there is substituted—
- “(6) D is the number of whole pounds in the Secretary of State's or, as the case may be, the National Assembly for Wales' estimate of the total of the appropriate rateable values of all appropriate hereditaments, where—
- (a) appropriate rateable values are those which will be shown in lists for the last day of the financial year preceding the year concerned once all alterations to those lists have been made;

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- (b) appropriate hereditaments are those which will be shown in lists for that day once all alterations to those lists have been made.
- (7) E is the number of whole pounds in the Secretary of State's or, as the case may be, the National Assembly for Wales' estimate of the total of the appropriate rateable values of all appropriate hereditaments, where—
- (a) appropriate rateable values are those which will be shown in lists for the first day of the financial year concerned once all alterations to those lists have been made;
- (b) appropriate hereditaments are those which will be shown in lists for that first day once all alterations to those lists have been made.
- (7A) The reference in sub-paragraph (7)(a) above to rateable values which will be shown in lists for the first day of the financial year concerned once all alterations to those lists have been made includes a reference to rateable values which will be shown in lists for a later day as a result of any alterations of the lists because of the inaccuracy of the lists for that first day.”
- (8) For paragraph 6(1) there is substituted—
- “(1) In relation to England, the Secretary of State shall calculate the small business non-domestic rating multiplier and the non-domestic rating multiplier for a chargeable financial year and, as soon as is reasonably practicable after doing so, shall serve on each billing authority a notice stating the multipliers as so calculated.
- (1A) In relation to Wales, the National Assembly for Wales shall calculate the non-domestic rating multiplier for a chargeable financial year and, as soon as is reasonably practicable after doing so, shall serve on each billing authority a notice stating the multiplier as so calculated.
- (1B) The notice must show how any calculation has been made and contain details of any estimates or adjustments that have been made.”
- (9) For paragraph 6(3) there is substituted—
- “(3) Where the financial year is one at the beginning of which new lists must be compiled, the notice must specify the date determined under paragraph 5(10) above for the purpose of making estimates under paragraph 5(6) and (7) above.”
- (10) In paragraph 6(4) and (5) for “sub-paragraph (1) above” there is substituted “this paragraph”.
- (11) After paragraph 9 (special authority's non-domestic rating multiplier) there is inserted—
- “9A (1) A special authority's small business non-domestic rating multiplier for a chargeable financial year shall be set by it in accordance with the formula
- $$\frac{A \times B}{C}$$
- (2) In sub-paragraph (1) above—

- (a) A is the special authority's non-domestic rating multiplier for the year under paragraph 9 above,
 - (b) B is the small business non-domestic rating multiplier for the year determined in accordance with Part 1 of this Schedule, and
 - (c) C is the non-domestic rating multiplier for the year, so far as relating to England, determined in accordance with that Part.
- (3) The multiplier must be expressed as a figure in which a part of a whole (if any) is expressed to three decimal points only."

63 Rural settlement lists etc

- (1) In section 42A of the 1988 Act (rural settlement list) in subsection (1) (duty of each billing authority to compile and maintain rural settlement list) after "billing authority" there is inserted "in England".
- (2) In section 43 of the 1988 Act (occupied hereditament: liability) in subsection (6B) (conditions for relief under subsection (6A)) before paragraph (a) there is inserted—
 - "(aa) the hereditament is situated in England,".
- (3) In section 47 of the 1988 Act (discretionary relief) in subsection (3A) (the rural settlement condition) before paragraph (a) there is inserted—
 - "(aa) that the hereditament is situated in England,".

64 Relief for registered community amateur sports clubs

- (1) In section 43 of the 1988 Act (occupied hereditaments: liability), in subsection (6) (calculation of chargeable amount where ratepayer is a charity and hereditament is occupied for charitable purposes)—
 - (a) the words after "on the day concerned" become paragraph (a) of that subsection, and
 - (b) after that paragraph there is inserted "
 - (i) for the purposes of that club, or
 - (ii) for the purposes of that club and of other such registered clubs."
- (2) In section 45 of the 1988 Act (unoccupied hereditaments: liability), in subsection (6) (calculation of chargeable amount where ratepayer is a charity and hereditament will next be used for charitable purposes)—
 - (a) the words after "on the day concerned" become paragraph (a) of that subsection, and
 - (b) after that paragraph there is inserted "
 - (b) the ratepayer is a registered club for the purposes of Schedule 18 to the Finance Act 2002 (community amateur sports clubs) and it appears that when the hereditament is next in use—

- (i) it will be wholly or mainly used for the purposes of that club, and that club will be such a registered club, or
 - (ii) it will be wholly or mainly used for the purposes of two or more clubs including that club, and each of those clubs will be such a registered club.”
- (3) In section 47(2) of the 1988 Act (first condition for discretionary relief), after paragraph (b) there is inserted—
 - “(ba) the ratepayer is a registered club for the purposes of Schedule 18 to the Finance Act 2002 (community amateur sports clubs), and the hereditament is not an excepted hereditament and is wholly or mainly used—
 - (i) for the purposes of that club, or
 - (ii) for the purposes of that club and of other such registered clubs;”.
- (4) In section 48 of the 1988 Act (discretionary relief: supplementary), after subsection (2) there is inserted—
 - “(2A) A hereditament not in use shall be treated as wholly or mainly used for the purposes of a club that is a registered club for the purposes of Schedule 18 to the Finance Act 2002 (community amateur sports clubs) if it appears that when next in use it will be wholly or mainly used for the purposes of a club that is then, or two or more clubs each of which is then, such a registered club.”
- (5) In section 67 of the 1988 Act (interpretation of Part 3 of that Act), after subsection (10) there is inserted—
 - “(10A) The times at which a club is a registered club for the purposes of Schedule 18 to the Finance Act 2002 (community amateur sports clubs)—
 - (a) shall, where it is registered with retrospective effect, be taken to have included those within the period beginning with the date with effect from which it is registered and ending with its registration; but
 - (b) shall, where its registration is terminated with retrospective effect, be taken not to have included those within the period beginning with the date with effect from which its registration is terminated and ending with the termination of its registration.”

65 Transitional relief

- (1) After section 57 of the 1988 Act (special provision for 1990-1995) there is inserted—

“57A Transitional provision for 2005 onwards: England

- (1) In relation to any relevant period the Secretary of State must make regulations under this section which apply in relation to England.
- (2) The regulations may contain such provisions as are mentioned in subsection (3) below in relation to any case where—
 - (a) as regards a hereditament or hereditaments the chargeable amount for a chargeable day falls to be determined under section 43, 45 or 54 above, and

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- (b) the day falls within a prescribed relevant financial year.
- (3) The provisions are that—
 - (a) the chargeable amount shall be such as is found in accordance with prescribed rules, and
 - (b) sections 43(4) to (6E) and 44 above, sections 45(4) to (6) and 46 above, or section 54(4) to (7) above (as the case may be) shall not apply.
 - (4) A chargeable amount found in accordance with rules prescribed under this section, and any calculation (or component of a calculation) used to find that amount, may be the same as or different from what it would be apart from the regulations.
 - (5) Rules prescribed under this section may be framed by reference to such factors as the Secretary of State thinks fit.
 - (6) Without prejudice to section 143(1) below, regulations under this section relating to a relevant period may contain different provisions for different relevant financial years.
 - (7) Without prejudice to section 143(1) below, regulations under this section may contain different provision in relation to locally listed hereditaments whose rateable value exceeds, and those whose rateable value does not exceed, a prescribed figure; and a locally listed hereditament is a hereditament for the time being shown in a local non-domestic rating list.
 - (8) Without prejudice to section 143(1) and (2) below, regulations under this section may include provision—
 - (a) imposing duties and conferring powers on valuation officers (whether as regards determinations, certificates or otherwise) in relation to the ascertainment of rateable values;
 - (b) as to appeals relating to things done or not done by such officers.
 - (9) Regulations under this section in their application to a particular relevant financial year shall not be effective unless they come into force before 1 January immediately preceding the year; but this is without prejudice to the power to amend or revoke.
 - (10) In making regulations under this section the Secretary of State shall have regard to the object of securing (so far as practicable) that the aggregate amount payable to him and all billing authorities by way of non-domestic rates as regards a particular relevant period is, after disregarding any adjustments made to take account of amounts being payable at times other than those at which they would have been payable apart from the regulations, the same as the aggregate amount which would be so payable apart from the regulations.
 - (11) For the purposes of subsection (10) above, the Secretary of State may rely on his estimate of the aggregate amounts and adjustments mentioned in that subsection.
 - (12) Once the actual aggregate amounts and adjustments for a particular relevant period are ascertained, the Secretary of State may amend regulations under this section in their application to a financial year which begins after the coming into force of the amending regulations and falls within the same or a

later relevant period to reflect the extent to which the actual aggregate amounts and adjustments differ from his estimate of those amounts and adjustments.

(13) For the purposes of this section—

- (a) a relevant period is a period of five years beginning on 1 April 2005 or on any 1 April after that date on which lists must be compiled;
- (b) a relevant financial year, as regards regulations relating to a relevant period, is a financial year falling within the period.”

(2) In section 58 of the 1988 Act (special provision for 1995 onwards) in subsection (1) (power to make regulations in relation to any relevant period) after “section” there is inserted “which apply in relation to Wales”.

66 Rating of meters

(1) In section 64 of the 1988 Act (hereditaments) after subsection (2) there is inserted—

“(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.”

(2) In subsection (4)(e) of that section (which contains a reference to any right which is a hereditament by virtue of subsection (2)) after “subsection (2)” there is inserted “or (2A)”.

(3) After subsection (11) of that section there is inserted—

“(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.

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

67 Exemptions for agricultural buildings

(1) Schedule 5 to the 1988 Act (exemptions from non-domestic rating) is amended as follows.

(2) For paragraph 3(a) (which provides that a building is an agricultural building if it is occupied together with agricultural land and is used solely in connection with agricultural operations on the land) there is substituted—

“(a) it is occupied together with agricultural land and is used solely in connection with agricultural operations on that or other agricultural land, or.”

(3) After paragraph 7(1)(b) there is inserted “, and

- (c) the members who are occupiers of the land together have control of the body.”

(4) For paragraph 7(3) there is substituted—

“(3) This sub-paragraph applies if—

- (a) the building in question is occupied by a body corporate any of whose members are, or are together with the body, the occupiers of the building or buildings mentioned in sub-paragraph (2)(a) above, and
- (b) the members who are occupiers of the land together have control of the body.”

(5) After paragraph 7(8) there is inserted—

“(9) In this paragraph “control” shall be construed in accordance with section 416(2) to (6) of the Income and Corporation Taxes Act 1988.”

68 Exemption for places of religious worship

In paragraph 11 of Schedule 5 to the 1988 Act (exemption for places of religious worship) for sub-paragraph (1)(a) there is substituted—

“(a) a place of public religious worship;”.

69 Removal of power to prescribe rateable values

Paragraph 3 of Schedule 6 to the 1988 Act (power of Secretary of State by order to prescribe rateable values) ceases to have effect.

70 Local retention of rates

(1) In Schedule 8 to the 1988 Act (non-domestic rating: pooling), in paragraph 4 (rules for calculating authorities' non-domestic rating contributions), before sub-paragraph (5) there is inserted—

“(4A) The rules may include provision for such deductions as the maker of the rules thinks fit for the purpose of enabling an authority to retain part, or all, of so much of the total payable to it in respect of the year under sections 43 and 45 above as exceeds an amount determined for the authority by or under the rules.

(4B) Sub-paragraph (4A) above shall not apply in the case of a special authority.

(4C) Sub-paragraph (2) above shall have effect subject to sub-paragraph (4A) above.

(4D) The consent of the Treasury is required to the inclusion in regulations under this paragraph of provision under sub-paragraph (4A) above relating to England.”

(2) In paragraph 5(6) of that Schedule (contribution to be calculated after end of year and certified by Audit Commission)—

(a) before the word “and” at the end of paragraph (b) there is inserted—

“(ba) if it is an authority in England notify to the Secretary of State, and if it is an authority in Wales notify to the National Assembly for Wales, the amount of any deduction that in

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- accordance with provision under paragraph 4(4A) above is made in calculating the amount mentioned in paragraph (a) above,” and
- (b) in paragraph (c), for “and the amount” there is substituted “, and the amount or amounts notifiable under paragraphs (b) and (ba) above,”.
- (3) In paragraph 5(6A) of that Schedule (Audit Commission to send copy of certification to Secretary of State or National Assembly for Wales), after “the amount” there is inserted “or amounts”.
- (4) In section 99 of the 1988 Act (regulations about English billing authorities' collection and general funds), after subsection (3) there is inserted—
- “(3A) The Secretary of State may by regulations make provision—
- (a) for the sharing among a billing authority and major precepting authorities, in accordance with prescribed rules, of an amount equal to all or part of any deduction that, in accordance with provision under paragraph 4(4A) of Schedule 8 below, falls to be made in calculating the billing authority’s non-domestic rating contribution for a financial year;
 - (b) for requiring a billing authority to inform, within a prescribed period, any major precepting authorities of any amount that falls to be shared under provision under paragraph (a) above and of the effect of the rules governing its sharing;
 - (c) as to the manner in which any payments which fall to be made by a billing authority by virtue of any provision under paragraph (a) above must be made;
 - (d) as to the period within which, or time or times at which, any such payments or instalments of such payments must be made; and
 - (e) as to the recovery (by deduction or otherwise) of any excess amount paid by a billing authority in purported discharge of any liability arising by virtue of any provision under paragraph (a) above.
- (3B) The rules that may be prescribed under paragraph (a) of subsection (3) above include (in particular) rules that require a billing authority, when making an estimate under that paragraph, to disregard amounts that fall to be shared under provision under subsection (3A)(a) above.”
- (5) In section 97 of the 1988 Act (English billing authorities: principal transfers between funds), after subsection (4) there is inserted—
- “(4A) Where in accordance with regulations under section 99(3A) below a billing authority is required to share any amount, it shall transfer from its collection fund to its general fund so much of that amount as, in accordance with the regulations, it calculates to be its share.”
- (6) In section 99(1)(b) of the 1988 Act (regulations about liabilities of English billing authority under section 97(1) or (3) to transfer sums from its collection fund), for “or (3)” there is substituted “, (3) or (4A)”.
- (7) In section 38 of the Local Government (Wales) Act 1994 (c. 19) (council funds for principal councils in Wales), after subsection (9) there is inserted—
- “(9A) The National Assembly for Wales may by regulations make provision for the sharing among a new principal council and major precepting authorities,

in accordance with rules specified in the regulations, of an amount equal to all or part of any deduction that, in accordance with provision under paragraph 4(4A) of Schedule 8 to the Local Government Finance Act 1988 (local retention of rates), falls to be made in calculating the council's non-domestic rating contribution for a financial year.”

(8) In subsection (10) of that section (provision that may be included in regulations under subsection (9))—

- (a) for “The regulations” there is substituted “Regulations under subsection (9) or (9A)”, and
- (b) in each of paragraphs (d) and (e), after “the liability mentioned in subsection (9)” there is inserted “or any liability arising under subsection (9A)”.

(9) In that section, after subsection (11) there is inserted—

“(12) In subsection (9A) “major precepting authority” has the meaning given by section 39(1) of the Local Government Finance Act 1992.”

71 Adjustments for hardship relief

(1) Schedule 8 to the 1988 Act (non-domestic rating: pooling) is amended as follows.

(2) In paragraph 4 (non-domestic rating contributions) after sub-paragraph (6) there is inserted—

“(7) Sub-paragraph (6) above does not apply to regulations made only for the purpose of amending the rules to increase deductions as regards the operation of section 49 above for the whole or part of the financial year.”

(3) In paragraph 6 (calculation of non-domestic rating contributions) after sub-paragraph (6) there is inserted—

“(6A) Regulations made for the purpose mentioned in paragraph 4(7) above may include provision—

- (a) for or in connection with the recalculation of the provisional amount for the financial year concerned, including provision for the procedure to be adopted for recalculation, and
- (b) as to financial adjustments to be made, including provision for the making of reduced payments under paragraph 5 above or of repayments.”

(4) In sub-paragraph (7) of that paragraph (which defines relevant provisions) after paragraph (a) there is inserted—

“(aa) regulations made for the purpose mentioned in paragraph 4(7) above.”.

72 Provision of information

(1) Schedule 9 to the 1988 Act (non-domestic rating: administration) is amended as follows.

(2) In paragraph 5(2) (requested information to be supplied within period of 21 days) there are omitted—

- (a) the words “if it is in his possession or control, and he shall do so”, and
- (b) the words “and within the period of 21 days beginning with the day on which the notice is served”.

(3) Paragraph 5(3) (offence of failing to supply information) is omitted.

(4) After paragraph 5 there is inserted—

“5A (1) If a person on whom a notice is served under paragraph 5 above fails to comply with paragraph 5(2) within the period of 56 days beginning with the day on which the notice is served, he shall be liable to a penalty of £100.

(2) Where a person becomes liable to a penalty under sub-paragraph (1) above, the valuation officer shall serve on him a notice (a “penalty notice”) stating—

- (a) that he has failed to comply with paragraph 5(2) above within the period mentioned in sub-paragraph (1) above,
- (b) that he is liable to a penalty of £100,
- (c) the effect of sub-paragraphs (3) and (4) below, and
- (d) that he has a right of appeal under paragraph 5C below.

(3) If the person on whom a penalty notice is served fails to comply with paragraph 5(2) within the period of 21 days beginning with the day on which the notice is served, he shall be liable—

- (a) to a further penalty of £100, and
- (b) subject to sub-paragraph (4) below, to a further penalty of £20 for each day in respect of which the failure continues after the end of that period.

(4) The amount to which a person shall be liable under this paragraph in respect of a failure to comply with a notice served under paragraph 5 above shall not exceed the greater of—

- (a) the rateable value of the hereditament concerned for the day on which the penalty notice is served, and
- (b) £500.

(5) For the purposes of sub-paragraph (4)(a) above—

- (a) the hereditament concerned is the hereditament in respect of which the notice under paragraph 5 above was served, and
- (b) a list compiled under this Part shall be used to find the rateable value of the hereditament for the day concerned.

5B A valuation officer may mitigate or remit any penalty imposed under paragraph 5A above.

5C (1) A person may appeal to a valuation tribunal if he is aggrieved by the imposition on him of a penalty under paragraph 5A above.

(2) An appeal under this paragraph must be made before the end of the period of 28 days beginning with the day on which the penalty notice is served.

(3) An appeal under this paragraph shall not prevent liability to any further penalty or penalties arising under paragraph 5A(3) above.

Status: This is the original version (as it was originally enacted).

- (4) An appeal under this paragraph shall be treated as an appeal against the penalty imposed under paragraph 5A(1) above and any further penalty which may be imposed under paragraph 5A(3) above.
 - (5) On an appeal under this paragraph the valuation tribunal may mitigate or remit any penalty under paragraph 5A above if it is satisfied on either or both of the grounds specified in sub-paragraph (6) below.
 - (6) Those grounds are—
 - (a) that the appellant had a reasonable excuse for not complying with paragraph 5(2) above, or
 - (b) that the information requested is not in the possession or control of the appellant.
- 5D (1) Subject to sub-paragraph (2) below, any penalty imposed under paragraph 5A above may be recovered by the valuation officer concerned as a civil debt due to him.
- (2) No claim to recover any such penalty may be made—
 - (a) before the end of the period mentioned in paragraph 5C(2) above, or
 - (b) if an appeal is made under paragraph 5C above, before the appeal is finally disposed of.
- 5E Any sums received by a valuation officer by way of penalty under paragraph 5A above must be paid into the Consolidated Fund.
- 5F (1) The Secretary of State in relation to England, and the National Assembly of Wales in relation to Wales, may by regulations make provision in relation to notices served under paragraphs 5 and 5A above.
- (2) The provision that may be made by regulations under this paragraph includes—
 - (a) provision enabling a valuation officer to request or obtain information for the purpose of identifying the owner or occupier of a hereditament;
 - (b) provision enabling a notice to be served on a person either by name or by such description as may be prescribed.
- 5G The Secretary of State in relation to England, and the National Assembly in relation to Wales, may by order amend paragraph 5A above to increase or decrease the amount of any penalty under that paragraph.
- 5H Where a valuation officer requires the name or address of a person on whom a notice under paragraph 5 or 5A above is to be served, he may serve a notice on a billing authority which he reasonably believes may have that information requesting the authority to supply him with that information.”
- (5) In Schedule 11 to the 1988 Act (valuation tribunals) in paragraph 2 (jurisdictions) after sub-paragraph (c) there is inserted—
 - “(ca) paragraph 5C of Schedule 9 above;”.

Status: This is the original version (as it was originally enacted).

73 Interpretation of Part 5

In this Part “the 1988 Act” means the Local Government Finance Act 1988 (c. 41).