

SCHEDULE 2

Regulation 3(3)

MATTERS TO BE CONTAINED IN RATE DEMAND NOTICES

PART I

1. A statement of the address and description of each hereditament to which the notice relates (“relevant hereditament”).

2. A statement of the rateable value shown for each relevant hereditament in the authority’s local non-domestic rating list.

3. A statement of the non-domestic rating multiplier calculated for the relevant year in accordance with paragraph 3 or, as the case may be, paragraph 4 of Part I of Schedule 7 to the 1988 Act.

4. A statement of the days (if any) on which, for the purposes of calculating the payments required to be made under the notice, it was understood or assumed that the conditions mentioned in section 45(1) of the 1988 Act (1) were or would be fulfilled in relation to any relevant hereditament, and a statement that as regards those days the chargeable amount is one half of that which it would be if the ratepayer were in occupation of the hereditament.

5. A statement of the days (if any) on which, for the purposes of calculating the payments required to be made under the notice it was understood or assumed that—

- (a) the chargeable amount would fall to be calculated under section 43(5) or 45(5) of the 1988 Act,
- (b) the chargeable amount would fall to be calculated under section 43(4) or (5) or 45(4) or (5) of the 1988 Act as modified by paragraph 9 of Schedule 7A to that Act (2) or by regulation 3 of the Non-Domestic Rating (Transitional Period) Regulations 1990 (3), or
- (c) the chargeable amount would fall to be calculated by reference to section 44(2) and (2A) of the 1988 Act as substituted by section 44A(7) or (9) of that Act (4), or
- (d) rules under section 47(1)(a) or 58(3)(a) of the 1988 Act (5) would apply;

together with a statement of the manner in which the chargeable amount for those days was calculated and of the amount by which the aggregate amount demanded under the notice is reduced as compared with the amount which would have been demanded if section 43(4), without modification, and (so far as is relevant) section 44(2) without substitution, or (as the case may be) section 45(4), applied to the calculation of the chargeable amount for those days.

6. Explanatory notes in the following terms—

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- (1) Section 45(1) was amended by paragraph 23 of Schedule 5 to the Local Government and Housing Act 1989 (c. 42).
 - (2) Schedule 7A was inserted by paragraph 40 of Schedule 5 to the Local Government and Housing Act 1989 (c. 42) and amended by paragraph 85 of Schedule 13 to the Local Government Finance Act 1992 and sections 1 to 3 of the Non-Domestic Rating Act 1992 (c. 46).
 - (3) S.I.1990/608, to which there are amendments not relevant to these Regulations.
 - (4) Section 44(2) was amended, and section 44A inserted, by paragraphs 21 and 22, respectively, of Schedule 5 to the Local Government and Housing Act 1989.
 - (5) Section 47(1)(a) is amended by paragraph 65(1) of Schedule 13 to the Local Government Finance Act 1992.

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EXPLANATORY NOTES

Non-Domestic Rates

The non-domestic rates collected by billing authorities (district and London borough councils, the Common Council of the City of London and the Council of the Isles of Scilly) are, subject to special arrangements for the City of London, paid into a central pool and redistributed to billing authorities and major precepting authorities. Your authority's share of redistributed rate income, together with income from its council taxpayers, revenue support grant provided by the Government and certain other sums, is used to pay for the services provided by your authority and other local authorities in your area.

Rateable Value

The rateable value of non-domestic property, which is fixed in most cases by the Inland Revenue valuation officer, represents the annual open market rental value of the property at 1st April 1988. The values of all property in respect of which rates are payable to your authority are shown in the local rating list, a copy of which may be inspected at *name and address of local valuation office* and *name and address of billing authority*.

The valuation officer may alter the value if he believes that the circumstances of the property have changed. The ratepayer (and certain others who have an interest in the property) may also in certain circumstances propose a change in value. If in any case the ratepayer and the valuation officer do not agree, the matter will be referred as an appeal to a valuation tribunal. Information about the circumstances in which a change in a rateable value may be proposed and how such a proposal may be made is available from the valuation office shown above.

National Non-Domestic Rating Multiplier

The national non-domestic rating multiplier is the rate in the pound by which, outside the City of London where special arrangements apply, the rateable value is multiplied to produce the annual rate bill for a property. It is set annually by the Government and cannot, by law, rise by more than the amount of the increase in the retail prices index.

Transitional Arrangements

For some properties, transitional arrangements will continue to phase in the effect of the change to the non-domestic rating system introduced on 1st April 1990. Where appropriate, these arrangements will operate until 1994-95 and may be extended to later years. There are limits on the percentage by which bills may increase each year. There are special rules dealing with changes in rateable value and the merger or splitting of existing properties. Further information about transitional arrangements may be obtained from *name of billing authority*.

Unoccupied Property Rating

Non-domestic properties which are unoccupied may be liable to empty property rates. Rates are charged at 50 per cent of the full rate bill or of the transitional bill where the transitional arrangements apply. Liability begins after the property has been empty for 3 months. Certain types of property, for instance factories and warehouses, are exempt from empty property rates.

Charitable and Discretionary Relief

Charities are entitled to relief from rates on any non-domestic property which is wholly or mainly used for charitable purposes. Relief is given at 80 per cent of the full rate bill or of the transitional bill where the transitional arrangements apply. Billing authorities have discretion to remit all or part of the remaining 20 per cent of a charity's bill on such property.

Authorities also have discretion to remit all or part of any rate bill in respect of property occupied by certain bodies not established or conducted for profit.

Italics indicate words to be inserted.

PART II

1. The matters mentioned in paragraphs 1, 2, 4 and 5 of Part I.
2. A statement of the non-domestic rating multiplier set by the Common Council for the relevant year in accordance with Part II of Schedule 7 to the 1988 Act (6).
3. Explanatory notes in the following terms—

(6) Part II of Schedule 7 is amended by paragraph 5 of Schedule 10 to the Local Government Finance Act 1992.

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EXPLANATORY NOTES

Non-Domestic Rates

The non-domestic rates collected by billing authorities (district and London borough councils, the Common Council of the City of London and the Council of the Isles of Scilly) are, subject to the special arrangements for the City of London described below, paid into a central pool and redistributed to billing authorities and major precepting authorities. The Common Council's share of redistributed rate income, together with income from its council taxpayers, revenue support grant provided by the Government and certain other sums, is used to pay for the services provided by the Council and other local authorities in your area.

Special Arrangements for the City of London

Because of its special circumstances—notably its very small resident population and its high daytime population—the Common Council can set its own rate and retain part of the proceeds to help pay for the services it provides. It may set this rate, subject to certain constraints, at a higher or lower level than the rate which applies outside the City of London. The amount it must pay into the central pool (as described above) is reduced by the amount which the Government believes is reasonable for it to retain. These arrangements ensure that City of London ratepayers and council tax payers each bear an appropriate share of the cost of providing the services which benefit them.

The City of London Rating Multiplier

The non-domestic rating multiplier for the City of London is the rate which the Common Council levies on each pound of rateable value in order to raise the amount which it is required to pay into the central pool and the amount which it retains to pay for its own services.

Rateable Value

The rateable value of non-domestic property, which is fixed in most cases by the Inland Revenue valuation officer, represents the annual open market rental value of the property at 1st April 1988. The values of all property in respect of which rates are payable to the Common Council are shown in the local rating list, a copy of which may be inspected at *name and address of local valuation office and address of the Common Council*.

The valuation officer may alter the value if he believes that the circumstances of the property have changed. The ratepayer (and certain others who have an interest in the property) may also in certain circumstances propose a change in value. If in any case the ratepayer and the valuation officer do not agree, the matter will be referred as an appeal to a valuation tribunal. Information about the circumstances in which a change in a rateable value may be proposed and how such a proposal may be made is available from the valuation office shown above.

Transitional Arrangements

For some properties, transitional arrangements will continue to phase in the effect of the change to the non-domestic rating system introduced on 1st April 1990. Where appropriate, these arrangements will operate until 1994–95 and may be extended to later years. There are limits on the percentage by which bills may increase each year. There are special rules dealing with changes in rateable value and the merger or splitting of existing properties. Further information about transitional arrangements may be obtained from the Common Council.

Unoccupied Property Rating

Non-domestic properties which are unoccupied may be liable to empty property rates. Rates are charged at 50 per cent of the full rate bill or of the transitional bill where the transitional arrangements apply. Liability begins after the property has been empty for 3 months. Certain types of property, for instance factories and warehouses, are exempt from empty property rates.

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Charities are entitled to relief from rates on any non-domestic property which is wholly or mainly used for charitable purposes. Relief is given at 80 per cent of the full rate bill or of the transitional bill where the transitional arrangements apply. The Common Council has discretion to remit all or part of the remaining 20 per cent of a charity's bill on such property.

The Common Council also has discretion to remit all or part of any rate bill in respect of property occupied by certain bodies not established or conducted for profit.

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