
STATUTORY INSTRUMENTS

1996 No. 3214

RATING AND VALUATION

**The Non-Domestic Rating (Chargeable Amounts
for Small Hereditaments) Regulations 1996**

Made - - - - 19th December 1996

Coming into force - - 20th December 1996

The Secretary of State for the Environment, as respects England, and the Secretary of State for Wales, as respects Wales, in exercise of the powers conferred on them by sections 58 and 143(1) and (2) of the Local Government Finance Act 1988(1) hereby make the following Regulations, a draft of which has been laid before, and approved by resolution of, each House of Parliament:

Citation and commencement

1. These Regulations may be cited as the Non-Domestic Rating (Chargeable Amounts for Small Hereditaments) Regulations 1996 and shall come into force on the day after the day on which they are made.

Interpretation

2. In these Regulations “the 1994 Regulations” means the Non-Domestic Rating (Chargeable Amounts) Regulations 1994(2).

Amendment of the 1994 Regulations for 1997/8

3. Regulation 8 (appropriate fraction) of the 1994 Regulations is amended by the addition of the following paragraph:

“(7) As respects the financial year beginning in 1997, this regulation shall have effect as if—

- (a) in paragraph (2)(b), for “107.5” there were substituted “100”;
- (b) in paragraph (2)(c), for “105” there were substituted “100”;
- (c) at the end of paragraph (5) there were added:

“but if the hereditament falls within the description in regulation 8(2)(b) or (c) or 8(4), the value of Q is 1.”.

(1) 1988 c. 41; section 58(7A) was added by section 2 of the Non-Domestic Rating Act 1994 (c. 3).

(2) S.I.1994/3279; amendments were made by S.I. 1995/961; S.I. 1995/1678; S.I. 1995/3322 and S.I. 1996/911.

Amendment of the 1994 Regulations for 1997/8, 1998/9 and 1999/2000

4. The 1994 Regulations are amended in accordance with the following regulations.
5. At the end of regulation 1(2) add—
- ““small hereditament” means—
- (a) a hereditament situated outside Greater London for which the rateable value shown in the list is less than £10,000, or
 - (b) a hereditament situated in Greater London for which the rateable value shown in the list is less than £15,000;
- “small hereditament factor” means the amount by which the non-domestic rating multiplier determined in accordance with Part I of Schedule 7 to the Act for the financial year beginning in 1997 exceeds that multiplier for the financial year beginning in 1996.”.
6. At the end of regulation 4 (notional chargeable amount) add the following paragraph:
- “(7) As respects a financial year beginning in or after 1997, this regulation shall have effect as if, for paragraph (2)(b), there were substituted—
- “(b) B is—
- (i) in a case where the rateable value shown in the list for the hereditament is as specified in regulation 8(2)(b) or (c) or (4), the non-domestic rating multiplier for the relevant year less the small hereditament factor, or
 - (ii) in any other case, the non-domestic rating multiplier for the relevant year.”.”.

7. At the end of regulation 11 (change in rateable value after 1 April 1995) add the following paragraph:

“(7) As respects a financial year beginning in or after 1997, this regulation shall have effect as if for paragraph (5)(a), there were substituted—

“(a) B is—

 - (i) in a case where, for the day, the hereditament is a small hereditament, the non-domestic rating multiplier for the relevant year in which the day falls less the small hereditament factor, or
 - (ii) in any other case, the non-domestic rating multiplier for the relevant year in which the day falls.”.”.

8. In regulation 24(3)(a) (central list hereditaments: application of the Regulations) for “falls” substitute “fell”.

9. At the end of paragraph 3 of Schedule 1 (altered hereditament: notional chargeable amount) add the following sub-paragraph:

“(3) As respects a financial year beginning in or after 1997, this paragraph shall have effect as if, for sub-paragraph (2)(b), there were substituted—

“(b) B is—

 - (i) in a case where, for the day for which it is shown for the first time in the list following its alteration, the hereditament is a small hereditament, the non-domestic rating multiplier for the relevant year less the small hereditament factor, or
 - (ii) in any other case, the non-domestic rating multiplier for the relevant year.”.”.

10. At the end of paragraph 7 of Schedule 2 (splits and mergers: change in value of new hereditament) add the following sub-paragraph:

“(6) As respects a financial year beginning in or after 1997, this paragraph shall have effect as if, for paragraph (a) of sub-paragraph (5), there were substituted—

“(a) B is—

(i) in a case where, for the day, the new hereditament is a small hereditament, the non-domestic rating multiplier for the relevant year in which the creation day falls less the small hereditament factor, or where the small hereditament is situated in the area of a special authority, the non-domestic rating multiplier of the special authority for the relevant year less the small hereditament factor;

or

(ii) in any other case, the non-domestic rating multiplier for that relevant year or, where the hereditament is situated in the area of a special authority, the non-domestic rating multiplier of the special authority for that relevant year.””.

11. At the end of paragraph 8 of Schedule 2 (splits and mergers: notional chargeable amount for new hereditament) add the following sub-paragraph—

“(4) As respects a financial year beginning in or after 1997, this paragraph shall have effect as if, for paragraph (b) of sub-paragraph (3), there were substituted—

“(b) B is—

(i) in a case where, for the creation day, the new hereditament is a small hereditament, the non-domestic rating multiplier for the relevant year less the small hereditament factor; or

(ii) in any other case, the non-domestic rating multiplier for the relevant year.””.

12. At the end of paragraph 1 of Schedule 2A (splits and mergers—certified values: notional chargeable amount) add the following sub-paragraph—

“(3) As respects a financial year beginning in or after 1997, this paragraph shall have effect as if, for the definition of B, there were substituted—

“B is—

(a) in a case where, for the creation day, the new hereditament is a small hereditament, the non-domestic rating multiplier for the relevant year less the small hereditament factor, or

(b) in any other case, the non-domestic rating multiplier for the relevant year.””.

13. After regulation 36, add the following new Part—

“PART VII

CHARGEABLE AMOUNTS FOR SMALL HEREDITAMENTS SHOWN IN THE LOCAL LIST

37. Regulation 38 or 39 applies in relation to a small hereditament for a day falling within the relevant period for which Parts II or III of these Regulations do not apply for finding the chargeable amount.

38. The chargeable amount for a small hereditament to which this regulation applies as respects any day falling in the financial year beginning in 1997 shall be calculated in accordance with sections 43 to 45 of the 1988 Act as if for subsections (4) and (5) of section 44 there were substituted—

“(4) Subject to subsection (5) below, B is the non-domestic rating multiplier for the financial year beginning in 1996.

(5) Where the hereditament is situated in the area of a special authority, B is the authority’s non-domestic rating multiplier for the financial year beginning in 1997 less the small hereditament factor.”.

39. The chargeable amount for a small hereditament to which this regulation applies as respects a day falling within the financial year beginning in 1998 or 1999 shall be calculated in accordance with sections 43 to 45 of the 1988 Act as if for subsections (4) and (5) of section 44 there were substituted—

“(4) Subject to subsection (5) below, B is the non-domestic rating multiplier for the financial year less the small hereditament factor.

(5) Where the billing authority is a special authority, B is the authority’s non-domestic rating multiplier for the financial year less the small hereditament factor.”.

Signed by authority of the Secretary of State for the Environment

Department of the Environment
18th December 1996

James Clappison
Parliamentary Under Secretary of State,

Signed by authority of the Secretary of State for Wales

Welsh Office
19th December 1996

Gwilyn Jones
Parliamentary Under Secretary of State,

EXPLANATORY NOTE

(This note is not part of the Regulations)

These Regulations make amendments to the Non-Domestic Rating (Chargeable Amounts) Regulations 1994 (“the 1994 Regulations”) which made provision for the five year period beginning on 1st April 1995 in relation to non-domestic rates under Part III of the Local Government Finance Act 1988 as to the chargeable amount for which a ratepayer is liable in certain circumstances.

The effect of the amendments made to the 1994 Regulations is to bring about for 1997/8 a freeze or a further reduction in the chargeable amount payable in respect of hereditaments to which those Regulations apply for which the rateable value is below a certain level (see regulation 3).

The Regulations made consequential changes to the 1994 Regulations to deal with small hereditaments the value of which alters during the remainder of the relevant period (regulations 5, 7 and 10) and other consequential amendments (regulations 6, 9, 11 and 12).

In addition, a new Part VII to the 1994 Regulations specifies an additional category of hereditaments for which those Regulations will have effect for finding the chargeable amount. These are hereditaments for which the 1994 Regulations have not previously applied for finding the chargeable amount, the rateable value of which is below a specified level (see regulation 5—definition of “small hereditament”—and regulation 13).

Regulation 8 makes a minor amendment to regulation 24 of the 1994 Regulations to achieve consistency of drafting.