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STATUTORY INSTRUMENTS

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**1998 No. 519**

**The Non-Domestic Rates (Levyng)  
(Scotland) Regulations 1998**

**PART III**

**MERGERS, SPLITS AND REORGANISATIONS AFTER 31ST MARCH 1998**

**Application of Part III**

**13.**—(1) Where lands and heritages are shown in a merged, split or reorganised entry with effect from a day in the relevant year, this Part shall, subject to paragraphs (2) to (4) below, apply to those lands and heritages as from that effective day.

(2) This Part shall not apply to lands and heritages shown—

(a) in a merged or reorganised entry, if that entry does not show (in whole or in part) any lands and heritages in respect of which—

(i) paragraph (a) or (b) of regulation 7 of the 1997 Regulations;

(ii) Part IV of those Regulations;

(iii) paragraph (a) or (b) of regulation 7 above; or

(iv) this Part,

applied as regards the day immediately prior to the effective date of that entry;

(b) in a split entry, if none of the provisions referred to in sub-paragraph (a) above applied in respect of the lands and heritages shown in the relevant old entry and the day immediately prior to the effective date of the split entry;

(c) in a split entry taking effect on 1st April 1998, if paragraph (a) or (b) of regulation 7 above would not, had there been no split, have applied in respect of that day and the lands and heritages shown in the relevant old entry.

(3) This Part shall not apply to lands and heritages as regards any day for which their rateable value is prescribed in an order made under section 6 of the 1975 Act (other than an order mentioned in regulation 6(2) above).

(4) This Part shall not apply to lands and heritages as regards any day—

(a) for which they do not have their rateable value prescribed in an order made under section 6 of the 1975 Act; and

(b) on which they consist to any extent of lands and heritages which have at any time after 31st March 1995 had their rateable value prescribed in such an order.

**Mergers and reorganisations – amount payable as rates**

**14.**—(1) Where lands and heritages to which this Part applies are shown in a merged or reorganised entry, the amount payable as rates in respect of those lands and heritages and a day in

the relevant year shall, subject to regulation 16 and Part V below, be calculated in accordance with the formula—

$$TAL \times \frac{RV}{TORV}$$

where—

TAL is the total of the applicable liabilities in respect of each relevant old entry, ascertained in accordance with paragraph (2) below;

RV is the rateable value shown in the merged or reorganised entry; and

TORV is the total old rateable value, being the total of the rateable values shown in the relevant old entries.

- (2) For the purposes of paragraph (1) above, the applicable liability in respect of an old entry is—
- (a) where the merged or reorganised entry takes effect from 1st April 1998 and paragraph (a) or (b) of regulation 7 above would, but for the merger or reorganisation, have applied in respect of that day and the lands and heritages shown in the old entry in question, the amount determined under the paragraph which would have been so applicable (before application of Part V below);
  - (b) where paragraph (a) or (b) of regulation 7 above applies in respect of the lands and heritages shown in that entry and the day immediately prior to the effective date of the merged or reorganised entry, the amount determined under the applicable paragraph (before application of Part V below);
  - (c) where this Part applies in respect of those lands and heritages and that day, the amount determined under this Part (before application of Part V below); and
  - (d) in any other case, the amount calculated in accordance with the formula—

$$\frac{RV \times PF}{365}$$

where—

RV is the rateable value shown in the old entry; and

PF is the poundage figure, being—

- (a) 0.465, where that rateable value is less than £10,000; and
- (b) 0.474, in any other case.

### **Splits – amount payable as rates**

15.—(1) Where lands and heritages to which this Part applies are shown in a split entry, the amount payable as rates in respect of those lands and heritages and a day in the relevant year shall, subject to regulation 16 and Part V below, be calculated in accordance with the formula—

$$AD \times \frac{RV}{ORV}$$

where—

AD is the amount ascertained in accordance with paragraph (2) below;

RV is the rateable value shown in the split entry; and

ORV is the old rateable value, being the rateable value shown in the relevant old entry.

- (2) The amount ascertained in accordance with this paragraph is—
- (a) in the case of a split entry taking effect on 1st April 1998, the amount which would have been determined (before application of Part V below) in respect of that day and the lands

and heritages shown in the relevant old entry under whichever of paragraph (a) or (b) of regulation 7 above would have been applicable had the split not taken place; and

- (b) in any other case, the amount determined under paragraph (a) or (b) of regulation 7 above, or as the case may be this Part, (before application of Part V below) in respect of the lands and heritages shown in the relevant old entry and the day immediately prior to the effective date of the split entry.

### Changes in rateable value

16.—(1) Where the rateable value of lands and heritages to which this Part applies is increased with effect from a day in the relevant year subsequent to 1st April 1998, the amount payable as rates in respect of those lands and heritages and any day in the relevant year on or after that effective day shall, subject to Part V below, be calculated in accordance with the formula—

$$AD + \frac{(IRV - RV) \times PF}{365}$$

where—

AD is the amount determined under regulation 14(1) or 15(1) above (before application of Part V below) in respect of those lands and heritages and the day immediately prior to the effective day;

IRV is the increased rateable value of those lands and heritages;

RV is their rateable value immediately prior to the effective day; and

PF has the same meaning as in regulation 12(1) above.

(2) Where the rateable value of lands and heritages to which this Part applies is reduced with effect from a day in the relevant year, the amount payable as rates in respect of those lands and heritages and any day in the relevant year on or after that effective day shall, subject to Part V below, be calculated in accordance with the formula—

$$AD \times \frac{RRV}{RV}$$

where—

AD and RV have the same meanings as in paragraph (1) above; and

RRV is the reduced rateable value of those lands and heritages.

(3) Where the rateable value of lands and heritages is changed for a second or subsequent time whilst this Part applies to them, paragraphs (1) and (2) above shall have effect with the substitution, in the definition of “AD” in paragraph (1), for the words “regulation 14(1) or 15(1) above” of the words “this paragraph or paragraph (2) below”.