

SCHEDULE 2

SPLITS AND MERGERS

Base liability for the year after the year in which the creation day falls

8.—(1) This paragraph applies for determining the base liability for a new hereditament for the relevant year which falls immediately after the year in which the creation day falls.

(2) Where this paragraph applies, the base liability for the hereditament is found by applying the formula—

$$(T \times C) - ((B - D) \times J).$$

(3) For the purposes of this paragraph—

T is the amount (calculated in accordance with such of the preceding provisions of this Schedule as are applicable) which is or would have been the chargeable amount for the hereditament for the creation day if—

- (a) the whole of the hereditament were occupied;
- (b) sections 43(4B) (small business rate relief), 43(6) (charities or registered community amateur sports clubs), 43(6B) (general stores etc in rural settlements), 47 (discretionary relief) and 49(1) of the Act (reduction or remission of liability) did not apply to it for the creation day;

C is the number of days in the relevant year in which the creation day falls;

B is the non-domestic rating multiplier for the relevant year;

D is the small business non-domestic rating multiplier for the relevant year; and

J is the rateable value shown in a list for the new hereditament for the creation day.