

## SCHEDULE 2

### Calculations for designated areas

## PART 3

### Calculation of the baseline amount

#### **For a specified year that is not a revaluation year**

**3.**—(1) If a specified year is not a revaluation year, a billing authority's baseline amount in respect of a designated area for the specified year is the amount calculated under sub-paragraph (2) or (3).

(2) For the specified year beginning with 1st April 2018, a billing authority's baseline amount is calculated in accordance with the formula—

$$J \times \frac{K_2}{K_1}$$

where—

J is the amount provided in column 4 of the table in Schedule 1 in relation to the designated area;

K<sub>1</sub> is the small business non-domestic rating multiplier for the preceding year; and

K<sub>2</sub> is the small business non-domestic rating multiplier for the specified year.

(3) For a subsequent specified year which is not a revaluation year, the baseline amount is calculated in accordance with the formula—

$$L \times \frac{M_2}{M_1}$$

where—

L is the amount calculated under sub-paragraph (2), this sub-paragraph or paragraph 4(1) for the preceding year;

M<sub>1</sub> is the small business non-domestic rating multiplier for the preceding year; and

M<sub>2</sub> is the small business non-domestic rating multiplier for the specified year.