



Non-Domestic Rates (Scotland) Act 2020

2020 asp 4

PART 2

ADMINISTRATION AND ENFORCEMENT OF NON-DOMESTIC RATES

Reform of reliefs etc.

14 New or improved properties: rates relief

- (1) The Scottish Ministers may by regulations make provision for relief from the payment of non-domestic rates in respect of—
 - (a) newly built lands and heritages,
 - (b) improved lands and heritages.
- (2) Regulations under subsection (1) may (in particular) make provision for or about—
 - (a) rates of relief (including by reference to thresholds),
 - (b) periods for which relief is available,
 - (c) eligibility for relief (including eligibility based on use or occupation of, or changes to, the lands and heritages).
- (3) Regulations under subsection (1)—
 - (a) may make different provision for different purposes,
 - (b) may make incidental, supplementary, consequential, transitional, transitory or saving provision.
- (4) Regulations under subsection (1) are subject to the negative procedure.
- (5) Before making regulations under subsection (1), the Scottish Ministers must consult such persons as they consider appropriate.
- (6) In this section—

“improved lands and heritages” means lands and heritages for which an entry in the valuation roll is altered as described in section 2A(4) of the 1975 Act,

“newly built lands and heritages” means lands and heritages for which an entry in the valuation roll is made or altered as described in section 2A(3) of the 1975 Act.

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Commencement Information

II S. 14 in force at 5.11.2020 by [S.S.I. 2020/327](#), [sch.](#)

15 Contribution to net-zero emissions target: rates relief

- (1) Section 153 of the Local Government etc. (Scotland) Act 1994 (power to prescribe amount of non-domestic rate) is amended as follows.
- (2) After subsection (3)(b) insert—
 - “(c) which—
 - (i) contribute to the net-zero emissions target (for example, by virtue of forming part of a district heating network) and those which do not so contribute,
 - (ii) contribute as mentioned in sub-paragraph (i) and whose contributions fall into different categories prescribed for the purpose of this sub-paragraph in rules under subsection (1).”.
- (3) In subsection (3A) after “subsection (3)(b)” insert “ or (c)(ii) ”.
- (4) After subsection (6) insert—
 - “(7) In subsection (3)(c), “net-zero emissions target” has the meaning given by section A1(1) of the Climate Change (Scotland) Act 2009.”.

Commencement Information

I2 S. 15 in force at 5.11.2020 by [S.S.I. 2020/327](#), [sch.](#)

16 Specialist music provision in public schools: rates relief

- (1) The Scottish Ministers may by regulations make provision for relief from the payment of non-domestic rates in respect of any part of lands and heritages which falls within subsection (2).
- (2) A part of lands and heritages falls within this subsection if—
 - (a) the lands and heritages are wholly or mainly used as a public school, some or all of the pupils of which—
 - (i) are selected for attendance at the school on the basis of musical ability or potential, and
 - (ii) follow a curriculum which includes tuition aimed at developing musical excellence, and
 - (b) the part is wholly or mainly used to provide such tuition to pupils who follow that curriculum.
- (3) Regulations under subsection (1) may (in particular) make provision as to how a part of lands and heritages falling within subsection (2) is to be identified and may provide—
 - (a) for there to be separate entries in the valuation roll in respect of any part of lands and heritages falling within subsection (2) and the remainder of the lands and heritages,

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- (b) for the rateable value included in those entries to be determined in accordance with the regulations.
- (4) Regulations under subsection (1) may make further provision for or about eligibility for relief.
- (5) Regulations under subsection (1)—
 - (a) may make different provision for different purposes,
 - (b) may make incidental, supplementary, consequential, transitional, transitory or saving provision.
- (6) Regulations under subsection (1) are subject to the negative procedure.
- (7) In this section, “public school” has the meaning given by section 135(1) of the Education (Scotland) Act 1980.

Commencement Information

I3 S. 16 in force at 5.11.2020 by S.S.I. 2020/327, sch.

17 Charitable relief: independent schools

- (1) Section 4 of the 1962 Act (reduction and remission of rates payable by charitable and other organisations) is amended as follows.
- (2) In subsection (9) (which provides for certain lands and heritages to be ineligible for reduction or remission of rates), after “1956,” insert “ to lands and heritages which are wholly or mainly used for the purpose of carrying on an independent school other than a school falling within subsection (9A), ”.
- (3) After that subsection insert—
 - “(9A) The schools falling within this subsection are—
 - (a) any independent school all the pupils of which—
 - (i) are selected on the basis of musical ability or potential, and
 - (ii) follow a curriculum which includes classes aimed at developing musical excellence,
 - (b) any independent school which is a special school.”.
- (4) In subsection (10)—
 - (a) after paragraph (a) insert—
 - “(aa) “independent school” has the meaning given by section 135(1) of the Education (Scotland) Act 1980,”,
 - (b) after paragraph (c) insert “,
 - (d) “special school” means a school falling within paragraph (a) of the definition of “special school” in section 29(1) of the Education (Additional Support for Learning) (Scotland) Act 2004.”.
- (5) After subsection (13) insert—
 - “(14) Any reduction or remission of rates in respect of lands and heritages which are wholly or mainly used for the purpose of carrying on an independent

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school, other than a school falling within subsection (9A), granted under subsection (5) before the day on which section 17 of the Non-Domestic Rates (Scotland) Act 2020 comes into force ceases to have effect on that day.”.

Commencement Information

I4 S. 17 in force at 1.4.2022 by S.S.I. 2020/327, sch. (as amended by S.S.I. 2021/120, regs. 1, 2)

18 Power to reduce or remit rates for certain organisations: guidance

In section 4 of the 1962 Act (reduction and remission of rates payable by charitable and other organisations), after subsection (7) insert—

“(7A) The Scottish Ministers may issue guidance to rating authorities about the exercise of the powers conferred by subsections (5) to (7) in relation to lands and heritages of the type mentioned in subsection (5)(c).

(7B) A rating authority must have regard to such guidance.

(7C) Guidance under subsection (7A) may be—

- (a) general or for particular purposes,
- (b) different in relation to different persons or otherwise for different purposes.

(7D) Before issuing guidance under subsection (7A), the Scottish Ministers must—

- (a) lay a draft of the proposed guidance before the Scottish Parliament,
- (b) consult—
 - (i) such person or persons as appear to the Scottish Ministers to represent the interests of local authorities, and
 - (ii) such other persons as they consider appropriate.

(7E) The Scottish Ministers must not issue guidance under subsection (7A) until after a period of 40 days beginning with the day on which the draft guidance was laid before the Parliament under subsection (7D)(a).

(7F) If, within that period, the Parliament resolves that the guidance proposed should not be issued, Ministers must not issue it.

(7G) In calculating any period of 40 days for the purposes of subsection (7E) or (7F) above, no account is to be taken of any time during which the Parliament is dissolved or is in recess for more than 4 days.

(7H) Subsection (7D) is complied with even if the consultation took place, or began, before section 18 of the Non-Domestic Rates (Scotland) Act 2020 comes into force.

(7I) The Scottish Ministers must publish, in such manner as they consider appropriate, any guidance issued under subsection (7A).

(7J) The power to issue guidance under subsection (7A) includes power to revise that guidance (and the references to guidance in subsections (7B) to (7I) include references to such revised guidance).”.

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Commencement Information

I5 S. 18 in force at 5.11.2020 by S.S.I. 2020/327, sch.

19 Unoccupied properties

- (1) The Local Government (Scotland) Act 1966 is amended as follows.
- (2) Section 24 (unoccupied lands and heritages) is repealed.
- (3) In section 24A (lands and heritages partly unoccupied for a short time)—
 - (a) in subsection (2), the words “, subject to subsection (4),” are repealed,
 - (b) subsection (4) is repealed,
 - (c) in subsection (5), for “, (3)(a), (c) and (d) and (4)” substitute “ and (3)(a), (c) and (d) ”,
 - (d) subsection (6) is repealed.
- (4) In section 24B (certain lands and heritages to be treated as unoccupied)—
 - (a) in subsection (1)—
 - (i) for “section 24” substitute “ section 24A ”,
 - (ii) for “lands and heritages” where it first occurs substitute “ a part of lands and heritages ”,
 - (iii) for “they” where it first occurs substitute “ the part ”,
 - (iv) for “lands and heritages” where it second occurs substitute “ part ”,
 - (v) in paragraph (a), for “lands and heritages when they were” substitute “ part of the lands and heritages when it was ”,
 - (vi) in paragraph (b), for “lands and heritages” substitute “ part ”,
 - (b) subsections (2) to (4) are repealed.
- (5) In section 25(1) (provisions supplementary to section 24), for “section 24 of this Act” substitute “ any scheme under section 3A of the Local Government (Financial Provisions etc.) (Scotland) Act 1962 which provides for the rates leviable in respect of lands and heritages to be reduced or remitted by virtue of the lands and heritages being unoccupied ”.
- (6) The section title of section 25 becomes “ **Newly erected, altered etc. buildings: completion notices** ”.
- (7) In schedule 3 (rating of unoccupied property), in paragraph 2—
 - (a) for “section 24 of this Act” substitute “ any scheme under section 3A of the Local Government (Financial Provisions etc.) (Scotland) Act 1962 which provides for the rates leviable in respect of lands and heritages to be reduced or remitted by virtue of the lands and heritages being unoccupied ”,
 - (b) in paragraph 5, the words “under section 24 of this Act” are repealed.

Commencement Information

I6 S. 19 in force at 1.4.2023 by S.S.I. 2022/23, reg. 2 (with reg. 4)

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20 Non-use or underuse of lands and heritages: notification

- (1) This section applies where the non-domestic rates payable in respect of any lands and heritages are being reduced or remitted for any reason (other than the operation of sections 24A and 24B (rating of unoccupied property) of the Local Government (Scotland) Act 1966).
- (2) The local authority to which the rates are or would, but for the reduction or remission, be payable may give a notice to the person who is liable to pay the rates in respect of the lands and heritages (the “ratepayer”) stating that the authority considers that one of the conditions mentioned in subsections (3) and (4) may be satisfied in relation to the lands and heritages.
- (3) The condition is that the lands and heritages are not being used.
- (4) The condition is that—
 - (a) the lands and heritages are being used but there is a significant difference between—
 - (i) the extent to which the lands and heritages are being used, and
 - (ii) the extent to which they could reasonably be used,
 - (b) the amount of rates payable in respect of the lands and heritages (after reduction or remission as mentioned in subsection (1)), is less than the amount that would be so payable if the lands and heritages were unoccupied, and
 - (c) the main reason for the lands and heritages being used to the extent mentioned in paragraph (a)(i), rather than not being used, is to obtain that reduction or remission.
- (5) A notice under subsection (2) must—
 - (a) set out the local authority's reasons for considering that the condition mentioned in subsection (3) or (as the case may be) (4) may be satisfied in relation to the lands and heritages,
 - (b) invite the ratepayer to provide to the local authority, within the period of 28 days beginning with the date on which the notice is given, an explanation of the extent of the use being made of the lands and heritages and of the reasons for that,
 - (c) explain the action that the local authority may take in relation to the reduction or remission if the local authority concludes that the condition mentioned in subsection (3) or (as the case may be) (4) is satisfied in relation to the lands and heritages.
- (6) Following the expiry of the period mentioned in subsection (5)(b), or on receipt of an explanation from the ratepayer (if sooner), the local authority must—
 - (a) consider any explanation received from the ratepayer,
 - (b) decide whether either of the conditions mentioned in subsections (3) and (4) is satisfied in relation to the lands and heritages, and
 - (c) unless no explanation has been received from the ratepayer, give the ratepayer a further notice stating the conclusion reached under paragraph (b).
- (7) Where the local authority concludes that one of the conditions mentioned in subsections (3) and (4) is satisfied in relation to the lands and heritages, the notice given under subsection (6)(c) must also—
 - (a) explain the reasons for that conclusion, and

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- (b) explain what action the local authority is taking, or intends to take, in relation to the reduction or remission.

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Commencement Information

I7 [S. 20](#) in force at 1.4.2021 by [S.S.I. 2020/327](#), [sch.](#)

Changes to legislation:

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Changes and effects yet to be applied to :

- specified provision(s) amendment to earlier commencing S.S.I. 2020/327, sch. by [S.S.I. 2021/120 reg. 2\(2\)](#)