

RATES (AMENDMENT) (NORTHERN IRELAND) ORDER 2006

S.I. 2006 2954

EXPLANATORY MEMORANDUM

COMMENTARY ON ARTICLES

Part IV – Reliefs and Exemptions Etc.

Article 14: Rate relief scheme

26. This Article provides for rate relief for domestic ratepayers and enables the Department to make whatever regulations are necessary for the purposes of the scheme including those corresponding to statutory provisions governing housing benefit.

Article 15: Persons under 18 and persons in education and training or leaving care

27. This Article provides for full relief from rates to be provided where a property is occupied solely by persons under 18, persons in education and training or leaving care. It also allows halls of residence to be exempt from rates, where they are used to accommodate those in full time education and training. In addition, the Article allows the Department to specify the conditions that will apply in relation to this, including a definition of those in full time education and training, and that the benefit is passed on to the person occupying the properties where a landlord pays the rates.

Article 16: “Disability”

28. This Article substitutes the definition of “disabled” with a new definition of “disability”.

Article 17: Rate rebates for certain hereditaments with special facilities for persons with disabilities

29. This Article amends existing provisions on rebates for domestic property with special facilities for persons with a disability, sets out the criteria for the rebate and removes the garage and central heating elements for awards after 1 April 2007.
30. The amount of the rebate will equate to 25 per cent of the rate bill. It provides also that, where applicable, this rebate shall be applied before the award of rate relief. An appeal process is introduced.

Article 18: Transitional rate relief

31. This Article provides for transitional relief to be awarded where the net annual value or capital value of a hereditament differs from the values in a previous valuation list or no such value existed. It enables the amount of rates due and also differences in values to come into operation over such periods and in such proportions as may be determined by the Department.

Article 19: Extension of exemption relating to sale of goods donated to a charity

32. This Article extends exemption from rates to the sale of other goods (in addition to goods donated to a charity), where the hereditament is used mainly for the sale of donated goods and the proceeds of the sale of those goods are applied for the purposes of a charity. An order specifying the type of goods would have to be laid before and approved by a resolution of the Assembly.

Article 20: Extension of charitable exemption for clergy residences

33. This Article allows the existing partial exemption of clergy residences to be applied to houses owned by ministers of religion and other similar clergy.

Article 21: Power to prescribe exemption where hereditament has both a capital value and a net annual value

34. This Article enables regulations to be made that may specify that where an unoccupied hereditament has both an NAV and a capital value that rates will not be charged on the capital value part. This will ensure that the domestic part of a property will not be subject to the unoccupied rate until the Assembly decides to introduce this in the domestic sector.

Article 22: Power to remove exemption for unoccupied dwelling-houses, etc.

35. This Article makes provision that Schedule 8A to the principal Order may apply to a dwelling-house, private garage or private storage premises subject to approval by a resolution of the Assembly. This enables the Assembly to introduce unoccupied rating of the domestic sector.

Article 23: Power to prescribe reduction in amount payable

36. This Article provides for a reduction of 50 per cent in the rates payable on certain unoccupied properties to be altered, subject to approval by a resolution of the Assembly.

Article 24: Reduction of rates on former agricultural land, etc.

37. This Article provides for the introduction of a farm diversification relief scheme. The scheme will be time limited, provide for 50 per cent relief on the rates, specify eligibility and occupancy conditions, have an upper net annual value limit of £7,000, which can be changed by regulations subject to affirmative resolution and also treats replacement buildings as if they were the original building for the purposes of this relief. It does not apply to domestic property. It provides also for reduction in or repayment of relief where a Community obligation has been contravened.

Article 25: Exemption for automatic telling machines in rural areas

38. This Article provides for full exemption for automatic telling machines (ATMs) shown in the NAV list that are situated in rural areas. It provides for powers to amend the date of cessation of the Article (by affirmative resolution) and to designate wards deemed to be rural areas (by negative resolution).

Article 26: Power to remove exemption for private dwellings from completion notices

39. This Article gives the Department the power to serve a completion notice on a building used wholly for the purposes of a private dwelling, subject to approval by resolution of the Assembly. A completion notice is served when the Department considers that a new building can reasonably be expected to be completed within a three-month period and it then becomes liable to the unoccupied rate.

Article 27: Power to extend exemption from completion notices

40. This Article gives the Department the power not to serve completion notices in respect of certain classes of buildings.

Article 28: Abolition of reduction of regional rate on dwellings

41. This Article repeals Article 27 of the principal Order, which provides for a reduction in the regional rate for domestic property.