



Local Government Finance Act 1988

1988 CHAPTER 41

PART III

NON-DOMESTIC RATING

Interpretation

66 Domestic property.

- (1) [^{F1}Subject to subsections (2), (2B) [^{F2}, (2BB)] and 2E below], property is domestic if—
- (a) it is used wholly for the purposes of living accommodation,
 - (b) it is a yard, garden, outhouse or other appurtenance belonging to or enjoyed with property falling within paragraph (a) above,
 - (c) it is a private garage [^{F3}which either has a floor area of 25 square metres or less or is] used wholly or mainly for the accommodation of a private motor vehicle, or
 - (d) it is private storage premises used wholly or mainly for the storage of articles of domestic use.

[^{F4}(1A) Property in England is also domestic if—

- (a) it is used wholly or mainly for the activity mentioned in subsection (1B), and
- (b) it is situated in or on property which is—
 - (i) used wholly for the purposes of living accommodation, or
 - (ii) a yard, garden, outhouse or other appurtenance belonging to or enjoyed with property used wholly for the purposes of living accommodation.

(1B) That activity is the generation of electricity or the production of heat by a source of energy or a technology mentioned in section 26(2) of the Climate Change and Sustainable Energy Act 2006, where—

- (a) the majority of the electricity or heat is generated or produced for use by such persons as may be in the living accommodation, or

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- (b) the plant or equipment used to generate the electricity or produce the heat has a capacity not exceeding 10 kilowatts or 45 kilowatts thermal, as the case may be.]

[^{F5}(2) Property is not domestic property if it is wholly or mainly used in the course of a business for the provision of short-stay accommodation, that is to say accommodation—

- (a) which is provided for short periods to individuals whose sole or main residence is elsewhere, and
- (b) which is not self-contained self-catering accommodation provided commercially.

[Subsection (2) above does not apply if—

- ^{F6}(2A) (a) it is intended that within the year beginning with the end of the day in relation to which the question is being considered, short-stay accommodation will not be provided within the hereditament for more than six persons simultaneously; and
- (b) the person intending to provide such accommodation intends to have his sole or main residence within that hereditament throughout any period when such accommodation is to be provided, and that any use of living accommodation within the hereditament which would, apart from this subsection, cause any part of it to be treated as non-domestic, will be subsidiary to the use of the hereditament for, or in connection with, his sole or main residence.]

[Subsection (2B) applies only in so far as this Part applies in relation to England.]

^{F7}(2AA)

(2B) A building or self-contained part of a building is not domestic property if—

- (a) the relevant person intends that, in the year beginning with the end of the day in relation to which the question is being considered, the whole of the building or self-contained part will be available for letting commercially, as self-catering accommodation, for short periods totalling 140 days or more, ^{F8}...
- (b) on that day his interest in the building or part is such as to enable him to let it for such periods.

[^{F9}(c) the whole of the building or self-contained part of the building was available for letting commercially, as self-catering accommodation, for short periods totalling 140 days or more in the year prior to the year beginning with the end of the day in relation to which the question referred to in paragraph (a) is being considered, and

- (d) the short periods for which it was so let amounted in total to at least 70 days.]

[Subsection (2BB) applies only in so far as this Part applies in relation to Wales.

^{F10}(2BA)

(2BB) A building or self-contained part of a building is not domestic property if each of the following paragraphs apply in relation to it—

- (a) the relevant person intends that, in the year beginning with the end of the day in relation to which the question is being considered, the whole of the building or self-contained part will be available for letting commercially, as self-catering accommodation, for short periods totalling [^{F11}252] days or more;
- (b) on that day the relevant person's interest in the building or part is such as to enable the person to let it for such periods;

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- (c) the whole of the building or self-contained part of the building was available for letting commercially, as self-catering accommodation, for short periods totalling ^{F11}252 days or more in the year prior to the year beginning with end of the day in relation to which the question referred to in paragraph (a) is being considered;
 - ^{F12}(d) the short periods for which it was so let—
 - (i) amounted in total to at least ^{F13}182 days; or
 - (ii) taken together with the short periods for which one or more other buildings or self-contained parts of a building so let, amounted to an average of at least ^{F13}182 days for each building or self-contained part of a building included within the calculation; where each building or self-contained part of the building included in the calculation—
 - (aa) is not included in another calculation under this subparagraph for the year in relation to which the question is being considered,
 - (bb) is situated at the same location or in very close proximity to all of the other buildings or self-contained parts of a building included in the calculation, and
 - (cc) is so let as part of the same business or connected businesses.]]
- ^{F14}[For the purposes of ^{F15}subsection (2B)]^{F15}[subsections (2B) and (2BB)] the relevant (2BC) person is—
- (a) where the building or self-contained part is not subject as a whole to a relevant leasehold interest, the person having the freehold interest in the whole of the building or self-contained part; and
 - (b) in any other case, any person having a relevant leasehold interest in the building or self-contained part which is not subject (as a whole) to a single relevant leasehold interest inferior to that interest.]
- ^{F16}(2C)
- (2D) Subsection (2B) ^{F17}[and subsection (2BB) above do] not apply where the building or self-contained part is used as the sole or main residence of any person ^{F18}. . .]
- ^{F19}(2E) Property is not domestic property if it is ^{F20}[overnight accommodation which is the subject of a timeshare contract within the meaning of the Timeshare, Holiday Products, Resale and Exchange Contracts Regulations 2010.]]
- ^{F21}(3) Subsection (1) above does not apply in the case of a pitch occupied by a caravan, but if in such a case the caravan is the sole or main residence of an individual, the pitch and the caravan, together with any garden, yard, outhouse or other appurtenance belonging to or enjoyed with them, are domestic property]
- ^{F22}(4) Subsection (1) above does not apply in the case of a mooring occupied by a boat, but if in such a case the boat is the sole or main residence of an individual, the mooring and the boat, together with any garden, yard, outhouse or other appurtenance belonging to or enjoyed with them, are domestic property.
- (4A) Subsection (3) or (4) above does not have effect in the case of a pitch occupied by a caravan, or a mooring occupied by a boat, which is an appurtenance enjoyed with other property to which subsection (1)(a) above applies]
- (5) Property not in use is domestic if it appears that when next in use it will be domestic.

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^{F23}(6)

(7) Whether anything is a caravan shall be construed in accordance with Part I of the ^{M1}Caravan Sites and Control of Development Act 1960.

^{F23}(8)

^{F24}(8A) In this section—

“business” includes—

- (a) any activity carried on by a body of persons, whether corporate or unincorporate, and
- (b) any activity carried on by a charity;
“commercially” means on a commercial basis, and with a view to the realisation of profits; and
“relevant leasehold interest” means an interest under a lease or underlease which was granted for a term of 6 months or more and conferred the right to exclusive possession throughout the term.]

(9) The Secretary of State may by order amend, or substitute another definition for, any definition of domestic property for the time being effective for the purposes of this Part.

Textual Amendments

- F1** Words in s. 66(1) (which were inserted by [S.I. 1990/162, art. 3\(4\)](#)) substituted (1.4.1993) by [S.I. 1993/542, art. 2\(a\)](#)
- F2** Words in s. 66(1) inserted (W.) (1.4.2010) by [The Non-Domestic Rating \(Definition of Domestic Property\) \(Wales\) Order 2010 \(S.I. 2010/682\)](#), arts. 1, [2\(2\)](#)
- F3** Words inserted by [S.I. 1990/162, art. 3\(2\)\(b\)](#)
- F4** S. 66(1A)(1B) inserted (1.4.2013) by [The Non-Domestic Rating and Council Tax \(Definition of Domestic Property and Dwelling\) \(England\) Order 2013 \(S.I. 2013/468\)](#), arts. 1(1), [2](#)
- F5** S. 66 subsections(2)–(2D) substituted for subsection (2) by [S.I. 1990/162 art. 3\(3\)](#)
- F6** S. 66(2A) substituted (1. 4. 1991) by [S.I. 1991/474, art. 3\(1\)](#)
- F7** S. 66(2AA) inserted (W.) (1.4.2010) by [The Non-Domestic Rating \(Definition of Domestic Property\) \(Wales\) Order 2010 \(S.I. 2010/682\)](#), arts. 1, [2\(3\)](#)
- F8** Word in s. 66(2B)(a) omitted (1.4.2023) by virtue of [The Non-Domestic Rating \(Definition of Domestic Property\) \(England\) Order 2022 \(S.I. 2022/217\)](#), arts. 1(1), [2\(a\)](#)
- F9** S. 66(2B)(c)(d) inserted (1.4.2023) by [The Non-Domestic Rating \(Definition of Domestic Property\) \(England\) Order 2022 \(S.I. 2022/217\)](#), arts. 1(1), [2\(b\)](#)
- F10** S. 66(2BA)(2BB) inserted (W.) (1.4.2010) by [The Non-Domestic Rating \(Definition of Domestic Property\) \(Wales\) Order 2010 \(S.I. 2010/682\)](#), arts. 1, [2\(4\)](#)
- F11** Word in s. 66(2BB) substituted (14.6.2022) by [The Non-Domestic Rating \(Amendment of Definition of Domestic Property\) \(Wales\) Order 2022 \(S.I. 2022/563\)](#), arts. 1, [2\(2\)\(a\)](#) (with art. 3(1))
- F12** S. 66(2BB)(d) substituted (W.) (1.4.2016) by [The Non-Domestic Rating \(Definition of Domestic Property\) \(Wales\) Order 2016 \(S.I. 2016/31\)](#), arts. 1, [2\(2\)](#)
- F13** Word in s. 66(2BB) substituted (14.6.2022) by [The Non-Domestic Rating \(Amendment of Definition of Domestic Property\) \(Wales\) Order 2022 \(S.I. 2022/563\)](#), arts. 1, [2\(2\)\(b\)](#) (with art. 3(1))
- F14** S. 66(2BC) inserted (with effect in accordance with s. 6(4) of the amending Act) by [Local Government Finance Act 2012 \(c. 17\), s. 6\(2\)](#)
- F15** Words in s. 66(2BC) substituted (W.) (1.4.2016) by virtue of [The Non-Domestic Rating \(Definition of Domestic Property\) \(Wales\) Order 2016 \(S.I. 2016/31\)](#), arts. 1, [2\(3\)](#)

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- F16** S. 66(2C) omitted (W.) (1.4.2016) by virtue of [The Non-Domestic Rating \(Definition of Domestic Property\) \(Wales\) Order 2016 \(S.I. 2016/31\)](#), arts. 1, **2(4)**
- F17** Words in s. 66(2D) substituted (W.) (1.4.2010) by [The Non-Domestic Rating \(Definition of Domestic Property\) \(Wales\) Order 2010 \(S.I. 2010/682\)](#), arts. 1, **2(6)**
- F18** Words in s. 66(2D) repealed (6.3.1992) by 1992 c. 14, s. 117, Sch. 13 para. 70(1), **Sch. 14** (with s. 118(1)(2)(4))
- F19** S. 66(2E) inserted (1.4.1993) by [S.I. 1993/542](#), **art. 2(b)**
- F20** Words in s. 66(2E) substituted (23.2.2011) by [The Timeshare, Holiday Products, Resale and Exchange Contracts Regulations 2010 \(S.I. 2010/2960\)](#), reg. 1(2), **Sch. 6 para. 1(2)** (with reg. 37, Sch. 7)
- F21** S. 66(3) substituted (*retrospective* to 1.4.1990) by 1996 c. 12, **s. 1(2)(4)(5)**
- F22** S. 66(4)(4A) substituted for s. 66(4) (*retrospective* to 1.4.1990) by 1996 c. 12, **s. 1(3)(4)(5)**
- F23** S. 66(6)(8) repealed (*retrospectively*) by [Caravans \(Standard Community Charge and Rating\) Act 1991 \(c. 2\)](#), **s. 1(2)(3)**
- F24** S. 66(8A) inserted by [S.I. 1990/162](#), **art. 3(4)**

Modifications etc. (not altering text)

- C1** S. 66 applied (29.4.1996) by [1996 c. 12](#), **s. 2(3)**
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Marginal Citations

- M1** [1960 c. 62](#).

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Changes and effects yet to be applied to the whole Act associated Parts and Chapters:

Whole provisions yet to be inserted into this Act (including any effects on those provisions):

- s. 44A(2A) inserted by [2023 c. 53 Sch. para. 2\(b\)](#)
- s. 44A(5)(e) inserted by [2023 c. 53 Sch. para. 2\(c\)](#)
- s. 52A inserted by [2023 c. 53 s. 8](#)
- s. 54(7A) inserted by [2023 c. 53 Sch. para. 34](#)
- s. 57A(7A) inserted by [2023 c. 53 Sch. para. 4\(d\)](#)
- s. 63A(1A) inserted by [2023 c. 53 s. 12\(1\)](#)
- s. 63E inserted by [2023 c. 53 s. 12\(2\)](#)
- s. 67(1A) inserted by [2023 c. 53 Sch. para. 7\(a\)](#)
- s. 67(8A)(8B) inserted by [2023 c. 53 Sch. para. 37\(a\)](#)
- s. 143(7A)–(7F) inserted by [2023 c. 53 Sch. para. 8\(c\)](#)
- s. 143(9AZB) inserted by [2023 c. 53 Sch. para. 39\(a\)](#)
- Sch. 4ZA inserted by [2023 c. 53 s. 1\(3\)](#)
- Sch. 4ZB inserted by [2023 c. 53 s. 2\(4\)](#)
- Sch. 5A para. 8 inserted by [2023 c. 53 Sch. para. 38](#)
- Sch. 5A inserted by [2023 c. 53 s. 3\(3\)](#)
- Sch. 9 para. 4B–4H and cross-heading inserted by [2023 c. 53 s. 13\(2\)](#)
- Sch. 9 para. 4I–4M and cross-heading inserted by [2023 c. 53 s. 13\(3\)](#)
- Sch. 9 para. 5BA–5BC and cross-heading inserted by [2023 c. 53 s. 13\(6\)](#)
- Sch. 9 para. 5BD–5BF and cross-heading inserted by [2023 c. 53 s. 13\(7\)](#)
- Sch. 9 para. 5CA and cross-heading inserted by [2023 c. 53 Sch. para. 46](#)
- Sch. 9 para. 5CB inserted by [2023 c. 53 Sch. para. 47](#)
- Sch. 9 para. 5F(1A)(1B) inserted by [2023 c. 53 Sch. para. 49\(c\)](#)
- Sch. 9 para. 5F(A1) inserted by [2023 c. 53 Sch. para. 49\(a\)](#)
- Sch. 9 para. 5FA inserted by [2023 c. 53 Sch. para. 50](#)
- Sch. 9 para. 5FB inserted by [2023 c. 53 Sch. para. 51](#)
- Sch. 9 para. 5ZA5ZB and cross-heading inserted by [2023 c. 53 s. 13\(4\)](#)
- Sch. 9 para. 5ZC–5ZF and cross-heading inserted by [2023 c. 53 s. 13\(5\)](#)
- Sch. 9 para. 7B inserted by [2023 c. 53 s. 10](#)