



# Non-Domestic Rates (Scotland) Act 2020

## 2020 asp 4

**The Bill for this Act of the Scottish Parliament was passed by the Parliament on 5th February 2020 and received Royal Assent on 11th March 2020**

An Act of the Scottish Parliament to make provision about non-domestic rates.

### PART 1

#### OVERVIEW OF ACT AND INTERPRETATION OF REFERENCES TO OTHER ACTS

#### 1 Overview of Act and interpretation of references to other Acts

(1) This Act is arranged as follows—

Part 2 amends the law about the administration and enforcement of non-domestic rates,

Part 3 makes provision about information-gathering powers for assessors and local authorities,

Part 4 makes provision about power for the Scottish Ministers to make regulations to tackle avoidance of non-domestic rates,

Part 5 contains general and final provisions.

(2) In this Act—

“the 1854 Act” means the Lands Valuation (Scotland) Act 1854,

“the 1956 Act” means the Valuation and Rating (Scotland) Act 1956,

“the 1962 Act” means the Local Government (Financial Provisions etc.) (Scotland) Act 1962,

“the 1963 Act” means the Local Government (Financial Provisions) (Scotland) Act 1963,

“the 1975 Act” means the Local Government (Scotland) Act 1975.

*Status: This version of this Act contains provisions that are prospective.*

**Changes to legislation:** *Non-Domestic Rates (Scotland) Act 2020 is up to date with all changes known to be in force on or before 29 January 2022. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details) View outstanding changes*

## PART 2

### ADMINISTRATION AND ENFORCEMENT OF NON-DOMESTIC RATES

#### *Valuation roll*

## 2 Revaluation years

In section 37(1) of the 1975 Act (general interpretation), in the definition of “year of revaluation”—

- (a) for “2017-18” substitute “ 2022-23 ”,
- (b) for “fifth” substitute “ third ”.

#### Commencement Information

**II** [S. 2\(b\)](#) in force at 5.11.2020 by [S.S.I. 2020/327](#), [sch.](#)

## 3 New or improved properties: mark in valuation roll

After section 2 of the 1975 Act insert—

### **“2A Mark in valuation roll for new or improved properties**

- (1) Subsection (2) applies where an assessor—
  - (a) makes or alters an entry in the valuation roll, and
  - (b) the entry as made or altered relates to newly built lands and heritages or improved lands and heritages.
- (2) The assessor must include a mark in the entry to show that it relates to newly built lands and heritages or (as the case may be) improved lands and heritages.
- (3) An entry in the valuation roll relates to newly built lands and heritages if—
  - (a) the entry as made or (as the case may be) altered shows one or more buildings or parts of a building, and
  - (b) none of those buildings or parts of a building—
    - (i) were shown in any entry in the valuation roll or valuation list for the day immediately prior to the day on which the entry or (as the case may be) alteration takes effect, or
    - (ii) would have been shown in such an entry in the valuation roll but for an enactment providing for them not to be entered in the roll.
- (4) An entry in the valuation roll relates to improved lands and heritages if—
  - (a) the entry is altered to show a relevant increase in the rateable value of the lands and heritages to which the entry relates, and
  - (b) the entry as altered does not relate to newly built lands and heritages.
- (5) A “relevant increase” in the rateable value of lands and heritages is an increase—

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- (a) which is caused, in whole or in part, by the erection, construction, refurbishment or extension of one or more buildings or parts of a building which form part of the lands and heritages, and
- (b) none of which is attributable to—
  - (i) the combination, division or reorganisation of lands and heritages which were shown, in whole or in part, in different entries in the valuation roll for the day immediately prior to the day on which the alteration takes effect, or
  - (ii) a change in the way the lands and heritages are being used.
- (6) A mark included in an entry in the valuation roll under subsection (2) must be removed from the entry on the next occasion when the entry is altered by an assessor.
- (7) The Scottish Ministers may by regulations—
  - (a) make provision about things that are, or are not, to be treated as a “building” for the purposes of this section,
  - (b) modify the definition of “relevant increase” in subsection (5).
- (8) Before—
  - (a) making regulations under subsection (7)(a), or
  - (b) laying a draft of a Scottish statutory instrument containing regulations under subsection (7)(b) before the Scottish Parliament,
 the Scottish Ministers must consult such persons as they consider appropriate.
- (9) Regulations under subsection (7)—
  - (a) may make different provision for different purposes,
  - (b) may make incidental, supplementary, consequential, transitional, transitory or saving provision.
- (10) Regulations under—
  - (a) subsection (7)(a) are subject to the negative procedure,
  - (b) subsection (7)(b) are subject to the affirmative procedure.
- (11) In subsection (3)(b)(ii), “enactment” includes an Act of the Scottish Parliament and an instrument made under such an Act.”.

#### Commencement Information

**I2** [S. 3](#) in force at 5.11.2020 for specified purposes by [S.S.I. 2020/327](#), [reg. 2\(2\)\(a\)](#)

**I3** [S. 3](#) in force at 1.4.2021 in so far as not already in force by [S.S.I. 2020/327](#), [reg. 2\(2\)\(b\)](#)

PROSPECTIVE

## 4 Power of Scottish Ministers to remove exempt status of lands and heritages

After section 8C of the 1956 Act insert—

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### **“8D Power of Scottish Ministers to remove exempt status of lands and heritages**

- (1) The Scottish Ministers may by regulations make provision requiring lands and heritages falling within subsection (2) to be entered in the valuation roll.
- (2) Land and heritages fall within this subsection if they are not entered in the valuation roll by virtue of an enactment, other than Part 2 of the Local Government Finance Act 1992, providing for them not to be so entered.
- (3) Before—
  - (a) laying a draft of a Scottish statutory instrument containing regulations under subsection (1) to which subsection (5) applies before the Scottish Parliament, or
  - (b) making regulations under subsection (1) to which subsection (6) applies,
 the Scottish Ministers must consult such persons as they consider appropriate.
- (4) Regulations under subsection (1) may—
  - (a) make incidental, supplementary, consequential, transitional, transitory or saving provision,
  - (b) make different provision for different purposes,
  - (c) modify any enactment (including this Act).
- (5) Regulations under this section that add to, replace or omit any part of the text of an Act are subject to the affirmative procedure.
- (6) Otherwise, regulations under this section are subject to the negative procedure.
- (7) In this section, “enactment” includes an Act of the Scottish Parliament and an instrument made under such an Act.”.

PROSPECTIVE

## **5 Entering of parks in valuation roll**

- (1) Section 19 of the 1963 Act (certain parks not to be entered in the valuation roll) is amended as follows.
- (2) In subsection (1)—
  - (a) for “Subject to subsections (1A) and (1B) below,” substitute “ This section applies to ”,
  - (b) for “and any building” substitute “ including in each case any building ”,
  - (c) the words “, shall not be entered in the valuation roll” are repealed.
- (3) For subsections (1A) to (1C) substitute—
 

“(1ZA) An entry is to be made in the roll in respect of any part of the lands and heritages which falls within either subsection (1ZB) or (1ZC).

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(1ZB) A part falls within this subsection if the part is occupied by a person or body other than the person or body mentioned in paragraph (a) or, as the case may be, (b) of subsection (1).

(1ZC) A part falls within this subsection if—

- (a) the part is occupied by the person or body mentioned in paragraph (a) or, as the case may be, (b) of subsection (1), and
- (b) persons may be required to pay for access to facilities on the part or for goods or services provided on it.

(1ZD) The remainder of the lands and heritages is not to be entered in the roll.”.

## 6 Discretion of local authority to determine whether lands and heritages are dwellings

In section 72 of the Local Government Finance Act 1992 (dwellings chargeable to council tax), after subsection (4) insert—

“(4A) Where regulations under subsection (4) prescribe a class, the regulations may confer discretion on a local authority to determine, in such circumstances as may be prescribed, whether particular lands and heritages fall within that class.”.

### Commencement Information

I4 S. 6 in force at 5.11.2020 by S.I. 2020/327, sch.

## 7 Agreement as to valuation

In section 1 of the 1975 Act (the valuation roll and revaluation), after subsection (3) insert—

“(3A) Subsection (3B) applies where the assessor and the proprietor, tenant or occupier of lands and heritages have reached an agreement in writing as to the details to be included in the entry in the valuation roll for the lands and heritages (whether that agreement was reached before or after the draft valuation roll was published under section 1B(1)).

(3B) The assessor must include those details in the entry for the lands and heritages, unless, since the agreement was reached, there has been an alteration in the value of the lands and heritages due to a material change of circumstances.”.

### Commencement Information

I5 S. 7 in force at 5.11.2020 by S.I. 2020/327, sch.

## 8 Draft valuation roll and draft valuation notices

After section 1A of the 1975 Act insert—