SCOTTISH STATUTORY INSTRUMENTS

2005 No. 41

RATING AND VALUATION

The Valuation for Rating (Decapitalisation Rate) (Scotland) Regulations 2005

Made - - - -	*24th January 2005*
Laid before the Scottish Parliament - - - -	*27th January 2005*
Coming into force - -	*1st March 2005*

The Scottish Ministers, in exercise of the powers conferred by section 6(8A) and (8B) of the Valuation and Rating (Scotland) Act 1956(**1**), and of all other powers enabling them in that behalf, hereby make the following Regulations:

Citation and commencement

1. These Regulations may be cited as the Valuation for Rating (Decapitalisation Rate) (Scotland) Regulations 2005 and shall come into force on 1st March 2005.

Interpretation

2.—(1) In these Regulations–

"the 1956 Act" means the Valuation and Rating (Scotland) Act 1956;

"the 1980 Act" means the Education (Scotland) Act 1980(**2**);

"the 1992 Act" means the Further and Higher Education (Scotland) Act 1992(**3**);

"church property" means any premises to the extent to which section 22(1) of the 1956 Act(**4**) (exemption of churches, etc. from rates) applies to them;

"contractor's basis" means the method of ascertaining the net annual value of lands and heritages by reference to their cost of construction or provision or to their capital value;

(**1**) 1956 c. 60; subsections (8A) and (8B) were inserted in section 6 by the Local Government Finance Act 1988 (c. 41), section 137 and Schedule 12, paragraph 4 and fall to be read with subsections (8C) and (8D) (inserted by the Local Government and Housing Act 1989 (c. 42), section 145 and Schedule 6, paragraph 5). The functions of the Secretary of State were transferred to the Scottish Ministers by virtue of section 53 of the Scotland Act 1998 (c. 46).

(**2**) 1980 c. 44.

(**3**) 1992 c. 37.

(**4**) Section 22 was substituted by the Local Government Finance Act 1992 (c. 14), section 117(1) and Schedule 13, paragraph 10.

"decapitalisation rate" means the percentage rate which is applied to the cost of construction or provision or to the capital value of any lands and heritages for the purpose of ascertaining their net annual value when they are being valued in accordance with the contractor's basis;

"educational establishment" shall be construed in accordance with paragraph (2) of this regulation;

"healthcare property" shall be construed in accordance with paragraph (3) of this regulation;

"lands and heritages" means any lands and heritages or any part of them;

"MoD property" means property occupied by the Secretary of State for Defence or, if unoccupied, owned by the Secretary of State for Defence; and

"net annual value" has the same meaning as in section 6(8) of the 1956 Act(**5**).

(2) "Educational establishment" means any lands and heritages which are constructed or adapted for use, and which are wholly or mainly used, for the purposes of–

(a) providing day care of children within the meaning of section 2(20) of the Regulation of Care (Scotland) Act 2001(**6**);

(b) a school;

(c) an institution within the higher education sector (within the meaning of Part II of the 1992 Act);

(d) a central institution;

(e) a college of further education maintained by an education authority in the exercise of its further education functions in providing courses of further education within the meaning of section 1(5)(b)(ii) of the 1980 Act;

(f) a college of further education within the meaning of section 36(1) of the 1992 Act under the management of a board of management within the meaning of Part 1 of that Act;

(g) any other educational establishment which is managed by a body not established for profit and which provides further education within the meaning of section 1 of the 1992 Act,

and any expression used in this paragraph and in the 1980 Act and not defined in this paragraph shall be construed in accordance with that Act.

(3) "Healthcare property" means any lands and heritages constructed or adapted wholly or mainly either–

(a) for the reception or treatment of persons suffering from any illness, injury or infirmity; or

(b) as a maternity home,

and used for such a purpose.

(4) Any reference in these Regulations to lands and heritages used for any purpose includes a reference to those lands and heritages which are not in use but which when last in use were used for such purpose.

Application of Regulations

3. These Regulations apply in relation to the valuation of any lands and heritages in accordance with the contractor's basis for the purposes of any valuation roll which comes into force on or after 1st April 2005.

(**5**) Section 6(8) was amended by the Abolition of Domestic Rates Etc. (Scotland) Act 1987 (c. 47), section 34 and Schedule 6.
(**6**) 2001 asp 8.