Draft Regulations laid before Parliament under section 143(4) of the Local Government Finance Act 1988 for approval by resolution of each House of Parliament

DRAFT STATUTORY INSTRUMENTS

1999 No.

RATING AND VALUATION, ENGLAND

The Non-Domestic Rating (Chargeable Amounts) (England) Regulations 1999

Made - - - -	*1999*
Coming into force - -	*1999*

The Secretary of State for the Environment, Transport and the Regions, in exercise of the powers conferred on him by sections 58, 140(4) and 143(1) and (2) of the Local Government Finance Act 1988(**1**), and of all other powers enabling him in that behalf, hereby makes the following Regulations, a draft of which has been laid before, and approved by resolution of, each House of Parliament:

PART I

PRELIMINARY

Citation, extent, commencement and interpretation

1.—(1) These regulations, which extend to England only, may be cited as the Non-Domestic Rating (Chargeable Amounts) (England) Regulations 1999 and shall come into force on the day after the day on which they are made.

(2) In these Regulations, unless the context otherwise requires–

"the Act" means the Local Government Finance Act 1988;

"the 1994 Regulations" means the Non-Domestic Rating (Chargeable Amounts) Regulations 1994(**2**);

(**1**) 1988 c. 41. Section 58 is amended by section 2 of the Non-Domestic Rating Act 1994 (c. 3) and paragraph 5 of Schedule 1 to the Local Government and Rating Act 1997 (c. 29). These powers are devolved, in relation to Wales, to the National Assembly for Wales by the National Assembly for Wales (Transfer of Functions) Order 1999 (S.I.1999/672); *see* the reference to the Local Government Finance Act 1988 in Schedule 1.

(**2**) S.I. 1994/3279, amended by S.I. 1995/961, S.I. 1995/1678, S.I. 1995/3322, S.I. 1996/911, S.I. 1996/3214, S.I. 1997/960 and S.I. 1996/3017.

"the Appeals Regulations" means the Non-Domestic Rating (Alteration of Lists and Appeals) Regulations 1993;(**3**);

"altered hereditament" has the meaning given in paragraph 1 of Schedule 1;

"appropriate valuation officer"–

(a) in relation to a hereditament in relation to which regulations under section 53(1) of the Act (contents of central lists) are in force, means the central valuation officer;

(b) in relation to any other hereditament, means the valuation officer maintaining the list in which the hereditament is, or would be, shown;

"central list" means a list compiled and maintained in accordance with section 52 of the Act;

"creation day" has the meaning given in paragraph 2 of Schedule 2;

"defined central list hereditament" has the meaning given in regulation 19(1);

"defined class of hereditaments" has the meaning given in regulation 28(1);

"defined hereditament" has the meaning given in regulation 3;

"designated person" means a person designated under section 53(1) of the Act;

"list" (except in the phrase "central list") means the relevant local non-domestic rating list;

"rateable value order" in relation to a class of hereditaments means an order made as respects that class under paragraph 3(2) of Schedule 6 to the Act;

"relevant day" has the meaning given in regulation 2(2);

"relevant factor" means–

(a) any matter mentioned in paragraph 2(7) of Schedule 6 to the Act, or

(b) the extent to which a hereditament is exempt from non-domestic rating;

"relevant period" has the meaning given by regulation 2(1), and

"relevant year" has the meaning given in regulation 2(3).

(3) References in these Regulations to the hereditament of a designated person are references to any hereditament or, as the case may be, description or class of hereditaments prescribed under section 53(1) of the Act as respects that designated person.

The relevant period and the relevant day

2.—(1) The relevant period in relation to which, in accordance with section 58 of the Act, these Regulations apply, is the period beginning on 1st April 2000 and ending on 31st March 2005.

(2) A relevant day is a day falling within the relevant period.

(3) A relevant year is a financial year falling within the relevant period.

PART II

CHARGEABLE AMOUNTS: LOCAL LIST (GENERAL)

Defined hereditaments

3.—(1) As regards a relevant day a hereditament is a defined hereditament if–

(a) the conditions in paragraph (2) are fulfilled, or

(**3**) S.I. 1993/291, to which there are amendments not relevant to these Regulations.

(b) it meets the conditions specified in paragraph 1 of Schedule 1, or

(c) it meets the conditions specified in paragraph 2 of Schedule 2.

(2) The conditions mentioned in paragraph (1)(a) are that the hereditament is shown in the list for–

(i) 31st March 2000;

(ii) the relevant day; and

(iii) each day (if any) falling after 31st March 2000 and before the relevant day.

Notional chargeable amount

4.—(1) The notional chargeable amount for a defined hereditament for a relevant year shall be the amount found by applying the formula–

A×B

(2) For the purposes of this regulation–

(a) A is the rateable value shown for the hereditament for 1st April 2000 in the list, and

(b) B is the non-domestic rating multiplier for the relevant year.

(3) Where regulation 15 (change in rateable value: change of circumstances) applies, this regulation applies subject to the modifications made in that regulation.

(4) For a hereditament to which Schedule 1 (altered hereditaments) applies, paragraph 3 of that Schedule applies for finding the notional chargeable amount.

(5) For a hereditament to which Schedule 2 (splits and mergers) applies, paragraph 8 of that Schedule applies for finding the notional chargeable amount.

(6) For a hereditament to which Schedule 3 (splits and mergers: certified values) applies, paragraph 1 of that Schedule applies for finding the notional chargeable amount.

(7) For a hereditament to which paragraph 2(b) of Schedule 4 (former central list hereditaments) applies, this regulation applies for finding the notional chargeable amount, subject to the modifications contained in paragraph 6 of that Schedule.

Base liability for 2000/2001 for hereditament subject to previous transitional provisions

5.—(1) This regulation applies to a defined hereditament for the relevant year beginning in 2000 if regulation 10 of the 1994 Regulations applied to that hereditament for 31st March 2000; and where this regulation applies the base liability for that hereditament for that year shall be found in accordance with this regulation.

(2) Except where regulation 11(2) or (4) (changes in rateable value) of the 1994 Regulations applied for the hereditament for 31st March 2000, the base liability shall be found by applying the formula–

BL×AF

(3) In a case where regulation 11(2) (increase in rateable value) of the 1994 Regulations applied to the hereditament for 31st March 2000, the base liability shall be found by applying the formula–

(BL×AF)+((NJ)×B)

(4) In a case where regulation 11(4) (decrease in rateable value) of the 1994 Regulations applied to the hereditament for 31st March 2000, the base liability shall be found by applying the formula–

(BL×AF)×NJ

(5) For the purposes of this regulation–

(a) BL is the base liability for the hereditament for 31st March 2000, determined in accordance with regulation 7 of the 1994 Regulations, as modified, where appropriate, by Schedule 2 to those Regulations;

(b) AF is the appropriate fraction for the hereditament for 31st March 2000, determined in accordance with regulation 8 of the 1994 Regulations;

(c) B is the non-domestic rating multiplier for the financial year beginning on 1st April 1999;

(d) J is the rateable value shown for the hereditament for 1st April 1995 in the list or, as the case may be, the amount treated as that amount in accordance with regulation 11 (changes in rateable value) or Schedule 2 (splits and mergers) of the 1994 Regulations; and

(e) N is the rateable value shown for 31st March 2000 in the list.

(6) For a hereditament to which Schedule 2A (splits and mergers: certified values)(**4**) applies, paragraph 3 of that Schedule applies for finding the base liability for the relevant year beginning in 2000.

Base liability for 2000/2001 for hereditament outside previous transitional provisions

6.—(1) This regulation applies to a defined hereditament if regulation 10 of the 1994 Regulations did not apply to that hereditament for 31st March 2000.

(2) In a case where this regulation applies, the base liability for the hereditament for the relevant year shall be found by applying the formula–

$Y \times Z$

(3) For the purposes of this regulation–

(a) Y is the rateable value shown for the hereditament for 31st March 2000 in the list, and

(b) Z is the non-domestic rating multiplier for the financial year beginning in 1999.

(4) Where one or more of the following provisions apply–

(a) regulation 16 (change in rateable value before 1st April 2000 not reflected by alteration of list);

(b) paragraph 2 of Schedule 1 (altered hereditaments); or

(c) paragraph 3 of Schedule 4 (class of central list hereditaments splitting),

this regulation applies subject to the modifications made in the provision concerned.

(5) For a hereditament to which Schedule 3 (splits and mergers—certified values) applies, paragraph 2 of that Schedule applies for finding the base liability for the relevant year beginning in 2000.

Base liability for years subsequent to 2000/2001

7.—(1) The base liability for a defined hereditament for a relevant year (the year concerned) beginning after the first relevant year of the relevant period shall be found by applying the formula–

$BL \times AF$

(2) For the purposes of this regulation–

(a) BL is the base liability for the hereditament for the relevant year immediately preceding the year concerned, and

(b) AF is the appropriate fraction for the hereditament for the relevant year immediately preceding the year concerned.

(**4**) Inserted by S.I. 1996/911.

(3) For a hereditament to which Schedule 2 (splits and mergers) applies, paragraphs 9 and 10 of that Schedule apply for finding the base liability.

(4) For a hereditament to which Schedule 3 (splits and mergers—certified values) applies, paragraph 3 of that Schedule applies for finding the base liability for years subsequent to the relevant year beginning in 2000.

Appropriate fraction

8.—(1) The appropriate fraction for a defined hereditament for a relevant year shall be found by applying the formula–

X100×Q

(2) For the purposes of this regulation, where the notional chargeable amount for the hereditament for the relevant year exceeds the base liability for the hereditament for the year and–

(a) the hereditament is situated in Greater London and the rateable value shown for it in the list for 1st April 2000 is £18,000 or more; or

(b) the hereditament is situated outside Greater London and the rateable value shown for it in the list for 1st April 2000 is £12,000 or more,

then–

(i) for the relevant year beginning on 1st April 2000, X is 112.5;

(ii) for the relevant year beginning on 1st April 2001, X is 115;

(iii) for the relevant years beginning on 1st April 2002, 2003 and 2004, X is 117.5.

(3) For the purposes of this regulation, where the notional chargeable amount for the hereditament for the relevant year exceeds the base liability for the hereditament for the year and–

(a) the hereditament is situated in Greater London and the rateable value shown for it in the list for 1st April 2000 is less than £18,000; or

(b) the hereditament is situated outside Greater London and the rateable value shown for it in the list for 1st April 2000 is less than £12,000,

then–

(i) for the relevant year beginning on 1st April 2000, X is 105;

(ii) for the relevant years beginning on 1st April 2001, 2002, 2003 and 2004, X is 107.5.

(4) For the purposes of this regulation, where the notional chargeable amount for the hereditament for the relevant year does not exceed the base liability for the hereditament for the year, and

(a) the hereditament is situated in Greater London and the rateable value shown for it in the list for 1st April 2000 is £18,000 or more, or

(b) the hereditament is situated outside Greater London and the rateable value shown for it in the list for 1st April 2000 is £12,000 or more,

then–

(i) for the relevant years beginning on 1st April 2000 and 2001, X is 97.5;

(ii) for the relevant year beginning on 1st April 2002, X is 95;

(iii) for the relevant year beginning on 1st April 2003, X is 92.5; and

(iv) for the relevant year beginning on 1st April 2004, X is 85.

(5) For the purposes of this regulation, where the notional chargeable amount for the hereditament does not exceed the base liability for the year and–