STATUTORY RULES OF NORTHERN IRELAND

2007 No. 184

RATES

The Rates (Maximum Capital Value) Regulations (Northern Ireland) 2007

Made - - - - 20th March 2007
To be laid before Parliament under paragraph 7(3) of the Schedule to the Northern Ireland Act 2000

Coming into operation 1st April 2007

The Department of Finance and Personnel(**1**) makes the following Regulations in exercise of the powers conferred by Article 18(2) and (3) of the Rates (Northern Ireland) Order 1977(**2**):

Citation, commencement and interpretation

1.—(1) These Regulations may be cited as the Rates (Maximum Capital Value) Regulations (Northern Ireland) 2007 and shall come into operation on 1st April 2007.

(2) In these Regulations—

"the 1977 Order" means the Rates (Northern Ireland) Order 1977;

"domestic purposes" and "exempting purposes" have the same meaning as in Article 41(**3**) of the 1977 Order;

"hereditament in the social sector" has the same meaning as in Article 23A(**4**) of the 1977 Order;

"maximum capital value" shall be construed in accordance with regulation 2; and

"specified hereditament" means a hereditament, other than a hereditament in the social sector, which is included in the capital value list.

(**1**) Formerly the Department of Finance; *see*S.I. 1982/338 (N.I. 6) Article 3
(**2**) S.I. 1977/2157 (N.I.28); Article 18(2) and (3) was inserted by Article 6 of the Rates (Amendment) (Northern Ireland) Order 2006 (S.I. 2006/2954 (N.I. 18)); *see* Article 2(2) of S.I. 1977/2157 (N.I. 28) for the definitions of "the Department" and "regulations"; the definition of "regulations" was amended by Schedule 3 to the Departments (Northern Ireland) Order 1982, S.I. 1982/338 (N.I.6), and by paragraph 2(10) of Schedule 2 to the Rates (Amendment) (Northern Ireland) Order 2006
(**3**) Article 41 was amended by paragraph 24 of Schedule 2 to the Rates (Amendment) (Northern Ireland) Order 2006
(**4**) Article 23A was inserted by Article 7 of the Rates (Amendment) (Northern Ireland) 2006

Maximum capital value

2.—(1) Subject to paragraphs (2) to (5), the maximum capital value of a specified hereditament which has a rateable capital value shall be £500,000.

(2) This paragraph applies to a specified hereditament which –

(a) has a rateable capital value; and

(b) is distinguished in the capital value list under Article 41 of the 1977 Order as exempt from rates under that list to one-half of the extent to which it is used for domestic purposes which are also exempting purposes.

(3) Where a hereditament to which paragraph (2) applies is wholly used for domestic purposes which are also exempting purposes, its maximum capital value shall be £250,000.

(4) Where a hereditament to which paragraph (2) applies is partly used for domestic purposes which are also exempting purposes, its maximum capital value shall be determined in accordance with the formula—

$$£250,000 + \left[\frac{A \times £250,000}{B}\right]$$

where –

A is the part of the capital value of the hereditament shown in the capital value list as apportioned to the use of the hereditament for purposes which are not domestic purposes which are also exempting purposes; and

B is the capital value of the hereditament.

(5) For the purposes of paragraphs (3) and (4) there shall be disregarded any use of the hereditament which is not relevant to its capital value.

Liability to be rated according to maximum capital value

3. In respect of a specified hereditament which has a rateable capital value, a person shall be liable for rates in respect of its maximum capital value instead of its rateable capital value, if its rateable capital value exceeds its maximum capital value.

References

4. In respect of a specified hereditament which has a rateable capital value which exceeds its maximum capital value—

(a) references to rateable capital value in Articles 9(5)(b)(**5**), 30(2)(b)(**6**), 30A(5)(**7**) and 31A(10)(**8**) of the 1977 Order shall be construed as references to maximum capital value; and

(b) the reference to rateable values in Article 16(1)(a)(**9**) of the 1977 Order, in so far as it includes a reference to rateable capital value, shall be construed as a reference to maximum capital value.

(**5**) Article 9(5)(b) was substituted by paragraph 5 of Schedule 2 to the Rates (Amendment) (Northern Ireland) Order 2006
(**6**) Article 30(2)(b) was amended by paragraph 13(2) of Schedule 2 to the Rates (Amendment) (Northern Ireland) Order 2006
(**7**) Article 30A was inserted by Article 14 of the Rates (Amendment) (Northern Ireland) Order 2006
(**8**) Article 31A (10) was substituted by Article 17(5) of the Rates (Amendment) (Northern Ireland) 2006
(**9**) Article 16(1)(a) was amended by paragraph 11(2) of Schedule 2 to the Rates (Amendment) (Northern Ireland) Order 2006