STATUTORY RULES OF NORTHERN IRELAND

2003 No. 30

RATES

Valuation for Rating (Decapitalisation Rate) Regulations (Northern Ireland) 2003

Made - - - -	*23rd January 2003*
Coming into operation	*1st April 2003*

The Department of Finance and Personnel(**1**), in exercise of the powers conferred on it by paragraphs 5 and 6(**2**) of Part I of Schedule 12 to the Rates (Northern Ireland) Order 1977(**3**) and of every other power enabling it in that behalf, hereby makes the following Regulations:

Citation and commencement

1. These Regulations may be cited as the Valuation for Rating (Decapitalisation Rate) Regulations (Northern Ireland) 2003 and shall come into operation on 1st April 2003.

Interpretation

2.—(1) In these Regulations–

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

"capital value", in relation to a hereditament, has the same meaning as in paragraph 3 of Part 1 of Schedule 12 to the 1977 Order;

"church property" means any premises to the extent that they fall within Article 41(2)(b) of the 1977 Order;

"contractor's principle" means the method of ascertaining the net annual value of a hereditament by reference to the actual or notional cost of constructing it or providing it or to its capital value;

"decapitalisation rate" means the percentage rate which is applied to the actual or notional cost of construction or provision or to the capital value of any hereditament for the purpose of the contractor's principle;

"defence hereditament" means a hereditament which is occupied or, if unoccupied, owned by the Secretary of State for Defence;

(**1**) Formerly the Department of Finance. *See*S.I.1982/338 (N.I. 6) Article 3
(**2**) As inserted by Article 12 of the Rates (Amendment) (Northern Ireland) Order 1996 (S.I. 1996/3162 (N.I. 25)); *see* the definitions of "prescribed" and "regulations" in Article 2(2) of S.I. 1977/2157 (N.I. 28)
(**3**) S.I. 1977/2157 (N.I. 28)

"hereditament" means any hereditament or any part of it.

(2) In these Regulations "educational establishment" means any hereditaments–

(a) which are constructed or adapted for use, and which are wholly or mainly used, for the purposes of–

(i) a school within the meaning of Article 2(2) of the Education and Libraries (Northern Ireland) Order 1986(**4**);

(ii) an institution of further education within the meaning of Article 2(2) of the Further Education (Northern Ireland) Order 1997(**5**) which is managed by–

(a) an education and library board; or

(b) a body not established for profit; or

(iii) a higher education institution within the meaning of Article 30(3) of the Education and Libraries (Northern Ireland) Order 1993(**6**); or

(b) which consist of premises with respect to which a person is registered under Article 118(1)(b) of the Children (Northern Ireland) Order 1995(**7**) and which are wholly or mainly used for the purpose of providing day care for children who have attained the age of two.

(3) In these Regulations "healthcare property" means any hereditament 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 hereditaments used for any particular purpose includes a reference to hereditaments which are not for the time being in use but which when last in use were used for that purpose.

Application of Regulations

3. These Regulations apply in relation to the ascertainment of the net annual value of any hereditament for the purpose of any valuation list which comes into force on or after 1st April 2003.

Decapitalisation Rate

4. Where, for the purposes of paragraph 1 of Part I of Schedule 12 to the 1977 Order, the net annual value of a hereditament is ascertained by reference to the contractor's principle in circumstances where these Regulations apply, the decapitalisation rate shall be–

(a) 3.67 per cent in the case of–

(i) a healthcare property, an educational establishment or a defence hereditament; or

(ii) a hereditament consisting of church property; and

(b) 5.5 per cent in any other case.

Revocation

5. The Valuation for Rating (Decapitalisation Rate) Regulations (Northern Ireland) 1997(**8**) are hereby revoked.

(**4**) S.I. 1986/594 (N.I. 3)
(**5**) S.I. 1997/1772 (N.I. 15)
(**6**) S.I. 1993/2810 (N.I. 12)
(**7**) S.I. 1995/775 (N.I. 12)
(**8**) S.R. 1997 No. 81