

Non-Domestic Rates

Non-Domestic Rates, or Business Rates, collected by local authorities are the way that those who occupy non-domestic property contribute towards the cost of local services. Under the business rates retention arrangements introduced from 1 April 2013, authorities keep a proportion of the business rates paid locally. This provides a direct financial incentive for authorities to work with local businesses to create a favorable local environment for growth since authorities will benefit from growth in business rates revenues. The money, together with revenue from council tax payers, revenue support grant provided by the Government and certain other sums, is used to pay for the services provided by your local authority and other local authorities in your area.

Rateable Value

Apart from properties that are exempt from Business Rates, each non-domestic property has a rateable value which is set by the valuation officers of the Valuation Office Agency (VOA), an agency of Her Majesty's Revenue and Customs. It draws up and maintains a full list of all rateable values, which are available on their website at www.voa.gov.uk. The rateable value of your property is shown on the front of your bill. This broadly represents the yearly rent the property could have been let for on the open market on a particular date. For the 2010 Valuation List this date was set as 1 April 2008.

The valuation officer may alter the value if circumstances change. The ratepayer (and certain others who have an interest in the property) can appeal against the value shown in the list if they believe it is wrong. Further information on the grounds for making an appeal and the process for doing so can be found on the VOA website or from your local valuation office.

Rating advisers

Ratepayers do not have to be represented in discussions about their rateable value or their rates bill. Appeals against rateable values can be made free of charge. However, ratepayers wishing to be represented should be aware that members of the Royal Institution of Chartered Surveyors (RICS – website www.rics.org) and the Institute of Revenues Rating and Valuation (IRRV – website www.irrv.org.uk) are qualified and are regulated by rules of professional conduct designed to protect the public from misconduct. Before you employ

a rating adviser, you should check that they have the necessary knowledge and expertise, as well as appropriate indemnity insurance. Take great care and, if necessary, seek further advice before entering into any contract.

2010 Valuation List and Transition

All rateable values are reassessed every five years at a general revaluation to ensure bills paid by any one ratepayer reflect changes over time in the value of their property relative to others. The current rating list is based on the 2010 revaluation. Subject to the necessary legislation the next revaluation will be postponed until 2017, from when five yearly revaluations will recommence. Revaluation does not raise extra money for Government.

For those that would otherwise see significant increases in their rates liability, the Government has put in place a £2 billion transitional relief scheme to limit and phase in those increases. To help pay for the limits on increases in bills, there also have to be limits on reductions in bills. Under the transition scheme, limits continue to apply to yearly increases and decreases until the full amount is due. The scheme applies only to the bill based on a property at the time of the revaluation. If there are any changes to the property after 1st April 2010, transitional arrangements will not normally apply to the part of a bill that relates to any increase in rateable value due to those changes. Changes to your bill as a result of other reasons (for example changes to the amount of small business rate relief) are not covered by the transitional arrangements.

The transitional scheme is applied automatically and the result shown on your bill. Further information about transition and other reliefs may be obtained from Mole Valley District Council or the website www.businesslink.gov.uk. More information on revaluation 2010 can be found at www.voa.gov.uk.

National Non-Domestic Rating Multiplier

The local authority works out the Business Rate bill by multiplying the rateable value of the property by the appropriate multiplier. The Government sets the multipliers for each financial year for the whole of England. The 2013/14 multipliers are:

Standard non-domestic rating multiplier £0.471
Small business rate multiplier £0.462

Unoccupied Property Rating

Business rates will not be payable in the first three months that a property is empty. This is extended to six months in the case of certain industrial properties. After this period rates are payable in full unless the unoccupied property rate has been reduced by the Government by order. In most cases the unoccupied property rate is zero for properties owned by charities and community amateur sports clubs. In addition, there are a number of other exemptions from the unoccupied property rate. Full details on exemptions can be obtained from your local authority.

The Government is introducing a new temporary measure for unoccupied **new** builds from October 2013. Unoccupied new builds will be exempt from unoccupied property rates for up to 18 months where the property comes into the valuation list between 1 October 2013 and 30 September 2016. The 18 month period includes the initial 3 or 6 month exemption.

Partly Occupied Property Relief

A ratepayer is liable for the full non-domestic rate whether a property is wholly occupied or only partly occupied. Where a property is partly occupied for a short time, the local authority has discretion in certain cases to award relief in respect of the unoccupied part.

Small Business Rate Relief

Ratepayers who are not entitled to another mandatory relief or are liable for unoccupied property rates and occupy a property with a rateable value which does not exceed £17,999 will have their bill calculated using the lower small business rate multiplier rather than the standard non-domestic rating multiplier.

In addition if the rateable value of the property does not exceed £11,999, the ratepayer may be entitled to a reduction in rates payable. This relief is available to ratepayers who occupy either:

- (a) one property, or
- (b) one main property and other additional properties providing those additional properties each have a rateable value which does not exceed £2,599.

The rateable value of the property mentioned in (a), or the aggregate rateable value of all the properties mentioned in (b), must not exceed £17,999 on each day for which relief is being sought. If the rateable value, or aggregate rateable value, increases above this level, relief will cease from the day of the increase.

Non-Domestic Rate Leaflet

1 April 2013 to 31 March 2014



on the remaining bill. In addition, the local authority can give relief on certain other occupied property in a rural settlement where the rateable value is less than £16,500.

Information Supplied with Demand Notices

Information relating to the relevant and previous financial years in regard to the gross expenditure of the local authority is available at www.molevalley.gov.uk/busratesleaflets. A hard copy is available on request by writing to the council or by telephoning 01306 879293.

Payment Instructions

Direct Debit: the Council offers a choice of payment dates for direct debit payers, if you would like to receive more details or a direct debiting instruction, please contact the Revenue Section.

Payment by post - please send your cheque (payable to **Mole Valley District Council**) to the address below. Do not send cash through the post or put cash in the Council's letterbox.

Debit Card: If you have a debit card payment can be made via a dedicated telephone line. In order to make payment via this service please ring **0300 123 1064**, calls will be charged at the local rate. You will need your card details and your non-domestic rate account reference to make payment by this method.

Internet Payments: This facility is available for payment by debit card and can be accessed from the Council's website www.molevalley.gov.uk.

For further information on the above please contact:

Revenue Section
Mole Valley District Council,
Pippbrook, Dorking, Surrey. RH4 1SJ.

or Telephone 01306 879293

or call at the Council Offices, Pippbrook, Dorking, Surrey.

Ratepayers who satisfy these conditions will have the bill for their sole or main property calculated using the lower small business non-domestic rating multiplier and additional relief. If the sole or main property is shown on the rating list with a rateable value which does not exceed £11,999, the ratepayer will receive a percentage reduction in their rates bill for this property of up to a maximum of 100% for a property with a rateable value of not more than £6,000.

If relief is granted, provided the ratepayer continues to satisfy the conditions for relief, they will not need to re-apply for relief in each new valuation period.

Certain changes in circumstances will need to be notified to the local authority (other changes will be picked up by the local authority). The changes which must be notified are:

- (a) the ratepayer taking up occupation of a property they did not occupy at the time of making their application for relief, and
- (b) an increase in the rateable value of a property occupied by the ratepayer in an area other than the area of the local authority which granted the relief.

Charity and Community Amateur Sports Club (CASC) Relief

Charities and registered CASC's are entitled to 80% relief where the property is occupied by the charity or the CASC, and is wholly or mainly used for the charitable purposes of the charity (or of that and other charities), or for the purposes of the CASC (or of that and other CASC's). The Council also has discretion to give relief on all or part of any rate bill for property occupied by certain non-profit making organisations.

Hardship Relief

The local authority has discretion to give relief in special circumstances.

Rate Relief for businesses in rural areas

Certain types of properties in a rural settlement with a population below 3,000 may be entitled to relief. The property must be the only general store, the only post office or a food shop and have a rateable value of less than £8,500, or the only public house or the only petrol station and have a rateable value of less than £12,500. The property has to be occupied. An eligible ratepayer is entitled to relief at 50% of the full charge whilst the local authority also has discretion to give further relief