

BUSINESS RATES REVALUATION 1ST APRIL 2017

WHAT THIS MEANS FOR YOU

The Valuation Office Agency (VOA), an executive Agency of HMRC, is responsible for assessing all rateable values for business rate purposes. The revaluation of rateable value reflects changes in the property market since 2008. The VOA uses property information and rental values to determine the rateable values. The revised rateable values come into force on 1st April 2017

The Council uses the rateable value to calculate your business rate bill by multiplying it by a rate poundage set annually by the Welsh Government. For 2017/18 that poundage is **0.499**. Your new rates bill shows the revised rateable value and the amount payable for the 2017/18 financial year.

The revaluation exercise has resulted in significant changes in rateable value for some businesses and Welsh Government recognises that businesses need time to adjust to an increase in their rate liability and so have introduced new regulations to provide a transitional relief scheme. No application is required – The Council will automatically apply this relief to eligible businesses as follows:

- 2017/18 75% of the increase in charge
- 2018/19 50% of the increase in charge
- 2019/20 25% of the increase in charge

Who will qualify for Transitional Relief?

- Ratepayers in receipt of Small Business Rate Relief (SBRR) on 31.3.2017 which is either reduced or removed as a result of an increase in rateable value following the revaluation.
- The business premises must be shown in the Rating List on 31.3.2017
- There must be an increase in rate liability greater than £100
- The property must be occupied.
- The ratepayer must continue to be the same as the one liable on 31.3.2017
- The ratepayer must not be in receipt of relief under S44A (applies to property which is partially unoccupied for a short time only)

If you qualify for transitional relief it will be shown on your rates bill.

Small Business Rate Relief (SBRR)

The SBRR scheme will continue into 2017/18. Properties with a rateable value up to £6,000 pay nothing. Properties with a rateable value between £6,001 and £12,000 receive tapered relief. Businesses in receipt of SBRR may also benefit from the transitional relief scheme.

If you qualify for small business relief it will be shown on your rates bill.

Targeted High Street Rate Relief Scheme

Welsh Government has recently announced funding of £10 million to be distributed between the 22 local authorities in Wales to provide further assistance to certain retail businesses (e.g. shops, pubs, restaurants and café's) including those which have seen their rates increase significantly as a result of the revaluation. The scheme is based on the previous Wales Retail Relief Scheme, using broadly the same exceptions and eligibility criteria to define what constitutes a retail property.

Some details of the scheme are yet to be finalised but it will provide two tiers of relief. Up to £500 (tier 1) and £1,500 (tier 2) to qualifying properties with a rateable value of £50,000 or less in the

financial year 2017/18. (This relief is subject to State Aid regulations which limits the amount of relief given in a 3 year period to no more than 2,000 Euros).

Tier 1 – lower level of support £500 (reduced if remaining liability is less than £500)

High Street retailers with rateable value between £6,001 and £12,000* in 2017/18 and meet the following criteria:

- In receipt of SBRR on 1.4.2017 and/or
- In receipt of Transitional relief on 1.4.2017

*Ratepayers with a rateable value greater than £12,000 who qualify for transitional relief will also qualify for Tier 1 relief.

Tier 2 – higher level of support £1,500 (reduced if remaining liability is less than £1,500) High Street retailers whose property has a rateable value between £12,001 and £50,000 for the financial year 2017/18 and meet the following criteria:

- Not in receipt of SBRR or transitional relief on 1.4.2017
- Have an increased rate liability on 1.4.2017

This new High Street relief can be given in addition to SBRR and transitional relief and will be applied to the net bill after all other reliefs have been applied. Relief is given based on the circumstances of the property and the ratepayer on 1.4.2017. Changes that occur after that date have no impact on eligibility for relief.

Businesses NOT entitled to the targeted High Street relief include:

- *Properties with rateable value greater than £50,000*
- *Properties not reasonably accessible to the public*
- *Properties situated in out of town retail parks or on industrial estates*
- *Properties that are not occupied*
- *Those in receipt of mandatory charitable rate relief*
- *In addition, a list of the types of business that Welsh Government does not consider to be retail for the purpose of this relief is shown on our website.*

Some aspects of the High Street Relief Scheme have yet to be formally confirmed and consequently it has not been possible to include this on your rate bill. However we hope to be able to apply this relief in early summer and revised rate bills will be issued to eligible businesses. Further information will be issued at that time.

Contact details

For further information on any of the rate reliefs or general queries about your rates bill please contact the Council

Email; counciltax@monmouthshire.gov.uk or Tel: 01633 644630 or Visit our website:

www.monmouthshire.gov.uk

For further information about how your rateable value was calculated or any other aspect of the revaluation exercise you must contact the Valuation Office Agency.

Visit their website: www.gov.uk/voa

Email: ratingwales@voa.gsi.gov.uk or Tel: 03000 505505