



Non-domestic business rates – UK

BUSINESS RATES IN ENGLAND AND WALES

1. How your rates are calculated

Business rates are payable on most non-domestic properties, including buildings part-used for non-domestic activity.

- A property’s rateable value (RV) is based on a Valuation Office Agency (VOA) valuation using open market rental values as of 1 April 2015 which is then multiplied by a centrally set ‘multiplier’.
- The multiplier you need to use may vary based on your company size and location and will indicate the tax liability you will pay in each pound of the estimated rateable value.
- Business rates liabilities for the following tax year will be issued annually by letter via local authorities in February -March.
- You can [look up your rateable value](#) which can be multiplied by the multiplier to calculate liabilities for the applicable financial year.

Year	Standard multiplier* (above RV £51,000)	Small business multiplier (below RV £51,000)
2020-21	51.2p	49.9p
2019-20	50.4p	49.1p
2018-19	49.3p	48.0p
<i>Note 1: A higher multiplier rate is applied to properties within the City of London – 52.0p standard rate and 50.7p for small businesses</i>		
Wales (set against CPI)		
2020-21	53.5p	
2019-20	52.6p	

2. Reliefs and exemptions

There are a number of reliefs and exemptions available for qualifying use-classes, industries and rateable value thresholds. In England your local authority will apply reliefs for:



- Exempted buildings
- Empty buildings - for 3 months after the property becomes vacant in England & Wales. Notify your local authority when a property becomes vacant.
- Transitional relief - phased billing if your liability changes by more than a certain amount at revaluation.

	Key Relief Areas England	Key Relief Areas Wales
Small Business Rate Relief	<i>Properties with an RV of less than £51,000, only occupying one property (See Note 1).</i>	<i>RVs £0 - £6000 – 100% relief. RVs £6,001 - £12,000 – tapered relief from 100% to zero. Relief may only be applied to up to two fully occupied properties.</i>
Rural Rate Relief	<i>Properties in eligible areas (rural areas with population of less than 3,000) that are the only village shop or post office with an RV of less than £8,500; or the only public house (See Note 3) or petrol station with RV of less than £12,500.</i>	<i>Nil (See Note 2)</i>
Charitable Rate Relief	<i>Eligible charities and community amateur sports clubs may apply for relief of up to 80%.</i>	
Enterprise Zones	<i>For those starting up or relocating to an Enterprise Zone.</i>	<i>Welsh Enterprise Zone Business Rates Scheme</i>



		<i>for those starting up or relocating to an Enterprise Zone.</i>
Hardship Relief	<i>Ratepayers experiencing financial difficulties may apply to their local authority for hardship relief which may grant a discount or exemption to the ratepayer at their discretion.</i>	
Retail Discount	Retail, leisure and hospitality businesses: 100% discount for one year beginning April 1 2020 (applied to all rateable values- as announced 17 March 2020)	<i>[Extended for 2020-21) Leisure & hospitality businesses: RVs £0 - £51,000 – 100% relief. Public houses: £5000 discount for RVs £51,000 - £100,000 (See Note 4)</i>
<i>Note 1: Small Businesses eligible for 100% relief under SBBR will be eligible for a £25,000 cash grant via their local authority.</i>		
<i>Note 2: There are special reliefs for Registered Childcare Premises and Post Offices in Wales which can be found here.</i>		
<i>Note 3: A one year £5000 business rates discount is available to pubs with a rateable value below £100,000 from 1 April 2020.</i>		
<i>Note 4: As announced 17 March 2020 - for small businesses in Wales not included in the retail reliefs – a further £100m grant scheme will be made available via the Welsh Government</i>		

You can find a full list of exemptions, types of relief for England [here](#) and Wales [here](#)

BUSINESS RATES IN SCOTLAND

1. How your rates are calculated

Business rates are payable on most non-domestic properties, including buildings part-used for non-domestic activity.

- A property’s rateable value (RV) is based on a valuation by a local [assessor](#) which is then multiplied by a ‘basic poundage rate’ set by the Scottish Government.
- The multiplier you need to use may vary based on your company size and location and will indicate the tax liability you will pay in each pound of the estimated rateable value.
- Large businesses are subject to a the Large Business Supplement rate on top of the poundage rate – from April 2020 this will be replaced by the Intermediate Property Rate and the Higher Property Rate.
- You can [look up your rateable value](#) which can be multiplied by the multiplier to calculate liabilities for the applicable financial year.



Year	Basic poundage rate
2020-21	49.8p
2019-20	49.0p
2018-19	48.0p

[From April 2020 large businesses in Scotland will be subject to the below increased poundage rates]

- *Intermediate Property Rate (51.1p) for properties with RVs between £51,001 to £95,000*
- *Higher Property Rate (52.p) for properties with RVs above £95,000*

2. Reliefs and exemptions

There are a number of reliefs and exemptions available for qualifying use-classes, industries and rateable value thresholds. In Scotland your local council will apply reliefs for:

- Exempted buildings
- Empty buildings - for 3 months after the property becomes vacant in England & Wales. Notify your local authority when a property becomes vacant.
- Transitional relief - phased billing for certain types of properties and some properties located in Aberdeen/Aberdeenshire.



Key Relief Areas- Scotland	
Small Business Bonus Scheme	<i>For those with a combined RV across all properties of £35,000 or less or those occupying only one property with a RV of £18,000 or less. From April 1 2020 relief will only be applied to actively occupied properties.</i>
Retail Relief	Leisure, retail & hospitality businesses: 75% discount for properties with a RV of less than £69,000 beginning April 1 2020
Hardship Relief	<i>Ratepayers experiencing financial difficulties may apply to their local authority for hardship relief which may grant a reduction to the ratepayer at their discretion.</i>
Enterprise Areas Relief	<i>Up to 100% relief for those setting up or relocating to an Enterprise Area property and working in certain sectors.</i>
Rural Rate Relief	<i>Properties in eligible areas (rural areas with population of less than 3,000 that are; The only food shop, general store or post office with an RV of less than £8,500; The only small hotel, public house or petrol station with RV of less than £12,500; (See Note 2) Any other business providing a benefit to the community below £17,000.</i>
Charitable Rate Relief	<i>Eligible charities and community amateur sports clubs may apply for relief of up to 80%. Councils may also offer up to 20% relief on top of this.</i>
<i>Note 1: Beginning on April 1 2020 there will be a fixed business rates discount of 1.6% applied to all ratepayers for the financial year 20-21.</i>	
<i>Note 2: Beginning on April 1 2020 there will be a fixed business rates discount of £5000 for all public houses with an RV of less than £100,000</i>	

There are also reliefs and exemptions available for:

- Disabled Persons Relief
- Districting Heating Relief
- Renewable Energy Generation Relief
- Telecommunications Relief
- Day Nursery Relief
- Reverse Vending Machine Relief
- Business Growth Accelerator Relief



You can find a full list of exemptions, and types of relief for Scotland [here](#).

BUSINESS RATES IN NORTHERN IRELAND

1. How your rates are calculated

Business rates are payable on most non-domestic properties capable of producing an income or commanding a rent, including buildings part-used for non-domestic activity.

- A property’s Rateable Net Annual Value (NAV) is based on a valuation by the Land & Property Services (LPS) which is then multiplied by the non-domestic rate poundage (non-domestic regional rate + non-domestic district rate) for your council area for the relevant year.
- The multiplier you need to use may vary based on your location and will indicate the tax liability you will pay in each pound of the estimated rateable value. You can check you local poundage rate [here](#).

2. Reliefs and exemptions

There are a number of reliefs and exemptions available for qualifying use-classes and NAV thresholds.

	Key Relief Areas- Northern Ireland
Small Business Rate Relief	<i>For those with a NAV of £2000 or less – 50% relief For those with a NAV between £2000 - £5000 – 25% relief For those with a NAV between £5000 - £15000 – 20% relief</i>
Charitable Exemption	<i>Charitable Exemption can apply where a property is occupied by a charity and where the actual use of the premises is dedicated to the charitable objectives of that charity.</i>
Hardship Relief	<i>Ratepayers experiencing financial difficulties may apply to Land & Property Services for hardship relief which may grant a reduction to the ratepayer at their discretion. [Car parks, advertising hoardings, telecommunications masts and towers, and cash machines (ATMs) will not be eligible]</i>

There are also reliefs and exemptions available for:

- Sports and Recreation Rate Relief
- Industrial Derating
- Non-domestic Vacant Rating
- Relief for Post Offices



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You can find a full list of allowances, and types of relief for Northern Ireland [here](#).