

# Business Rates in 2007/08

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# Proposed 2006/07 Multipliers

- **Standard** 0.444p  
(0.433p)
- **Small Business** 0.441p  
(0.426p)
- Increased in line with  
September 2006 RPI –  
a figure of 3.6%

# SBR Detail

- In line with Local Government Act 2003, there are 2 multipliers:
  - The non domestic rating multiplier which includes the supplement to pay for the small business relief [supplement = 0.003p]
  - The small business non-domestic rating multiplier which is applicable to those that qualify for the small business relief

# Small Business Rate Relief

- Approved by Parliament in 2004 giving the local authority the right to grant small business rate relief to eligible ratepayers from 1/4/2005
- So far in 2006/07 **803** small businesses have received relief worth in excess of **£486k**

# Small Business Rate Relief

- Legislative changes in 2006 replaced the condition that ratepayers apply annually for relief.
- Instead, it requires an application to be made in respect of the 5 year period between revaluations of commercial property
- Businesses who apply this year will therefore not need to re-claim until 2010/11 so long as certain defined circumstances do not change.

# Small Business Rate Relief

- The deadline for 2006/07 applications is 30 September 2007.

# SBR Detail

- Relief is available at 50% for ratepayers occupying single properties with a rateable value up to £5,000, with relief declining in percentage terms on a sliding scale until it is 0% at £10,000.
- The relief is only available to ratepayers with either-
  - one property, or
  - one main property and other additional properties providing those additional properties have rateable values less than £2,200
- The rateable value of the property mentioned in (a), or the aggregate rateable value of all properties mentioned in (b), must be under £21,500 (or £15,000 outside London).

# SBR Detail

- The scheme is funded through a supplement on the rates bills of those businesses not eligible for the relief. The supplement is built into the standard non-domestic rating multiplier. However, ratepayers of eligible business properties with rateable values between £10,000 and £21,500 (£15,000 outside London) do not have to contribute towards the relief and will have their bills calculated using the lower small business non-domestic rating multiplier.
- Ratepayers must apply for the relief each year and must be eligible on the 1st April of each year. If a ratepayer ceases to be eligible on a day during the year in question, the relief will cease on that day. An application for relief must be submitted in writing to the local authority within 6 months of the end of the financial year to which it relates.



# Contact Details

- Should you wish further information please contact:
  - The Revenues office via tel. 0208 424 1670
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