

Business Rates in 2008/09



By Fern Silverio

Head of Service - Collections

- **Standard** 0.462p (0.444p)
- **Small Business** 0.458p (0.441p)
- Increased in line with September 2007 RPI – a figure of 3.9%

- In line with Local Government Act 2003, there are 2 multipliers:
 - The non domestic rating multiplier [which includes the supplement of 0.004p to pay for the small business relief]
 - The small business non-domestic rating multiplier which is applicable to those that qualify for the small business relief

Small Business Rate Relief



- Legislation in place allowing the local authority to grant small business rate relief to eligible ratepayers
- The deadline for 2008/09 applications is 30 September 2009.

Small Business Rate Relief



- So far in 2007/08 **678** small businesses have received relief worth in excess of **£553k**.
- Additionally, a further **233** small businesses qualify for business rates at the lower multiplier due to the fact that their hereditament falls under $\text{rv}21,500$ but over the $\text{rv}10,000$
- This adds up to **911** or **18.25%** of businesses receiving relief in Harrow
- Legislation only requires an application to be made in respect of the 5 year period between revaluations of commercial property
- Businesses already in receipt of relief do not need to re-apply so long as certain defined circumstances do not change.
- Businesses who apply this year will not need to re-claim until 2010/11 so long as certain defined circumstances do not change.

- 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).

- 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.
- The supplement was increased from 0.003p to 0.004p for 2008/09
- Once an application is made, there is no need to re-apply [unless certain circumstances change] until the next re-valuation of commercial property – due in 2010

- Should you wish further information please contact:
 - The Revenues office via tel. 0208 424 1670
 - Via email: ctax@harrow.gov.uk

Myself, Fern Silverio on tel 0208 736 6818 or via e-mail fern.silverio@harrow.gov.uk