

Business Rates in 2009/10



By Lynn Allaker

Service Manager - Revenues

Proposed 2009/10 Multipliers



- 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
- **Standard 0.485p (0.462p)**
- **Small Business 0.481p (0.458p)**
- Increased in line with September 2008 RPI – a figure of 5%

- 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.
- Legislation provides for an application to last until the next re-valuation, 1/4/2010, so long as circumstances do not change in intervening years

Small Business Rate Relief



- So far in 2008/09 **773** small businesses have received relief worth in excess of **£695 [up from £553k]**.
- Additionally, a further **250** small businesses qualify for business rates at the lower multiplier due to the fact that their hereditament falls under $\leq 21,500$ but over the $\leq 10,000$
- This adds up to **1023** or **20.46%** of businesses receiving relief in Harrow
- An increase of **£142k** and **95** cases since 2007/08

- **5090 Commercial Properties in Harrow**
- 2747 of these have values below 10,000 rateable value
- 1270 of these have values below 21,500 rateable value
- **4017 Properties or 79% – could benefit from SBR**

- 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).

Small Business **Rate Relief**

Could your Businesses benefit from paying lower business rates? What about relief of up to 50% of the rates payable?

Well Harrow Council can legitimately give rate relief to rate payers occupying single properties with a rateable value up to £5,000.

Relief declines in percentage terms on a sliding scale, from 50% where the rateable value is £5000 or less to 0% at £10,000.

The relief is only available to ratepayers with either-

(a) one property, or
(b) 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).

Rate payers who satisfy these conditions will have the bill for their single or main property calculated using the lower small business non-domestic multiplier rather than the ordinary non-domestic rating

multiplier that is used to calculate the liability of other businesses.

Additionally, if an application for relief is granted, provided the ratepayer's circumstances do not change, the application will not need to be renewed until the next revaluation of non-domestic premises.

If you apply today you could also have your relief backdated to the 1st of April. Relief is by application only. The form can be obtained on-line at

http://www.harrow.gov.uk/site/scripts/download_info.php?fileID=4358 , or by contacting the office on Tel:0208 424 1749 or by visiting the One Stop Shop in Civic 1, PO Box 731, Civic Centre, Station Road, Harrow, HA1 2DT.

In the current economic climate Harrow Council wants to support small businesses. This relief is paid for by Central Government and so far around 900 businesses are already receiving support in Harrow. If your's is not one of them, don't delay, apply today!

Changes to Empty Property Exemptions



- New legislation to give back relief to owners of empty properties
- For 2009/10 properties with rateable values of less than £15,000 will be exempt from empty property rates
- This means that after the initial 3 month exemption granted to properties immediately they become vacant, properties meeting the above criteria will continue being exempt permanently until they are re-occupied or 31st March 2010.
- Will support landlords and owners in current economic climate

- Inland Revenue currently assessing values for the 2010 Re-Val (aim is first time right)
- Flyer will be going out with annual bills on behalf of VOA
- Antecedent date is from NOW to June next year
- How will this impact Rateable values
 - Harrows RV is currently £113,514,792
 - £120,514,792 as @ 1/4/2005
- RV's likely to increase as values taken over a 5 year period – current economic climate unlikely to affect outcomes
- Draft list due in October 2009

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

Myself, Lynn Allaker on tel 0208 424 1920 or via e-mail lynn.allaker@harrow.gov.uk