

SCHEDULE 2

Regulation 3(4)

MATTERS TO BE CONTAINED IN RATE DEMAND NOTICE

1. A statement of the address and description of each hereditament to which the notice relates (“relevant hereditament”)

2. A statement of the rateable value shown for each relevant hereditament in the local non-domestic rating list.

3. A statement of the non-domestic rating multiplier of the Common Council applicable for the relevant year.

4. A statement of the days (if any) on which, for the purposes of calculating the payments required to be made under the notice, it was understood or assumed that the conditions mentioned in section 45(1) of the Act(1) were or would be fulfilled in relation to any relevant hereditament, and a statement that as regards those days the chargeable amount is one half of that which it would be if the ratepayer were in occupation of the hereditament.

5. A statement of the days (if any) on which, for the purposes of calculating the payments required to be made under the notice, it was understood or assumed that:–

- (a) the chargeable amount would fall to be calculated under section 43(5) or 45(5) of the Act,
- (b) the chargeable amount would fall to be calculated under section 43(4) or (5) or section 45(4) or (5) of the Act as modified by paragraph 9 of Schedule 7A to the Act(2), or by regulation 3 of the Non-Domestic Rating (Transitional Period) Regulations 1990(3),
- (c) the chargeable amount would fall to be calculated by reference to section 44(2) and (2A) of the Act as substituted by section 44A(7) or (9) of the Act(4), or
- (d) rules under section 47(1)(a) or 58(3)(a) of the Act would apply;

together with a statement of the manner in which the chargeable amount for those days was calculated and of the amount by which the aggregate amount demanded under the notice is reduced or increased as compared with the amount which would have been demanded if section 43(4), without modification, and (so far as is relevant) section 44(2), without substitution, or (as the case may be) section 45(4), without modification, applied to the calculation of the chargeable amount for those days.

6. Explanatory notes in the following terms –

(1) Section 45(1) was amended by the Local Government and Housing Act 1989 (c. 42), Schedule 5, paragraph 23.
(2) Schedule 7A was inserted by the Local Government and Housing Act 1989, Schedule 5, paragraph 50.
(3) S.I.1990/608, amended by S.I. 1990/2329.
(4) Section 44A was inserted by the Local Government and Housing Act 1989, Schedule 5, paragraph 22; section 44 was amended by paragraph 21 of that Schedule.

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EXPLANATORY NOTES

Non-Domestic Rates

The non-domestic rates collected by charging authorities (district and London borough councils, the Common Council of the City of London and the Council of the Isles of Scilly) are, subject to the special arrangements for the City of London described below, paid into a central pool and re-distributed to all charging authorities in proportion to the number of community chargepayers in their area. The Common Council's share of re-distributed rate income, together with income from its community chargepayers, revenue support grant provided by the Government and certain other sums is used to pay for the services provided by the Council and other local authorities in your area.

Special Arrangements for the City of London

Because of its special circumstances – notably its very small resident population and its high daytime population – the Common Council can set its own rate and retain part of the proceeds to help pay for the services it provides. It may set this rate, subject to certain constraints, at a higher or lower level than the rate which applies outside the City of London. The amount it must pay into the central pool (as described above) is reduced by the amount which the Government believes is reasonable for it to retain. These arrangements ensure that City of London ratepayers and community chargepayers each bear an appropriate share of the cost of providing the services which benefit them.

The City of London Rating Multiplier

The non-domestic rating multiplier for the City of London is the rate which the Common Council levies on each pound of rateable value in order to raise the amount which it is required to pay into the central pool and the amount which it retains to pay for its own services.

Rateable Value

The rateable value of non-domestic property, which is fixed in most cases by the Inland Revenue valuation officer, represents the annual open market rental value of the property at 1st April 1988. The values of all property in respect of which rates are paid to the Common Council are shown in the local rating list, a copy of which may be inspected at *name and address of local valuation office* and *address of the Common Council*.

The valuation officer may alter the value if he believes that the circumstances of the property have changed. The ratepayer (and certain others who have an interest in the property) may also in certain circumstances propose a change in value. If in any case the ratepayer and the valuation officer do not agree, the matter will be referred as an appeal to the Valuation and Community Charge Tribunal. Information about circumstances in which a change in a rateable value may be proposed and how such a proposal may be made is available from the valuation office shown above.

Transitional Arrangements

For some properties, transitional arrangements will continue to phase in the effect of the change to the new non-domestic rating system introduced in 1990. Where appropriate, these arrangements will operate until 1994/95 and may be extended to later years. There are limits on the percentage by which bills may increase or decrease each year. There are special rules dealing with changes in rateable value and the merger or splitting of existing properties. Further information about transitional arrangements may be obtained from the Common Council.

Unoccupied Property Rating

Non-domestic properties which are unoccupied may be liable to empty property rates. Rates are charged at 50% of the full rate bill or of the transitional bill where the transitional arrangements apply. Liability begins after the property has been empty for 3 months. Certain types of property, such as factories and warehouses, are exempt from empty property rates.

Charitable and Discretionary Relief

Charities are entitled to relief from rates on any non-domestic property which is wholly or mainly used for charitable purposes. Relief is given at 80% of the full rate bill or of the transitional bill where the transitional arrangements apply. The Common Council have discretion to remit all or part of the remaining 20% of a charity's bill on such property.

The Common Council also have discretion to remit all or part of any rate bill in respect of property occupied by certain bodies not established or conducted for profit.

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