
EXPLANATORY NOTE

(This note is not part of the Regulations)

In relation to England, a ratepayer's liability to a non-domestic rate as regards a property is determined in accordance with the Local Government Finance Act 1988 (c. 41) ("the Act"). Liability as regards occupied local rating properties, unoccupied local rating properties and central rating is determined in accordance with formulae in Schedules 4ZA, 4ZB and 5A to the Act.

For the purposes of particular provisions in those Schedules, the Treasury have power to prescribe in regulations whether the non-domestic rating multiplier or the small business non-domestic rating multiplier is used in the formulae.

For the provisions mentioned in regulations 2(2) (local rating: occupied hereditaments), 3(2) (local rating: unoccupied hereditaments) and 4(2) (central rating), these Regulations provide that the small business non-domestic rating multiplier is to apply if the applicable rateable value is not more than £50,999, but otherwise the non-domestic rating multiplier will apply.

An impact assessment has not been produced for this instrument because it amends an existing local tax regime. Publication of a full impact assessment is not necessary for such legislation.