
STATUTORY RULES OF NORTHERN IRELAND

2010 No. 4

RATES

**Rates (Small Business Hereditament Relief)
Regulations (Northern Ireland) 2010**

Made - - - - *8th January 2010*
Coming into operation *1st April 2010*

The Department of Finance and Personnel makes the following Regulations in exercise of the powers conferred by Article 31C of the Rates (Northern Ireland) Order 1977⁽¹⁾.

Citation and commencement

1. These Regulations may be cited as the Rates (Small Business Hereditament Relief) Regulations (Northern Ireland) 2010 and shall come into operation on 1st April 2010.

Commencement Information

II [Reg. 1](#) in operation at 1.4.2010, see [reg. 1](#)

Interpretation

2. In these Regulations—

“the 1977 Order” means the Rates (Northern Ireland) Order 1977;

“electricity undertaker” means a holder of a licence under Article 10(1) of the Electricity (Northern Ireland) Order 1992⁽²⁾;

“excepted hereditament” means a hereditament which falls within a class of hereditament described in the Schedule;

“gas undertaker” means a holder of a licence under Article 8 of the Gas (Northern Ireland) Order 1996⁽³⁾;

“Minister of the Crown” has the same meaning as in the Ministers of the Crown Act 1975⁽⁴⁾

(1) [S.I. 1977/2157 \(N.I. 28\)](#); Article 31C was substituted by section 1 of the Rates (Amendment) Act (Northern Ireland) 2009
(2) [S.I. 1992/231 \(N.I. 1\)](#)
(3) [S.I. 1996/275 \(N.I. 2\)](#)
(4) [1975 c.26](#)

Status: Point in time view as at 01/04/2013.

Changes to legislation: There are currently no known outstanding effects for the Rates (Small Business Hereditament Relief) Regulations (Northern Ireland) 2010. (See end of Document for details)

“post office” means a public post office within the meaning of section 42(3) of the Postal Services Act 2000⁽⁵⁾;

[^{F1}“prescribed recreation” has the meaning assigned to it by Article 31(6) of the 1977 Order;]

“qualifying hereditament” means a hereditament—

- (a) which is, or would fall to be, shown in the NAV list;
- (b) which is wholly occupied;
- (c) which is not an excepted hereditament; and
- (d) no part of which is used as a post office;

“qualifying year” means a year ending before the 1st April 2015; and

“statutory undertaker” means persons authorised by any statutory provision to carry on any railway, road transport, water transport, inland navigation or dock undertaking, or a gas undertaker, an electricity undertaker, a water undertaker or a sewerage undertaker or the airport operator (within the meaning of the Airports (Northern Ireland) Order 1994⁽⁶⁾) of any airport to which Article 25 of that Order applies.

Textual Amendments

- F1** Words in [reg. 2](#) inserted (1.4.2013) by [Rates \(Small Business Hereditament Relief\) \(Amendment\) Regulations \(Northern Ireland\) 2013 \(S.R. 2013/46\)](#), regs. 1, **2(2)**

Commencement Information

- I2** [Reg. 2](#) in operation at 1.4.2010, see [reg. 1](#)

[^{F2}Reduction of rates in respect of certain qualifying hereditaments

3.—(1) Subject to paragraph (2), regulation 5 and the condition in regulation 6, the amount which, apart from these Regulations, would be payable for a qualifying year on account of a rate in respect of the net annual value of a qualifying hereditament shall be reduced by—

- (a) 50% if the net annual value of the hereditament does not exceed £2,000;
- (b) 25% if the net annual value of the hereditament exceeds £2,000 but does not exceed £5,000;
- (c) 20% if the net annual value of the hereditament exceeds £5,000 but does not exceed [^{F3}£15,000] .

(2) Subject to paragraph (3), paragraph (1) shall not apply where—

- (a) a person occupying a qualifying hereditament occupies; or
- (b) a person occupying a qualifying hereditament and persons connected with that person occupy (whether jointly or severally),

more than three hereditaments which are, or would fall to be, shown in the NAV list.

(3) Where each hereditament within a group of hereditaments is contiguous with another hereditament in the group and the hereditaments in the group—

- (a) have a combined net annual value not exceeding [^{F3}£15,000] ; and
- (b) are occupied by the same person,

(5) 2000 c.26

(6) S.I. 1994/426 (N.I.1)

the group of hereditaments shall be treated as a single hereditament for the purposes of determining, for the purposes of paragraph (2), the number of hereditaments which are occupied by a person or by a person and persons connected with that person.

(4) For the purposes of paragraph (2)—

- (a) a person who is a partner in a partnership is connected with any partner in the partnership;
- (b) a person (“A”) and a company are connected if A has control of the company; and
- (c) a company and another company are connected if the same person has control of both companies.

(5) Without prejudice to paragraph (4), a person (“B”) is connected with another person (“C”) for the purposes of paragraph (2) if—

- (a) B occupies a hereditament on behalf of C; or
- (b) B and C occupy different hereditaments on behalf of a third person.

(6) In this regulation—

“company” includes any body corporate or an unincorporated association but does not include a partnership; and

“control” is to be read in accordance with sections 450 and 451 of the Corporation Tax Act 2010.]

Textual Amendments

- F2** [Reg. 3](#) substituted (1.4.2012) by [Rates \(Small Business Hereditament Relief\) \(Amendment\) Regulations \(Northern Ireland\) 2012 \(S.R. 2012/106\)](#), regs. 1, **2**
- F3** Sum in [reg. 3](#) substituted (1.4.2013) by [Rates \(Small Business Hereditament Relief\) \(Amendment\) Regulations \(Northern Ireland\) 2013 \(S.R. 2013/46\)](#), regs. 1, **2(3)**

Reduction of rates in respect of certain hereditaments used as post offices

4. Subject to regulation 5 and the condition in regulation 6, the amount which, apart from these Regulations, would be payable for a qualifying year on account of a rate in respect of the net annual value of a hereditament the whole or any part of which is used as a post office, shall be reduced by—

- (a) 100% if the net annual value of the hereditament does not exceed £9,000;
- (b) 50% if the net annual value of the hereditament exceeds £9,000 but does not exceed £12,000.

Commencement Information

- I3** [Reg. 4](#) in operation at 1.4.2010, see [reg. 1](#)

Community obligation

5. Regulations 3 and 4 shall apply only to the extent that the reductions thereunder do not contravene a Community obligation.

Commencement Information

- I4** [Reg. 5](#) in operation at 1.4.2010, see [reg. 1](#)

Status: Point in time view as at 01/04/2013.

Changes to legislation: There are currently no known outstanding effects for the Rates (Small Business Hereditament Relief) Regulations (Northern Ireland) 2010. (See end of Document for details)

Condition for reduction of rates in certain circumstances

6.—(1) The condition referred to in regulations 3 and 4 is that where a person who is chargeable to rates in respect of a hereditament to which regulation 3 or 4 applies is not the occupier of the hereditament and receives payments from another person in respect of that other person's occupation of the hereditament, it appears to the Department that a sum equal to the amount of the reduction will be applied for the benefit of that other person.

(2) In paragraph (1) the reference to a person who is chargeable to rates includes a reference to a person who, but for regulation 4(a), would be chargeable to rates.

Commencement Information

I5 Reg. 6 in operation at 1.4.2010, see **reg. 1**

Sealed with the Official Seal of the Department of Finance and Personnel on 8th January 2010.



Brian McClure
A senior officer of the Department of Finance
and Personnel

SCHEDULE

Regulation 2

EXCEPTED HEREDITAMENTS

1. A hereditament which is used only for the purposes of a machine which provides automatic telling and other services on behalf of a bank or building society.

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Commencement Information

I6 Sch. para. 1 in operation at 1.4.2010, see [reg. 1](#)

2. A hereditament which is used only for the display of advertisements.

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Commencement Information

I7 Sch. para. 2 in operation at 1.4.2010, see [reg. 1](#)

3. A hereditament which is used only for, or in connection with, the parking of motor vehicles.

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Commencement Information

I8 Sch. para. 3 in operation at 1.4.2010, see [reg. 1](#)

4. A hereditament which is used only for, or in connection with, telecommunications masts and towers.

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Commencement Information

I9 Sch. para. 4 in operation at 1.4.2010, see [reg. 1](#)

5. A hereditament which is occupied by a Northern Ireland department or by a Minister of the Crown or by any officer or body exercising functions on behalf of the Crown.

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Commencement Information

I10 Sch. para. 5 in operation at 1.4.2010, see [reg. 1](#)

6. A hereditament which is occupied by a body established by or under a statutory provision or by a statutory undertaker.

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Commencement Information

I11 Sch. para. 6 in operation at 1.4.2010, see [reg. 1](#)

^{F47}. A hereditament which is shown in the NAV list as used solely for the purposes of a prescribed recreation.

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Textual Amendments

- F4** Sch. paras. 7-9 inserted (1.4.2013) by Rates (Small Business Hereditament Relief) (Amendment) Regulations (Northern Ireland) 2013 (S.R. 2013/46), regs. 1, **2(4)**

8. A hereditament which is shown in the NAV list as having part of its net annual value apportioned to a part or parts of the hereditament used solely for the purposes of a prescribed hereditament.

Textual Amendments

- F4** Sch. paras. 7-9 inserted (1.4.2013) by Rates (Small Business Hereditament Relief) (Amendment) Regulations (Northern Ireland) 2013 (S.R. 2013/46), regs. 1, **2(4)**

9. A hereditament which is distinguished in the NAV list as occupied and used wholly or partly for industrial purposes or for transport purposes.]

Textual Amendments

- F4** Sch. paras. 7-9 inserted (1.4.2013) by Rates (Small Business Hereditament Relief) (Amendment) Regulations (Northern Ireland) 2013 (S.R. 2013/46), regs. 1, **2(4)**

EXPLANATORY NOTE

(This note is not part of the Regulations)

These Regulations provide for rate relief in respect of certain small business hereditaments for any financial year ending before 1st April 2015.

Regulation 3 applies to business hereditaments which are wholly occupied, are not an excepted hereditament (as defined) and which are not, in whole or in part, used as a post office. Where the net annual value of such a hereditament does not exceed £2,000, the rates payable are reduced by 50% and where the net annual value of such a hereditament exceeds £2,000 but does not exceed £5,000, the rates payable are reduced by 25%.

Regulation 4 applies to hereditaments the whole or any part of which is used as a post office. Where the net annual value of such a hereditament does not exceed £9,000, no rates are payable and where the net annual value of such a hereditament exceeds £9,000 but does not exceed £12,000, the rates payable are reduced by 50%.

Regulation 5 provides that the reductions under regulations 3 and 4 apply only to the extent that they do not contravene the State Aid rules of the European Community.

Regulations 3, 4 and 6 provide that where rates are payable by the owner rather than the occupier of a small business hereditament, the reduction of rates is conditional on the owner applying the amount of the reduction for the benefit of the occupier.

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