
SCOTTISH STATUTORY INSTRUMENTS

2005 No. 126

The Non-Domestic Rates (Levying) (Scotland) Order 2005

PART III

MERGERS, SPLITS AND REORGANISATIONS AFTER 1ST APRIL 2005

Application of Part III

13.—(1) Where, subsequent to 1st April 2005, lands and heritages are shown in a merged, split or reorganised entry with effect from a day in the relevant year (the “effective day”), this Part shall, subject to paragraph (2) below, apply to those lands and heritages as from that effective day.

(2) This Part shall not apply to lands and heritages shown—

(a) in a merged or reorganised entry, if that entry does not show (in whole or in part) any lands and heritages in respect of which—

- (i) paragraph (a) or (b) of regulation 7 above; or
- (ii) this Part,

applied as regards the day immediately prior to the effective date of that entry;

(b) in a split entry, if neither of those paragraphs nor this Part applied in respect of the lands and heritages shown in the relevant old entry and the day immediately prior to the effective date of the split entry.

Mergers and reorganisations – amount payable as rates

14.—(1) Where lands and heritages to which this Part applies are shown in a merged or reorganised entry, the amount payable as rates in respect of those lands and heritages and a day in the relevant year shall, subject to regulation 16 and Parts IV to VI below, be calculated in accordance with the formula—

$$TAL \times \frac{RV}{TORV}$$

where—

TAL is the total of the applicable liabilities in respect of each relevant old entry, ascertained in accordance with paragraph (2) below;

RV is the rateable value shown in the merged or reorganised entry; and

TORV is the total old rateable value, being the total of the rateable values shown in the relevant old entries.

(2) For the purpose of paragraph (1) above, the applicable liability in respect of an old entry is—

(a) where paragraph (a) or (b) of regulation 7 above applies in respect of the lands and heritages shown in that entry and the day immediately prior to the effective date of the merged or reorganised entry, the amount determined under the applicable paragraph (before application of Parts IV to VI below);

- (b) where this Part applies in respect of those lands and heritages and that day, the amount determined under this Part (before application of Parts IV to VI below); and
- (c) in any other case, the amount calculated in accordance with the formula—

$$\frac{RV \times PF}{365}$$

where—

RV is the rateable value shown in the old entry; and

PF has the same meaning as in regulation 12(1) above.

Splits – amount payable as rates

15. Where lands and heritages to which this Part applies are shown in a split entry, the amount payable as rates in respect of those lands and heritages and a day in the relevant year shall, subject to regulation 16 and Parts IV to VI below, be calculated in accordance with the formula—

$$AD \times \frac{RV}{ORV}$$

where—

AD is the amount determined under paragraph (a) or (b) of regulation 7 above, or as the case may be this Part, (before application of Parts IV to VI below) in respect of the lands and heritages shown in the relevant old entry and the day immediately prior to the effective date of the split entry;

RV is the rateable value shown in the split entry; and

ORV is the old rateable value, being the rateable value shown in the relevant old entry.

Changes in rateable value

16.—(1) Where the rateable value of lands and heritages to which this Part applies is increased with effect from a day in the relevant year subsequent to 1st April 2005, the amount payable as rates in respect of those lands and heritages and any day in the relevant year (“the effective day”) on or after that effective day shall, subject to Parts IV to VI below, be calculated in accordance with the formula—

$$AD + \frac{(IRV - RV) \times PF}{365}$$

where—

AD is the amount determined under regulation 14(1) or 15 above (before application of Parts IV to VI below) in respect of those lands and heritages and the day immediately prior to the effective day;

IRV is the increased rateable value of those lands and heritages;

RV is their rateable value immediately prior to the effective day; and

PF has the same meaning as in regulation 12(1) above.

(2) Where the rateable value of lands and heritages to which this Part applies is reduced with effect from a day in the relevant year, the amount payable as rates in respect of those lands and heritages and any day in the relevant year on or after that effective day shall, subject to Parts IV to VI below, be calculated in accordance with the formula—

$$AD \times \frac{RRV}{RV}$$

where—

AD and RV have the same meanings as in paragraph (1) above; and

RRV is the reduced rateable value of those lands and heritages.

(3) Where the rateable value of lands and heritages is changed for a second or subsequent time whilst this Part applies to them, paragraphs (1) and (2) above shall have effect with the substitution, in the definition of “AD” in paragraph (1), for the words “regulation 14(1) or 15 above” of the words “this paragraph or paragraph (2) below”.