

2020 No. 40

RATING AND VALUATION

The Non-Domestic Rates (Relief for New and Improved Properties) (Scotland) Amendment Regulations 2020

Made - - - - *19th February 2020*
Laid before the Scottish Parliament *21st February 2020*
Coming into force - - *1st April 2020*

The Scottish Ministers make the following Regulations in exercise of the powers conferred by section 153 of the Local Government etc. (Scotland) Act 1994(a) and all other powers enabling them to do so.

Citation, commencement and interpretation

1.—(1) These Regulations may be cited as the Non-Domestic Rates (Relief for New and Improved Properties) (Scotland) Amendment Regulations 2020 and come into force on 1 April 2020.

(2) In these Regulations “the principal Regulations” means the Non-Domestic Rates (Relief for New and Improved Properties) (Scotland) Regulations 2019(b).

Amendment of the principal Regulations

2.—(1) The principal Regulations are amended as follows.

(2) In regulation 2 (interpretation), in the definition of “the relevant year”, for “2019-20” substitute “2020-21”.

(3) In regulation 4(2) (exclusion of relief for certain new buildings), the text from “were a dwelling” becomes sub-paragraph (a) and at the end insert—

“, or

(b) included a building, but were not shown in an entry in the roll because of an enactment providing for them not to be entered in the roll.”.

(4) In regulation 5 (availability of relief – new building resulting in an alteration to the roll under section 2(1)(d) of the 1975 Act), at the end of paragraph (3)(a) insert—

“and was an alteration of an entry in the roll that, for the day immediately prior to the day on which the alteration took effect, showed lands and heritages which were unoccupied and

(a) 1994 c.39. Section 153 was amended by section 67 of the Climate Change (Scotland) Act 2009 (asp 12). The functions of the Secretary of State were transferred to the Scottish Ministers by virtue of section 53 of the Scotland Act 1998 (c.46).

(b) S.S.I. 2019/40, as amended by S.S.I. 2019/116.

in respect of which the person entitled to possession was in receipt of relief under section 24 of the 1966 Act (unoccupied lands and heritages)(a),”.

(5) In regulation 7 (availability of relief – further works to lands and heritages granted relief under regulation 4 or 6), after paragraph (d)(i) insert—

“(ia) the installation of plant and machinery to the extent that the plant or machinery falls within class 4 in the schedule of the Valuation for Rating (Plant and Machinery) (Scotland) Regulations 2000(b),”.

(6) In regulation 8(2) (period of relief granted – further works to lands and heritages granted relief under regulation 4 or 6), for “to 31 March 2020” substitute “for a period of 12 months”.

(7) In regulation 9 (availability of relief – lands and heritages in respect of which a relevant increase has been made within the previous 12 months)—

(a) in paragraph (2)(b) for “1 April 2018” substitute “1 April 2019”, and

(b) after paragraph (2)(c)(i) insert—

“(ia) the installation of plant and machinery to the extent that the plant or machinery falls within class 4 in the schedule of the Valuation for Rating (Plant and Machinery) (Scotland) Regulations 2000,”.

(8) In regulation 10(5) (relief granted – lands and heritages in respect of which a relevant increase has been made within the previous 12 months)—

(a) for “366” in each place it occurs substitute “365”,

(b) in sub-paragraph (a)—

(i) for “0.516” substitute “0.524”,

(ii) for “0.49” substitute “0.498”, and

(c) in sub-paragraph (b) for “1.527” substitute “1.747”.

(9) In regulation 11(3) (additional relief granted – lands and heritages in respect of which a relevant increase has been made within the previous 12 months), for sub-paragraph (e) substitute—

“(e) regulation 3 of the Non-Domestic Rates (Levy) (Scotland) Regulations 2020 (the Small Business Bonus Scheme)(c).”.

Saving provision

3.—(1) The amendment made by regulation 2(3) does not apply in respect of a person described in paragraph (2) until such time as the lands and heritages to which the relief applies cease to satisfy any of the conditions in regulation 3(3) of the principal Regulations (time limits for availability of relief).

(2) Paragraph (1) applies where—

(a) on 31 March 2020 a person had been granted relief under regulation 4 of the principal Regulations (relief for certain lands and heritages including new buildings), but

(a) Section 24 was substituted by section 154 of the Local Government etc. (Scotland) Act 1994 (c.39) and amended by section 1(2) of the Local Government Finance (Unoccupied Properties etc.) (Scotland) Act 2012 (asp 11).

(b) S.S.I. 2000/58. Class 4 in the schedule was amended by S.S.I. 2008/360.

(c) S.S.I. 2020/39.

- (b) that person would not continue to be entitled to that relief on 1 April 2020 solely as a result of the amendment made to that regulation by regulation 2(3) of these Regulations (exclusion of relief where the building is not new).

BEN MACPHERSON

Authorised to sign by the Scottish Ministers

St Andrew's House,
Edinburgh
19th February 2020

EXPLANATORY NOTE

(This note is not part of the Regulations)

These Regulations amend the Non-Domestic Rates (Relief for New and Improved Properties) (Scotland) Regulations 2019 (S.S.I. 2019/40, “the principal Regulations”).

Regulation 2(2) provides that the principal Regulations apply, as amended, for the financial year beginning on 1 April 2020. Paragraphs (6) and (7)(a) of that regulation adjust other references to dates and years in the principal Regulations in consequence.

Regulation 2(3) provides that relief is not available from 1 April 2020 for certain buildings that appear in the valuation roll for the first time, but are not newly built. The principal Regulations provide relief where an entry is newly made in the roll and includes one or more buildings that were not previously shown in any entry in the roll. The effect of regulation 2(3) of these Regulations is to prevent relief being available where the building existed on lands and heritages that were exempt from being entered in the roll, but cease to be exempt. An example would be a building on agricultural lands and heritages, which are exempt from entry in the roll under section 7(3) of the Valuation and Rating (Scotland) Act 1956 (c.60). Such lands and heritages might be entered in the roll as a result of a change of use.

Regulation 3 provides that the amendment made by regulation 2(3) does not operate to remove relief from lands and heritages where it is in payment on 31 March 2020. Instead the relief is to continue until such time as conditions in the principal Regulations cease to be met. These allow relief to continue for 12 months from the date the building was entered in the valuation roll or, if later, for 12 months from the date the building first became occupied. From 1 April 2020 the relief will no longer be available if the lands and heritages have not been unoccupied.

Regulation 2(4) provides that relief is not available from 1 April 2020 for certain buildings that appear in the valuation roll, where the lands and heritages had no buildings on them but were occupied on the day before the alteration to the roll is made. The principal Regulations provide relief for a period of twelve months, and longer if the lands and heritages are unoccupied after the alteration, and that element of the relief continues unchanged.

Regulation 2(5) and (7)(b) extends the availability of relief for improvement of lands and heritages so that it includes a class of plant and machinery.

Regulation 2(8) amends figures relevant to calculations set out in the principal Regulations so that they reflect the rates used to calculate non-domestic rating liability in the 2020-21 financial year. It also updates figures used for daily calculations to reflect that the 2019-20 financial year was a leap year, but the 2020-21 financial year is not.

Regulation 2(9) updates a reference to other Regulations.

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