
 STATUTORY INSTRUMENTS

1971 No. 560

RATING AND VALUATION

The Mines and Quarries (Valuation) Order 1971

<i>Made</i>	- - -	<i>4th March 1971</i>
<i>Laid before Parliament</i>		<i>4th March 1971</i>
<i>Coming into Operation</i>		<i>30th March 1971</i>

The Secretary of State for the Environment, after consultation with the associations of local authorities and of persons carrying on undertakings appearing to him to be concerned and the local authorities and persons carrying on undertakings with whom consultation appeared to him to be desirable, in exercise of his powers under section 35 of the General Rate Act 1967(a) and of all other powers enabling him in that behalf, hereby makes the following order :—

Title and commencement

1. This order may be cited as the Mines and Quarries (Valuation) Order 1971 and shall come into operation on the day following the day on which it has been approved by a resolution of each House of Parliament.

Application

2. This order shall apply, in respect of the rate periods beginning on 1st April 1971 and subsequent rate periods, to—

- (a) any hereditament occupied by the National Coal Board consisting of or including any mine property or any opencast land ;
- (b) any tin, lead or copper mine ; and
- (c) any other hereditament which consists of or includes a mine or quarry or the whole or part of which is occupied together with a mine or quarry in connection with the storage or removal of its minerals or the removal of its refuse.

Interpretation

3.—(1) The Interpretation Act 1889(b) shall apply for the interpretation of this order as it applies for the interpretation of an Act of Parliament.

(2) In this order—

“the Commissioners” means the Commissioners of Inland Revenue ;

“comparable extractive hereditaments”, “mine property” and “opencast land” have the same meanings as in the order of 1963 ;

“land”, in the expression “the occupation of land”, does not include buildings, structures, roads, shafts, adits or other works ;

 (a) 1967 c. 9.

(b) 1889 c. 63.

“the order of 1963” means the National Coal Board (Valuation) Order 1963(a); and

“specified operations” means the winning and working, grading, washing, grinding and crushing of minerals.

(3) In this order, unless the context otherwise requires, references to any enactment shall be construed as references to that enactment as amended, extended or applied by or under any other enactment or by this order.

(4) Any reference in this order to a numbered article shall, unless the reference is to an article of a specified order, be construed as a reference to the article bearing that number in this order.

(5) Any reference in any article of this order to a numbered paragraph shall, unless the reference is to a paragraph of a specified article, be construed as a reference to the paragraph bearing that number in the first-mentioned article.

Rateable value of hereditaments within article 2(c)

4. The rateable value of any hereditaments within article 2(c) shall be the net annual value thereof as ascertained under subsection (3) of section 19 of the General Rate Act 1967 reduced—

(a) for the year beginning on 1st April 1971, by one-quarter;

(b) otherwise, by one-half,

of the part of the rent estimated under the said subsection which is attributable to the occupation of land for the purpose of the specified operations.

Mine properties occupied by the National Coal Board

5.—(1) For the year beginning on 1st April 1971 any divisional basic rateable value ascertained under articles 4 and 6 of the order of 1963 shall be adjusted by multiplying it by the proportional change in the level of rateable values in England and Wales appearing, on the average, from a comparison of the values of comparable extractive hereditaments expected to be shown in the valuation lists in respect of the said year with the values of those hereditaments as so shown on 31st March 1971.

(2) For the year beginning on 1st April 1972 and subsequent years any divisional basic rateable value ascertained as aforesaid and adjusted under paragraph (1) shall be further adjusted by multiplying it by the proportional change in the level of rateable values in England and Wales appearing, on the average, from a comparison of the values of comparable extractive hereditaments expected to be shown in the valuation lists in respect of the year beginning on 1st April 1972 with the values of those hereditaments as so shown on 31st March 1972.

(3) The adjustments falling to be made under paragraph (1) or (2) shall be made by the Commissioners as soon as may be after 1st April 1971 or 1st April 1972, as the case may be. Any adjusted divisional basic rateable value shall be notified by the Commissioners to the National Coal Board and to the rating authorities concerned.

(4) In the years beginning on 1st April 1971 and 1st April 1972 article 21(8) of the order of 1963 (which makes provision as to the alteration of valuation lists) shall have effect with the substitution for the reference to the beginning of the year of a reference to the notifications made by the Commissioners under paragraph (3) for the year.

(5) In relation to new valuation lists coming into force on 1st April 1973 article 5 of the order of 1963 (which makes provision for the ascertainment of divisional basic rateable values) shall have effect with the substitution in paragraph (b) for "the values of those hereditaments shown in the previous lists on 1st April immediately preceding such transmission" of "the values of those hereditaments which would have been shown in the previous lists on 1st April 1972 if article 4 of the Mines and Quarries (Valuation) Order 1971 had provided for the reduction therein specified for the year beginning on 1st April by one-half".

(6) In any comparison of values shown or expected to be shown in valuation lists any change of values due to structural alterations and change of output shall be disregarded.

Opencast land occupied by the National Coal Board

6.—(1) The tonnage factor ascertained under article 12(3) of the order of 1963 shall be reduced—

- (a) for the year beginning on 1st April 1971, by one-quarter ; and
- (b) otherwise, by one-half.

(2) In relation to new valuation lists coming into force on 1st April 1973, in article 12(4) of the order of 1963 (which makes provision for the adjustment of the tonnage factor)—

- (a) the reference to the tonnage factor as ascertained for the purpose of the previous lists shall be construed as a reference to the tonnage factor as adjusted under paragraph (1)(b) ; and
- (b) for "the values of those hereditaments shown in the previous lists on 1st April immediately preceding such transmission" there shall be substituted "the values of those hereditaments which would have been shown in the valuation lists on 1st April 1972 if article 4 of the Mines and Quarries (Valuation) Order 1971 had provided for the reduction therein specified for the year beginning on 1st April 1971 by one-half".

Rateable value of tin, lead or copper mines

7.—(1) This article applies to tin, lead or copper mines.

(2) In this article—

"dues" means dues, royalty or toll, either in money or partly in money and partly in kind ; and the amount of dues which are reserved in kind means the value of those dues ;

"fine" means fine, premium or foregift, or other payment or consideration in the nature thereof ;

"lease" means lease or sett, or licence to work, or agreement for a lease or sett or licence to work ; and

"mine", in the case of a mine occupied under a lease, includes the underground workings, and the engines, machinery, workshop, tramways, and other plant, buildings (other than dwellings), and works and surface of land occupied in connection with and for the purposes of the mine, and situate within the boundaries of the land comprised in the lease or leases under which the dues or dues and rent are payable or reserved.

(3) Where the mine is occupied under a lease or leases granted without fine on a reservation wholly or partly of dues or rent, the rateable value of the

mine for the purposes of any rate period shall, subject to paragraph (4), be taken to be the aggregate of—

(a) the annual amount of the whole of the dues payable in respect of the mine during the year ending on 31st December falling between 3 and 15 months before the beginning of that rate period ; and

(b) the annual amount of any fixed rent reserved for the mine which may not be paid or satisfied by such dues,

reduced—

(i) for any rate period in the year beginning on 1st April 1971, by one-quarter ;

(ii) otherwise, by one-half,

of the part of such dues or rent which is attributable to the occupation of land for the purpose of the specified operations.

(4) Where, in the case of a mine falling within paragraph (3), the person receiving the dues or rent is liable for repairs, insurance or other expenses necessary to maintain the mine in a state to command the annual amount of dues or rent, the rateable value of the mine shall be the aggregate referred to in paragraph (3) reduced as therein provided less the average annual cost of the repairs, insurance and other expenses for which that person is so liable.

(5) In the case of—

(a) a mine occupied under a lease granted wholly or partly on a fine ; or

(b) a mine occupied and worked by the owner ; or

(c) a mine which does not fall within paragraph (3) or within item (a) or (b) of this paragraph but which, by virtue of section 16(d) of the General Rate Act 1967, is rateable,

the rateable value of the mine shall be taken to be the annual amount of the dues or dues and rent at which the mine might be reasonably expected to let without fine on a lease of the ordinary duration, according to the usage of the country, if the tenant undertook to pay all tenant's rates and taxes and also the repairs, insurance and other expenses necessary to maintain the mine in a state to command that annual amount of dues or dues and rent, reduced—

(i) for the year beginning on 1st April 1971, by one-quarter ;

(ii) otherwise, by one-half,

of the part of such dues or dues and rent which is attributable to the occupation of land for the purpose of the specified operations.

Peter Walker,

Secretary of State for the Environment.

4th March 1971.

EXPLANATORY NOTE

(This Note is not part of the Order.)

Section 35 of the General Rate Act 1967 empowers the Secretary of State for the Environment to make provision for determining the rateable values of hereditaments which consist of or include mines or quarries or which are occupied with mines or quarries for certain purposes.

This Order makes provision, operative from 1st April 1971, in respect of all mines and quarries and certain associated hereditaments. The general purpose of the Order is to reduce the assessments of these properties, in so far as they are based on royalties, in accordance with the decision to treat mineral royalties as half rent and half as capital payment for the mineral, instead of wholly as a rent, as hitherto. For the generality of cases the Order provides for the rateable value to be the net annual value reduced by one-half (one-quarter for the year 1971-72) of that part of the net annual value which is attributable to the occupation of land for the winning and working, grading, washing, grinding and crushing of minerals. In the case of mine properties and open-cast land of the National Coal Board, which are valued by formula under an order of 1963, the Order provides for the values to be reduced in the same proportions as the values of the generality of mineral extractive hereditaments are reduced by virtue of the Order. In the case of tin, lead and copper mines the Order preserves the special basis of assessment now in section 36 of the General Rate Act 1967, modified so as to reduce the assessments of land occupied for the specified purposes by one-half (one-quarter for the year 1971-72). The smaller reductions for 1971-72 are to ease the transition to the new arrangements for the local authorities.

In accordance with section 35(7) of the General Rate Act 1967, this Order was approved by a resolution of the House of Lords on 22nd March 1971 and a resolution of the House of Commons on 29th March 1971.