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## EXPLANATORY NOTE

*(This note is not part of the Regulations)*

Under Part III of Schedule 12 to the Local Government Finance Act 1992, Scottish levying authorities are required to pay amounts (called non-domestic rating contributions) to the Secretary of State. Payments in respect of a provisional amount of the contributions are made during the financial year, final calculations and payments being made after the year ends. These Regulations contain rules for the calculation of those contributions.

Regulation 3 and Schedule 1 provide for the calculation of a final non-domestic rating contribution which is broadly the same as the total payable to the levying authority for a financial year in respect of non-domestic rates and contributions in aid in relation to Crown property. Provision is included in Schedule 1 for deductions in respect of reliefs and remissions granted on grounds of poverty or to charitable bodies and in respect of matters such as bad debts and repayments to ratepayers.

Regulation 4 and Schedule 2 provide for the assumptions which are to be made when calculating the provisional amount.

Regulations 5 and 6 provide that, where prescribed conditions are fulfilled, the amount calculated under regulation 4 will be replaced by an amount calculated under Schedule 3. These provisions will operate where the amounts expected to be received by the levying authority in respect of non-domestic rates have been substantially reduced during the financial year.

Regulations 7 and 8 provide that, where a provisional amount has been recalculated under regulations 5 and 6, repayments will be made to the levying authority and further amounts payable by the authority will be reduced.

Regulation 9 allows an authority, when calculating its final non-domestic rating contribution for a financial year, to leave out of account information which was received after 31st May in the following financial year and which it is not reasonably practicable for them to take into account.