
STATUTORY INSTRUMENTS

1994 No. 3256 (S.184)

RATING AND VALUATION

The Valuation for Rating (Decapitalisation Rate) (Scotland) Regulations 1994

<i>Made</i>	- - - -	<i>14th December 1994</i>
<i>Laid before Parliament</i>		<i>4th January 1995</i>
<i>Coming into force</i>	- -	<i>25th January 1995</i>

The Secretary of State, in exercise of the powers conferred upon him by section 6(8A) of the Valuation and Rating (Scotland) Act 1956(1), and of all other powers enabling him in that behalf, hereby makes the following Regulations:

Citation and commencement

1. These Regulations may be cited as the Valuation for Rating (Decapitalisation Rate) (Scotland) Regulations 1994 and shall come into force on 25th January 1995.

Interpretation

2.—(1) In these Regulations—

“the 1956 Act” means the Valuation and Rating (Scotland) Act 1956;

“the 1992 Act” means the Further and Higher Education (Scotland) Act 1992(2);

“church property” means any premises to the extent to which section 22(1) of the 1956 Act(3) (exemption of churches, etc. from rates) applies to them;

“contractor’s principle” means the method of ascertaining the net annual value of lands and heritages by reference to their cost of construction or provision or to their capital value;

“decapitalisation rate” means the percentage rate which is applied to the cost of construction or provision or to the capital value of any lands and heritages for the purpose of ascertaining their net annual value when they are being valued in accordance with the contractor’s principle;

(1) 1956 c. 60; subsection (8A) was inserted in section 6 by the Local Government Finance Act 1988 (c. 41), Schedule 12, paragraph 4, and falls to be read with subsection (8B) of that section (which was also inserted by that paragraph) and with subsections (8C) and (8D) (inserted by the Local Government and Housing Act 1989 (c. 42), Schedule 6, paragraph 5).
(2) 1992 c. 37.
(3) Section 22 was substituted by the Local Government Finance Act 1992 (c. 14), Schedule 13, paragraph 10.

“educational establishment” shall be construed in accordance with paragraph (2) of this regulation;

“healthcare property” shall be construed in accordance with paragraph (3) of this regulation;

“lands and heritages” means any lands and heritages or any part of them;

“net annual value” has the same meaning as in section 6(8) of the 1956 Act⁽⁴⁾.

(2) “Educational establishment” means any lands and heritages which are constructed or adapted for use, and which are wholly or mainly used, for the purposes of—

- (a) a school;
- (b) a university;
- (c) a designated institution within the meaning of section 44(2) of the 1992 Act;
- (d) any institution for the provision of any form of further education which is managed by—
 - (i) an education authority;
 - (ii) a board of management within the meaning of section 36(1) of the 1992 Act; or
 - (iii) a body not established for profit;

and any expression used in this paragraph and in the Education (Scotland) Act 1980⁽⁵⁾ and not defined in this paragraph shall be construed in accordance with that Act.

(3) “Healthcare property” means any lands and heritages constructed or adapted wholly or mainly either—

- (a) for the reception or treatment of persons suffering from any illness, injury or infirmity; or
- (b) as a maternity home;

and used for such a purpose.

(4) Any reference in these Regulations to lands and heritages used for any purpose includes a reference to those lands and heritages which are not in use but which when last in use were used for such purpose.

Application of Regulations

3. These Regulations apply in relation to the valuation of any lands and heritages in accordance with the contractor’s principle for the purposes of any valuation roll which comes into force on or after 1st April 1995.

Decapitalisation rate

4. The decapitalisation rate shall be—
- (a) 3.67 per cent in the case of any lands and heritages consisting of any church property, healthcare property or an educational establishment; and
 - (b) 5.5 per cent in any other case.

Amendment of earlier Regulations

5. In regulation 3 of the Valuation for Rating (Decapitalisation Rate) (Scotland) Regulations 1990⁽⁶⁾, the words “or after” shall cease to have effect.

⁽⁴⁾ Section 6(8) was amended by the Abolition of Domestic Rates Etc. (Scotland) Act 1987 (c. 47), Schedule 6.

⁽⁵⁾ 1980 c. 44.

⁽⁶⁾ S.I.1990/505, as amended by S.I. 1992/1025.

St Andrew's House,
Edinburgh
14th December 1994

Allan Stewart
Parliamentary Under Secretary of State, Scottish
Office

Status: This is the original version (as it was originally made). This item of legislation is currently only available in its original format.

EXPLANATORY NOTE

(This note is not part of the Regulations)

These Regulations prescribe the decapitalisation rate to be applied when valuing lands and heritages in Scotland in accordance with the contractor's principle for the purposes of any valuation roll which comes into force on or after 1st April 1995 (and restrict the Valuation for Rating (Decapitalisation Rate) (Scotland) Regulations 1990 so that they will not apply in respect of valuations for the purposes of any such roll).

The decapitalisation rate prescribed is 3.67 per cent in the case of certain church property, healthcare property and educational establishments (as defined in the Regulations) and 5.5 per cent in any other case.