

SCHEDULE 2

SPLITS AND MERGERS

Base liability for year after year in which creation day falls

8.—(1) This paragraph applies for determining the base liability for a new hereditament for any relevant year which falls immediately after the year in which the creation day falls.

(2) Where this paragraph applies, the base liability for the hereditament shall be found by applying the formula—

$$\frac{R \times J}{S} + \frac{(N - J) \times B}{C}$$

(3) For the purposes of this paragraph—

T is the amount (calculated in accordance with such of the preceding provisions of this Schedule as are applicable) which is or would have been the chargeable amount for the hereditament for the creation day if—

- (a) the whole of the hereditament were occupied;
- (b) the conditions in sections 43(4B) (small business rate relief), 43(6) (charities or registered community amateur sports clubs), 43(6B) (rural rate relief), 43(6F) (former agricultural premises) and 47(1) (discretionary relief) of the Act are not fulfilled for it for the creation day; and
- (c) section 49(1)(reduction or remission of liability) of the Act did not apply to it for the creation day;

B is the non-domestic rating multiplier for the relevant year;

D is the small business non-domestic rating multiplier for the relevant year;

J is the rateable value shown in the local or central list for the new hereditament for the creation day; and

C is the number of days in the relevant year in which the creation day falls.