
STATUTORY INSTRUMENTS

2022 No. 1403

The Non-Domestic Rating (Chargeable Amounts) (England) Regulations 2022

PART 2

Chargeable amounts

Notional chargeable amount: early relevant years

7.—(1) Subject to paragraphs (3) to (4), the notional chargeable amount for a defined hereditament for an early relevant year is the amount found by applying the formula—

$$A \times D.$$

(2) For the purposes of this regulation—

A is the rateable value shown in a list for the hereditament for 1st April 2023; and

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

(3) Where regulation 16 (change in rateable value on 1st April 2023) applies, references in this regulation to rateable value have effect subject to the modifications made in paragraph (2) of that regulation.

(4) For a hereditament to which the Schedule (splits and mergers) applies, paragraph 7 of that Schedule has effect for finding the notional chargeable amount.

Commencement Information

II Reg. 7 in force at 23.12.2022, see [reg. 2\(2\)](#)

Base liability for 2023 - 24 for a defined hereditament

8. The base liability for a defined hereditament for the relevant year beginning on 1st April 2023 is found by applying the formula—

$$Y \times Z$$

where—

Y is—

(a) for a hereditament shown in a local list for 31st March 2023, the rateable value shown for the hereditament for that date in that list, and

(b) for a hereditament shown in the central list for 31st March 2023, the rateable value shown for the hereditament for that date in the central list or the value certified by the appropriate valuation officer to be the rateable value which would have been shown in the central list

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for the hereditament for that date if that had been the only hereditament of the designated person shown in the central list for that date; and

Z is the small business non-domestic rating multiplier for the financial year beginning on 1st April 2022.

Commencement Information

I2 Reg. 8 in force at 23.12.2022, see [reg. 2\(2\)](#)

Base liability for early relevant years subsequent to 2023 - 24

9.—(1) Subject to paragraph (2), the base liability for a defined hereditament for a relevant year beginning on 1st April 2024 or 1st April 2025 (“the year concerned”) is found by applying the formula—

$$BL \times AF$$

where—

BL is the base liability for the hereditament for the relevant year immediately preceding the year concerned, and

AF is the appropriate fraction, as found in accordance with regulation 10, for the relevant year immediately preceding the year concerned.

(2) For a defined hereditament to which the Schedule (splits and mergers) applies, paragraphs 8 and 9 of that Schedule have effect for finding the base liability.

Commencement Information

I3 Reg. 9 in force at 23.12.2022, see [reg. 2\(2\)](#)

Appropriate fraction

10.—(1) Subject to paragraph (8), the appropriate fraction for a defined hereditament for an early relevant year is found by applying the formula—

$$\frac{X \times Q}{100.}$$

(2) For the purposes of this regulation, where the notional chargeable amount for the hereditament for the relevant year exceeds the base liability for the hereditament for the year and the rateable value shown in a list for that hereditament for 1st April 2023 is more than £100,000, then—

- (a) for the relevant year beginning on 1st April 2023, X is 130;
- (b) for the relevant year beginning on 1st April 2024, X is 140; and
- (c) for the relevant year beginning on 1st April 2025, X is 155.

(3) Paragraph (4) applies where the notional chargeable amount for the hereditament for the relevant year exceeds the base liability for the hereditament for the year, and—

- (a) the hereditament is shown in a local list in Greater London and the rateable value shown in that list for that hereditament for 1st April 2023 is more than £28,000 and less than or equal to £100,000; or

- (b) the hereditament is shown in the central list or in a local list outside Greater London and the rateable value shown in that list for that hereditament for 1st April 2023 is more than £20,000 and less than or equal to £100,000.
- (4) For the purposes of this regulation, for a hereditament mentioned in paragraph (3)—
 - (a) for the relevant year beginning on 1st April 2023, X is 115;
 - (b) for the relevant year beginning on 1st April 2024, X is 125; and
 - (c) for the relevant year beginning on 1st April 2025, X is 140.
- (5) Paragraph (6) applies where the notional chargeable amount for the hereditament for the relevant year exceeds the base liability for the hereditament for the year, and—
 - (a) the hereditament is shown in a local list in Greater London and the rateable value shown in that list for that hereditament for 1st April 2023 is less than or equal to £28,000; or
 - (b) the hereditament is shown in the central list or in a local list outside Greater London and the rateable value shown in that list for that hereditament for 1st April 2023 is less than or equal to £20,000.
- (6) For the purposes of this regulation, for a hereditament mentioned in paragraph (5)—
 - (a) for the relevant year beginning on 1st April 2023, X is 105;
 - (b) for the relevant year beginning on 1st April 2024, X is 110; and
 - (c) for the relevant year beginning on 1st April 2025, X is 125.
- (7) For the purposes of this regulation—
 - (a) for the relevant year beginning on 1st April 2023, Q is 1;
 - (b) for subsequent early relevant years in the relevant period, Q is the amount found by applying the formula—

$$\frac{D(1)}{D(2)},$$

where—

D(1) is the small business non-domestic rating multiplier for the relevant year, and
D(2) is the small business non-domestic rating multiplier for the financial year which precedes the relevant year;

- (c) Q, if not a whole number, is calculated to three decimal places only.
- (8) For a defined hereditament to which one or more of the following provisions apply—
 - (a) regulation 16 (change in rateable value on 1st April 2023),
 - (b) paragraph 10 of the Schedule (rateable value: hereditament split or merged after 1st April 2023),

this regulation has effect subject to the modifications made by that provision.

Commencement Information

I4 Reg. 10 in force at 23.12.2022, see [reg. 2\(2\)](#)

Application of regulation 12

11.—(1) Subject to paragraphs (3) and (4), regulation 12 applies to a defined hereditament for a relevant day which falls in an early relevant year (“the day concerned”) if—

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- (a) as regards the hereditament the day concerned is a chargeable day for which a chargeable amount would, but for these Regulations, fall to be determined under section 43, 45 or 54 of the Act; and
 - (b) NCA is greater than BL and greater than (BL x AF).
- (2) For the purposes of paragraph (1)—
- (a) NCA is the notional chargeable amount for the hereditament for the relevant year within which the day concerned falls,
 - (b) BL is the base liability for the hereditament for the relevant year within which the day concerned falls,
 - (c) AF is the appropriate fraction for the hereditament for the relevant year within which the day concerned falls.
- (3) Regulation 12 does not apply where, on the day concerned, the chargeable amount for the defined hereditament is zero under section 43(4I) (public lavatories: zero rating) or section 45A (unoccupied hereditaments: zero-rating) of the Act.
- (4) Regulation 12 does not apply where the Schedule (splits and mergers) applies to a defined hereditament in the year in which the creation day falls.

Commencement Information

I5 Reg. 11 in force at 23.12.2022, see [reg. 2\(2\)](#)

Rules for determining chargeable amount: early relevant years

12.—(1) Where this regulation applies to a hereditament shown in the central list, the chargeable amount as respects the designated person for a chargeable day which is a relevant day is calculated by applying the formula—

$$\frac{(A \times B)}{C} + H$$

instead of the formula in section 54(4) of the Act.

(2) Where this regulation applies to a hereditament shown in a local list, the chargeable amount for a chargeable day which is a relevant day is calculated under this regulation instead of under section 43 or 45 of the Act.

(3) Subject to paragraphs (4), (6), (8) and (10), the chargeable amount for the chargeable day is calculated by applying the formula—

$$\frac{(BL \times AF)}{C} + U$$

(4) Where paragraph (5) applies, the chargeable amount for a chargeable day is found by dividing the amount calculated in accordance with paragraph (3) by 5.

(5) This paragraph applies where, on the day concerned, section 43(6) of the Act (charities and registered community amateur sports clubs) applies in relation to the hereditament.

(6) Where paragraph (7) applies, the chargeable amount for a chargeable day is found by—

- (a) subtracting U from the amount calculated in accordance with paragraph (3); and
- (b) dividing the result of the calculation performed under sub-paragraph (a) by E.

(7) This paragraph applies where, on the chargeable day, section 43(4B) of the Act (small business rate relief) applies in relation to the hereditament.

(8) Where paragraph (9) applies, the chargeable amount for a chargeable day is found by dividing the amount calculated in accordance with paragraph (3) by 2.

(9) This paragraph applies where, on the chargeable day, section 43(6B) of the Act (general stores etc in rural settlements) applies in relation to the hereditament.

(10) Where paragraph (11) applies, the chargeable amount for a chargeable day is found by dividing the amount calculated in accordance with paragraph (3) by the number prescribed in an order by the Secretary of State under section 45(4A) of the Act (reduction in chargeable amount for unoccupied properties).

(11) This paragraph applies where, on the chargeable day—

- (a) the conditions in section 45(1) of the Act (unoccupied property: liability) are fulfilled as respects the hereditament; and
- (b) an order by the Secretary of State under section 45(4A) has effect in relation to the hereditament.

(12) For the purposes of this regulation—

A is the amount certified by the appropriate valuation officer to be the portion of the rateable value shown for the chargeable day in the central list against the name of the designated person which is not attributable to hereditaments to which this regulation applies;

B is the non-domestic rating multiplier for the relevant year in which the chargeable day falls;

BL and AF have the meanings given by regulation 11(2);

C is the number of days in the relevant year;

D is the small business non-domestic rating multiplier for the relevant year in which the relevant day falls;

E is the amount prescribed under section 44(9)(a) of the Act for the relevant year in which the relevant day falls;

H is the aggregate for the chargeable day of the amounts found by applying the formula—

$$\frac{(BL \times AF)}{C} + U$$

to each hereditament to which this regulation applies shown for the day in the central list against the name of the designated person;

N is the rateable value shown in a list for the hereditament for the day; and

U is the amount found by applying the formula—

$$\frac{(B - D) \times N}{C}$$

(13) For a hereditament to which one or more of the following provisions apply—

- (a) regulation 13 (change in rateable value after 1st April 2023);
- (b) regulation 16 (change in rateable value on 1st April 2023);
- (c) regulation 17 (partly-occupied hereditaments),

this regulation has effect subject to the modifications made in that provision.

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Commencement Information

16 Reg. 12 in force at 23.12.2022, see [reg. 2\(2\)](#)

Change in rateable value after 1st April 2023

13.—(1) Paragraph (2) applies in respect of a defined hereditament in a case where regulation 12 applies and for a day after 1st April 2023 the rateable value shown in a local list for the hereditament for that day is greater than the rateable value shown for it for 1st April 2023.

(2) Where this paragraph applies, regulation 12 has effect as regards the hereditament for the day as if the reference in that regulation to the formula—

$$\frac{(BL \times AF)}{C} + U$$

were a reference to—

$$\frac{(BL \times AF) + ((N - J) \times D)}{C} + U$$

(3) Paragraph (4) applies in respect of a defined hereditament in a case where regulation 12 applies and for a day after 1st April 2023 the rateable value shown in a local list for the hereditament for that day is less than the rateable value shown for it for 1st April 2023.

(4) Where this paragraph applies, regulation 12 has effect as regards the hereditament for the day as if the reference in that regulation to the formula—

$$\frac{(BL \times AF)}{C} + U$$

were a reference to—

$$\frac{(BL \times AF \times N)}{(C \times J)} + U$$

(5) For the purposes of the modifications made by paragraphs (2) and (4)—

J is the rateable value shown for the hereditament in a local list for 1st April 2023, and

N is the rateable value shown for the hereditament in a local list for the day.

(6) Paragraph (7) applies in respect of a defined hereditament in a case where regulation 12 applies and for a chargeable day after 1st April 2023 the rateable value shown in the central list for that hereditament for that day is different from the rateable value shown for 1st April 2023.

(7) Where this paragraph applies, regulation 12 has effect as regards the defined hereditament for the chargeable day as if the reference to the formula—

$$\frac{(A \times B)}{C} + H$$

were a reference to—

$$\frac{(A \times B)}{C} + H + I + K$$

(8) For the purposes of this paragraph and paragraph (7)—

H is the aggregate for a chargeable day of the amounts found by applying the formula—

$$\frac{(BL \times AF)}{C} + U$$

to each hereditament to which regulation 12 applies but to which paragraph (7) does not apply shown in the central list for that day in relation to the designated person;

I is the aggregate for the chargeable day of the amounts found by applying the formula—

$$\frac{(BL \times AF) + ((N - J) \times D)}{C} + U$$

to each hereditament to which paragraph (7) applies shown in the central list for that day in relation to the designated person and for which the rateable value shown for that day is greater than the rateable value shown for 1st April 2023;

J is the rateable value shown in the central list for the hereditament for 1st April 2023;

K is the aggregate for the chargeable day of the chargeable amounts found by applying the formula—

$$\frac{(BL \times AF \times N)}{(C \times J)} + U$$

to each hereditament to which paragraph (7) applies shown in the central list for that day in relation to the designated person and for which the rateable value shown for that day is less than the rateable value shown for 1st April 2023; and

N is the rateable value shown in the central list for the hereditament for the chargeable day.

(9) For a hereditament to which one or more of the following provisions apply—

- (a) regulation 16 (change in rateable value on 1st April 2023);
- (b) paragraph 10 of the Schedule (rateable value: hereditament split or merged after 1st April 2023),

this regulation has effect subject to the modifications made by that provision.

Commencement Information

I7 Reg. 13 in force at 23.12.2022, see [reg. 2\(2\)](#)

Application of regulation 15

14.—(1) Regulation 15 applies to a defined hereditament for a relevant day which falls in the final relevant year (“the day concerned”) if as regards the hereditament the day concerned is a chargeable day for which a chargeable amount would, but for these Regulations, fall to be determined under section 43, 45 or 54 of the Act.

(2) Regulation 15 does not apply where, on the day concerned, the chargeable amount for the defined hereditament is zero under section 43(4I) (public lavatories: zero rating) or section 45A (unoccupied hereditaments: zero-rating) of the Act.

(3) For a defined hereditament to which one or more of the following provisions apply—

- (a) regulation 16 (change in rateable value on 1st April 2023);

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(b) paragraph 10 of the Schedule (rateable value: hereditament split or merged after 1st April 2023),
regulation 15 has effect subject to the modifications made by that provision.

Commencement Information

18 Reg. 14 in force at 23.12.2022, see [reg. 2\(2\)](#)

Rules for determining chargeable amounts: final relevant year

15.—(1) Where this regulation applies the chargeable amount for a chargeable day which is a relevant day in the final relevant year is calculated under this regulation instead of under section 43, 45 or 54 of the Act.

(2) Subject to paragraphs (3), (5), (7) and (9) below, the chargeable amount for the chargeable day is calculated by applying the formula—

$$A + \left(\frac{RV \times 0.033}{C} \right)$$

(3) Where paragraph (4) applies, the chargeable amount for a chargeable day is calculated by applying the formula—

$$A + \left(\frac{RV \times 0.033}{C \times 5} \right)$$

(4) This paragraph applies where, on the day concerned, section 43(6) of the Act (charities and registered community amateur sports clubs) applies in relation to the hereditament.

(5) Where paragraph (6) applies, the chargeable amount for a chargeable day is calculated by applying the formula—

$$A + \left(\frac{RV \times 0.033}{C \times E} \right)$$

(6) This paragraph applies where, on the chargeable day, section 43(4B) of the Act (small business rate relief) applies in relation to the hereditament.

(7) Where paragraph (8) applies, the chargeable amount for a chargeable day is calculated by applying the formula—

$$A + \left(\frac{RV \times 0.033}{C \times 2} \right)$$

(8) This paragraph applies where, on the chargeable day, section 43(6B) of the Act (general stores etc in rural settlements) applies in relation to the hereditament.

(9) Where paragraph (10) applies, the chargeable amount for a chargeable day is calculated by applying the formula—

$$A + \left(\frac{RV \times 0.033}{C \times N} \right)$$

(10) This paragraph applies where, on the chargeable day—

- (a) the conditions in section 45(1) of the Act (unoccupied property: liability) are fulfilled as respects the hereditament; and
 - (b) an order by the Secretary of State under section 45(4A) has effect in relation to the hereditament.
- (11) For the purposes of this regulation—
- A is the chargeable amount which would have been calculated in relation to the hereditament under section 43, 45 or 54 if these Regulations did not apply;
- C is the number of chargeable days in the year;
- E is the amount prescribed under section 44(9)(a) of the Act for the relevant year in which the relevant day falls;
- N is the number prescribed in an order by the Secretary of State under section 45(4A) of the Act (reduction in chargeable amount for unoccupied properties);
- RV is—
- (a) the rateable value shown in a local list or the central list in relation to the hereditament for 1st April 2023;
 - (b) the rateable value shown in a local list or the central list in relation to the hereditament for the relevant day; or
 - (c) where an apportionment under section 44A of the Act (partly occupied hereditaments) is applicable, the amount found under section 44(2) of the Act, as substituted by section 44A(7) or (9) for the relevant day as respects the hereditament,
- whichever is the lesser amount.

Commencement Information

I9 Reg. 15 in force at 23.12.2022, see [reg. 2\(2\)](#)

Change in rateable value on 1st April 2023

16.—(1) This regulation applies where any circumstances regarding a relevant factor taken into account in determining the rateable value shown in a local list for a defined hereditament for 1st April 2023 differ from the circumstances regarding that factor existing on 31st March 2023, so that the rateable value shown for 1st April 2023 is different from that which would have been shown if the circumstances regarding that factor existing on 31st March 2023 continued to exist on 1st April 2023.

(2) Where this regulation applies, the references in regulation 7 (notional chargeable amount: early relevant years), 10 (appropriate fraction) and 15 (rules for determining chargeable amount: final relevant year) to a rateable value shown for 1st April 2023 are treated as references to the value certified by the appropriate valuation officer as the rateable value which would have been shown for that day if that value had fallen to be determined as regards that factor by reference to the circumstances existing on 31st March 2023.

(3) Where this regulation and regulation 12 apply, regulation 13 (change in rateable value after 1st April 2023) has effect as if—

- (a) the references in paragraphs (1), (3) and (5) of regulation 13 to a rateable value shown for 1st April 2023 were references to the value certified by the appropriate valuation officer as the rateable value which would have been shown for that day if that value had fallen to be determined as regards the factor mentioned in paragraph (1) by reference to the circumstances existing on 31st March 2023, and

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- (b) the references in paragraphs (1) and (3) of regulation 13 to the rateable value for a day after 1st April 2023 were treated as including a reference to the rateable value actually shown for 1st April 2023.

Commencement Information

I10 Reg. 16 in force at 23.12.2022, see [reg. 2\(2\)](#)

Partly occupied hereditaments

17.—(1) As regards a relevant day and a defined hereditament in relation to which an apportionment under section 44A of the Act (partly occupied hereditaments) is applicable, any chargeable amount for that day as respects the hereditament found in accordance with regulation 12 or the Schedule (as modified by any provision of these Regulations) is taken to be multiplied by A and divided by P.

(2) In paragraph (1)—

A is the amount found under section 44(2) of the Act, as substituted by section 44A(7) or (9) for the relevant day as respects the hereditament, and

P is the rateable value shown for the hereditament under section 42(4) of the Act (contents of local lists) for the relevant day.

Commencement Information

I11 Reg. 17 in force at 23.12.2022, see [reg. 2\(2\)](#)

Changes to legislation:

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Changes and effects yet to be applied to the whole Instrument associated Parts and Chapters:

Whole provisions yet to be inserted into this Instrument (including any effects on those provisions):

- reg. 3(3)(4) inserted by [S.I. 2023/1357 reg. 8](#)