

EXPLANATORY INFORMATION FOR SUPPLY WITH RATE DEMANDS



Explanatory notes

The information given below explains some of the terms which may be used on a non-domestic rate demand and in the supporting information. Further information about liability to non-domestic rates may be obtained from billing authorities.

Non-domestic rates

The non-domestic rates collected by billing authorities are paid into a central pool and redistributed to county and county borough councils and police and crime commissioners. Your council and police and crime commissioner use their share of redistributed rate income, together with income from their council tax payers, revenue support grant provided by the Welsh Ministers and certain other sums, to pay for the services they provide. Further information about the non-domestic rates system, including what reliefs are available may be obtained via <https://businesswales.gov.wales>

Rateable value

The rateable value of non-domestic property is fixed in most cases by an independent valuation officer of the Valuation Office Agency which is an Executive Agency of Her Majesty's Revenue and Customs (HMRC). They compile and maintain a full list of the rateable values of all non-domestic properties in Wales, available on their website at www.gov.uk/government/organisations/valuation-office-agency. All non-domestic property is normally revalued every 5 years. From 1 April 2017 the rateable value of a property represents its annual open market rental value as at 1 April 2015. For composite properties which are partly domestic and partly non-domestic the rateable value relates to the non-domestic part only. The values of all property in respect of which rates are payable to your authority are shown in the local rating list, a copy of which may be inspected at www.gov.uk/government/organisations/valuation-office-agency or at the Customer Service Centre, Pembrokeshire County Council, North Wing, Haverfordwest SA61 1TP.

Revaluation

All rateable values are reassessed at a general revaluation to ensure rates paid by any one ratepayer reflect changes overtime in the value of their property relative to others. This helps maintain fairness in the rating system by updating valuations in line with changes in the market. The current rating list came into effect on 1 April 2017 and is based on values as at 1 April 2015.

In the year a revaluation takes effect, the multiplier is rebased to account for overall changes to total rateable value and to ensure that the revaluation does not raise extra money.

Alteration of rateable value

The rateable value may alter if the valuation officer believes that the circumstances of the property have changed. The ratepayer (and certain others who have an interest in the property) may also in certain circumstances propose a change in value. If the ratepayer and the valuation officer do not agree the valuation within 3 months of the proposal being made, the matter is referred by the valuation officer as an appeal by the proposer to the Valuation Tribunal for Wales. Further information about how to propose a change in a rateable value is available from Valuation Offices.

Non-domestic rating multiplier

This is the rate in the pound by which the rateable value is multiplied to give the annual rate bill for a property. The multiplier set annually by the Welsh Ministers is the same for the whole of Wales and except in a revaluation year cannot rise by more than the rate of the increase in the retail prices index.

Proposals and appeals

Information about the circumstances in which a change in rateable value may be proposed and how such a proposal may be made is available from the local valuation office shown above. Further information about the appeal arrangements may be obtained from Pembrokeshire County Council or from the Valuation Office Agency.

The Valuation Tribunal for Wales provides a free independent appeals service dealing with appeals about Non-Domestic Rates and Council Tax. Their contact details can be found here <http://www.valuation-tribunals-wales.org.uk/home.html>

Unoccupied property rating

Owners of unoccupied non-domestic properties may be liable to empty property rates which are charged at 100 per cent of the normal liability. Liability begins after the property has been empty for 3 months or, in the case of certain industrial properties, after the property has been empty for 6 months. Certain types of property are exempt from empty property rates.

Charitable and discretionary relief

Charities and community amateur sports clubs are entitled to 80% relief from rates on any non-domestic property where -

(a) in the case of charities, the property is wholly or mainly used for charitable purposes, or

(b) in the case of a club, the club is registered with HM Revenue & Customs.

Billing authorities have discretion to remit all or part of the remaining 20 per cent of the bill on such property and can also give relief in respect of property occupied by certain bodies not established or conducted for profit.

For more information regarding clubs you should contact HM Revenue & Custom, Charities, Savings and International 2, BX9 1BU, (website is <http://www.hmrc.gov.uk>).

Small business rate relief

The Non-Domestic Rating (Small Business Relief) (Wales) Order 2017 makes provision for rates relief for small businesses. Full details including the eligibility criteria, the exceptions, the procedural requirements and the relevant rates reliefs are available from the billing authority.

Transitional rate relief

The Non-Domestic Rating (Chargeable Amounts) (Wales) Regulations 2016 make provision for transitional relief for small businesses adversely impacted by the revaluation of non-domestic hereditaments taking effect from 1 April 2017. Full details including the eligibility criteria, the exceptions, the procedural requirements and the relevant rates reliefs are available from the billing authority.

State aid

Relief from paying non-domestic rates could amount to state aid. It is lawful where it is provided in accordance with the Commission Regulation (EU) 1407/2013 on de minimis aid. The de minimis regulation allows an undertaking to receive up to €200,000 'de minimis' aid over a rolling three year period. If you are receiving, or have received, any 'de minimis' aid granted during the current or two previous financial years (from any source), you should inform the billing authority immediately with details of the aid received.

Business Rate instalments - 12 monthly

You are able to opt to pay business rates by 12 monthly instalments. If you wish to do so please contact Revenue Services on 01437 764551 or email Revenue.services@pembrokeshire.gov.uk by 27th March. Requests received after this date will result in the instalments being spread over the whole months remaining in the financial year.