



Non Domestic Rates Revaluation 2005



SCOTTISH EXECUTIVE

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Background

Under existing legislation, the Scottish Assessors are responsible for revaluing all non domestic property in Scotland every five years. The next revaluation will take effect from 1 April 2005. The 2005 Revaluation will result in the production of a new Valuation Roll which contains revised rateable values for all non-domestic properties in Scotland.

Key Aims and Purpose

The key aims of the Revaluation are maintaining stability, certainty for business and the continuation of harmonisation of valuation treatment and practice, north and south of the border. The purpose of the Revaluation is to update rateable values on non-domestic properties to more up-to-date rental levels. This creates a closer, fairer link between modern property values and the amount of rates payable by individual ratepayers.

The Rates Bill

There are two main factors which contribute to the bill of every non-domestic ratepayer; the rateable value of the property and the non-domestic poundage rate. The Scottish Assessors Portal <http://www.saa.gov.uk/>

provides details of rateable values for non domestic subjects in Scotland. There is a direct link from the Assessors' Portal to the Scottish Executive Local Government Finance Website and a "*Rates Calculator*". This is a tool which *attempts* to give an *indication* of a ratepayer's bill based on the information given by the ratepayer. However, a ratepayer's exact liability can **only** be provided by their local authority when it issues a rates bill.

The Poundage Rate

From 1st April 2005, the non-domestic poundage rate has been set at 46.1 pence for the year 2005-06. Subject to the transitional arrangements, details of which will be issued with your rates bill in April, in order to calculate the rates bill for your property, you should multiply the rateable value by the poundage rate but remember that your rates bill will be affected if you are subject to the transitional provisions.

Ratepayers who occupy non domestic subjects with a rateable value of £11,500 or less from 1 April 2005 will be eligible for a discount on the poundage rate of between 5 per cent and 50 per cent. Ratepayers who occupy non domestic subjects with a rateable value in excess of £29,000 from 1 April 2005 will be liable to pay a small supplement on the poundage rate (0.45p) to cover the additional costs of the Small Business Rate Relief Scheme.

Rateable Values and Revaluation

The rateable value of every property is determined by the appropriate Assessor, who is independent of both local and central government. The rateable value is the Assessor's estimate of the annual rent which that property would command on the open market. The methods used to value property have been subject to harmonisation between Scotland, England and Wales.

This leaflet has been enclosed with a Revaluation Notice from your Assessor stating the rateable value for your property with effect from 1st April 2005, the date of the revaluation of all non-domestic property. This rateable value which, generally speaking (unless there are e.g. changes to the property), will apply until the next revaluation, scheduled for 1 April 2010, reflects rental levels as at 1st April 2003.

Your right to appeal

The Revaluation Notice includes information on your right to appeal against the rateable value determined by the Assessor. If you consider your rateable value to be wrong you should contact your Assessor's office (address and telephone number included in the Revaluation Notice). The final date for submission of appeals is 30th September 2005.

Remember you will need to pay the rates due as billed by your local Council even if you have lodged an appeal.

Professional advice

Please take care if you are considering seeking independent advice on revaluation. Members of the Royal Institution of Chartered Surveyors (RICS) and the Institute of Revenues, Rating & Valuation (IRRV) have produced information on combating “cowboy” business rates advisors and are regulated by rules of professional conduct designed to protect the public from malpractice and are required to hold adequate professional indemnity insurance.

Rating consultancy is a specialist service provided by some members of RICS and the IRRV. Membership of the Rating Surveyors Association (RSA) is restricted to members of the RICS with a minimum of 5 years experience. These bodies have agreed a Rating Consultancy Code of Practice which sets down the standards which a member should follow in relation to handling a non-domestic valuation appeal. Further information can be obtained by telephoning 0870 333 1600.



Finding out more

Your local Assessor's office will be happy to answer any queries which you may have on valuation matters.

This leaflet is available on the Scottish Executive's web site on www.scotland.gov.uk under Publications.

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