



BUSINESS RATES

Facts and Figures 2009/2010
England, Scotland & Wales

Knight Frank



ENGLAND - Uniform Business Rates (UBR)

Rate Year	England (excl City of London)		City of London	
	Large	Small	Large	Small
		(RV < £ 15,000)		(RV < £ 21,500)
2005/06	42.2p	41.5p	42.5p	41.8p
2006/07	43.3p	42.6p	43.7p	42.6p
2007/08	44.4p	44.1p	44.8p	44.5p
2008/09	46.2p	45.8p	46.6p	46.2p
2009/10	48.5p*	48.1p*	48.9p*	48.5p*

Only businesses that qualify for Small Business Rates Relief (SBRR) have the Small UBR used in their liability calculations. All other properties are assessed using the large UBR.

A business can apply for SBRR if the aggregate of the Rateable Value (RV's) of its properties are below £15,000 (£21,500 in London) and only one property is assessed at above RV £2,200.

* Deferral of Payments

At the end of July ratepayers will have the option of deferring 60% of the increase in rates for the current year. The deferred rates will then be spread over the following two rate years charged at 50% per year. Thus the increase of 5% reflected in the above UBR figures will be reduced to 2% for those who exercise this option.

Empty Properties

From 1 April 2009, for one year, the threshold at which empty properties become liable to pay rates is increased from £2,200 to £15,000.

Transitional Arrangements

Maximum annual increases in rates payable

Rate Year	Large	Small
2005/06	12.5%	5%
2006/07	17.5%	7.5%
2007/08	20.0%	10.0%
2008/09	25.0%	15.0%
2009/10	n/a	n/a

Maximum annual decreases in rates payable

Rate Year	Large	Small
2005/06	12.5%	30.0%
2006/07	12.5%	30.0%
2007/08	14.0%	35.0%
2008/09	25.0%	60.0%
2009/10	n/a	n/a

In England a large property is defined as one for which the RV as at 1 April 2005 is £21,500 or more in Greater London, or £15,000 or more elsewhere. This is applied automatically and does not rely on the any qualifying test like the UBR.



SCOTLAND – Uniform Business Rates (UBR)

Rate Year	Large	Medium
2004/05	49.10p	48.8p
2005/06	46.55p	46.1p
2006/07	45.30p	44.9p
2007/08	44.40p	44.1p
2008/09	46.2p	45.8p
2009/10	48.5p	48.1p

From 2005/06, the large UBR applies to assessments greater than RV £29,000. The medium UBR applies to properties assessed between RV £11,500 and £29,000.

All assessments below RV £11,500 qualify automatically for 5% relief. Ratepayers whose aggregate assessments in Scotland are below RV £8,000 qualify for greater relief.

Small Business Bonus Relief Scheme

Combined rateable value of all business properties in Scotland	Percentage relief available subject to eligibility		
	2008-09	2009-10	2010-11
Up to £8,000	80%	100%	100%
£8,001 to £10,000	40%	50%	50%
£10,001 to £15,000	20%	25%	25%

The level of relief for each business will depend on the combined rateable value of all properties in Scotland of which the business is the ratepayer, the level of any public sector assistance received and whether or not each property is eligible for one of the existing rate relief schemes.

Transitional Arrangements

Maximum annual increases in rates payable

Rate Year	Large
2005/06	12.5%
2006/07	See note below
2007/08	See note below
2008/09	n/a
2009/10	n/a

Note: In 2006/07, a transitional relief cap is applied at two-thirds of that applied in 2005/06 (adjusted for inflation), reducing to one-third in 2007/08.

Maximum annual decreases in rates payable

Rate Year	Large
2005/06	10.0%
2006/07	See note below
2007/08	See note below
2008/09	n/a
2009/10	n/a

Note: In 2006/07, a transitional cap is imposed at two-thirds of that applied in 2005/06 (adjusted for inflation), reducing to one-third in 2007/08.



WALES – Uniform Business Rates (UBR)	
Rate Year	All Properties
2004/05	45.2p
2005/06	42.1p
2006/07	43.2p
2007/08	44.8p
2008/09	46.5p
2009/10	48.9p*

* Deferral of Payments

At the end of July ratepayers will have the option of deferring 60% of the increase in rates for the current year. The deferred rates will then be spread over the following two rate years charged at 50% per year. Thus the increase of 5% reflected in the above UBR figures will be reduced to 2% for those who exercise this option.

Empty Properties

From 1 April 2009, for one year, the threshold at which empty properties become liable to pay rates is increased from £2,200 to £15,000.

Transitional Arrangements

There is no Transitional Relief in operation for Wales.

Small Property Relief

Small property relief was introduced from 2007/2008 in Wales for the first time. Unlike England the relief is automatic and applies provided the assessment is below the required threshold. For assessments between Rateable Value (RV) £ 2,000 and £ 4,999 a 25% discount will apply. For assessments less than RV £2,000 a 50% discount will apply.

Inflation Adjustments

All UBR adjustments and transitional arrangements figures after inflation for the years and are calculated by adopting the Sept / Sept actual RPI.

Interest Rate On Refunds

Rate Year	Large
2003/04	2.75%
2004/05	3.00%
2005/06	3.75%
2006/07	3.50%
2007/08	4.25%
2008/09	4.25%

The appropriate rate of interest used will depend on the period when the overpayment occurred, not when the refund is paid.