



Department for
Communities and
Local Government

Non-Domestic Rates Branch
LGF – BRV
Zone 5/D2
Eland House
Bressenden Place
London SW1E 5DU
Email: ndr@communities.gov.uk

16 January 2013

Chief Finance Officers of English Billing Authorities

FOR THE ATTENTION OF THE BUSINESS RATES SECTION

Dear Chief Finance Officer

**Business Rates Information Letter (1/2013); Amendment to Regulations
and Business Rates Retention**

This is the first business rates information letter to be issued by the Department for Communities and Local Government this year. Previous letters are available on the internet at:

<https://www.gov.uk/business-rates-information-letters>,

or for archived letters:

<http://webarchive.nationalarchives.gov.uk/20120919132719/http://www.communities.gov.uk/localgovernment/localgovernmentfinance/businessrates/busratesinformationletters/>.

This letter covers:

- **The Non-Domestic Rating (Small Business Rate Relief) (England) (Amendment) Order 2013/No.15.**
- **Business rates retention – National Non–Domestic Rates 1: Adjustment for future losses on appeal**

**The Non-Domestic Rating (Small Business Rate Relief) (England)
(Amendment) Order 2013/No.15**

1. As mentioned in Business Rates Information Letter 11/2012, the Chancellor announced in his Autumn Statement a further one year extension of the

temporary increase in Small Business Rate Relief (so that the increased level of relief will apply throughout the whole of the 2013-14 billing year). The above Order which makes that change will be laid in Parliament on 16 January - and will come into force on 11 February.

2. The statutory instrument can be found at the following link:

<http://www.legislation.gov.uk/2013/15>

**Business Rates Retention – National Non-Domestic Rates 1:
Adjustment for future losses on appeal**

3. In recent weeks, local authorities have provisionally been completing National Non-Domestic Rates 1 forms in advance of setting budgets.

4. This process has raised issues about the adjustment that should be made for future losses on appeal (line 35); and, in particular, about the financial impact of having to reflect, in 2013-14, the total cost of any refunds (in respect of years before 2013-14) that fall due to ratepayers as a result of successful appeals in 2013-14 and later years.

5. The Government can confirm that it will make regulations providing that the cost of such refunds can be spread over the five years 2013-14 to 2017-18, instead of being accounted for in their entirety in 2013-14.

6. Our intention is to make the regulations before the start of the financial year. And, we will consult shortly on the details.