



Ministry of Housing,
Communities &
Local Government

Non-Domestic Rates Team
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Chief Finance Officers of English Billing Authorities

FOR THE ATTENTION OF THE BUSINESS RATES SECTION

Dear Chief Finance Officer

Business Rates Information Letter (2/2019): General Information

This is the second business rates information letter to be issued by the Ministry of Housing, Communities and Local Government this year. Previous letters are available on the internet at:

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

or for archived letters:

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

- **Business Rates Retail Discount Scheme**
- **Non-Domestic Rating (Preparation for Digital Services) Act**
- **Non-Domestic Rating (Lists) Bill**
- **Non-Domestic Rating (Public Lavatories) Bill**

Business Rates Retail Discount Scheme

At Budget 2018, the Chancellor announced the business rates retail discount scheme, which provides a third off business rates bills for eligible retail businesses. The discount applies for two years, 2019/20 and 2020/21. The Department issued guidance to help local authorities in administering the retail discount, which can be

found at: <https://www.gov.uk/government/publications/business-rates-retail-discount-guidance>.

We understand that most local authorities acted swiftly and issued bills to which the retail discount had been applied at the start of the 2019/20 billing cycle. We strongly encourage any authorities that have yet to fully implement the discount to ratepayers to do so as soon as possible.

In cases where a business is expected to be eligible for the relief, but it has not yet been applied, we would encourage local authorities to carefully consider individual cases before proceeding with any enforcement action in relation to non-payment of business rates.

Non-Domestic Rating (Preparation for Digital Services) Act

The Non-Domestic Rating (Preparation for Digital Services) Act received Royal Assent on 4 July 2019.

The measures within the Act will support progress towards the Government's Budget 2016 commitment to link local authority business rate systems to HMRC digital tax accounts. They enable HMRC to undertake planning, consultation, testing and to incur expenditure towards developing a digital system.

While this legislation provides HMRC with the necessary powers to undertake design and consultation work, it does not make any changes to the current billing and collection system. Further legislation would be required to bring in any subsequent reforms and we will engage closely with local government in developing any further proposals. You can find the Act at:

<http://www.legislation.gov.uk/ukpga/2019/19/enacted>

Non-Domestic Rating (Lists) Bill

The Government introduced the Non-Domestic Rating (Lists) Bill to Parliament on 11 June 2019. The Bill takes forward the Government's commitment to bring forward the date of the next revaluation to 1 April 2021 in England, and to move to three yearly revaluations thereafter.

The Bill can be found at:

<https://services.parliament.uk/Bills/2017-19/nondomesticratinglists.html>.

Non-Domestic Rating (Public Lavatories) Bill

The Government introduced the Non-Domestic Rating (Public Lavatories) Bill to Parliament on 18 June 2019.

The Bill meets the Budget 2018 commitment to provide a 100% relief for public toilets in England. Local authorities will be fully compensated by the Government for any loss of income resulting from the relief.

Both privately and publicly owned public lavatories will be eligible, whether or not entry is free. The Bill provides relief for hereditaments that consist of 'wholly or mainly' public lavatories. The intention, subject to the passage of the Bill is for the measure to come into force from the start of the 2020/21 billing year.

The Bill can be found at:

<https://services.parliament.uk/Bills/2017-19/nondomesticratingpubliclavatories.html>.