EXPLANATORY MEMORANDUM TO THE

THE COUNCIL TAX AND NON-DOMESTIC RATING (DEMAND NOTICES) (ENGLAND) (AMENDMENT) REGULATIONS 2004

2004 No. 3389

1. This explanatory memorandum has been prepared by the Office of the Deputy Prime Minister and is laid before Parliament by Command of Her Majesty.

2. Description

2.1 These Regulations amend the Council Tax and Non-Domestic Rating (Demand Notices) (England) Regulations 2003, which, so far as relevant for present purposes, make provision for defining the content of the non-domestic rating bills of the various billing authorities. The amendments, which affect only the rate demand notice and its explanatory notes, reflect the introduction on 1st April 2005 of small business rate and other changes to the rating system.

2.2 These Regulations also revoke, subject to savings, a number of statutory instruments concerned with council tax and non-domestic rating demand notices, and a related article of the Local Authorities (Contracting Out of Tax Billing, Collection and Enforcement Functions) Order 1996.

3. Matters of special interest to the Joint Committee on Statutory Instruments

None.

4. Legislative Background

These Regulations are made under section 143(1) and (2) of, and paragraphs 1 and 2(2)(ga) of Schedule 9 to, the Local Government Finance Act 1988.

5. Extent

This instrument applies to England only.

6. European Convention on Human Rights

Not applicable.

7. Policy background

7.1 Billing authorities are required to issue bills to all non-domestic ratepayers on the rating list for their area. Each authority has to ensure that the bills meet the requirements of the Council Tax and Non-Domestic Rating (Demand Notices) (England) Regulations 2003 .

7.2 There are two distinct elements to those Regulations that are relevant for present purposes. Paragraphs 3 and 5 of Part 1 of Schedule 2 define the

content of the bill itself while paragraph 6 prescribes the explanatory notes that must as a minimum be supplied to ratepayers with their demand notice.

7.3 In the light of the introduction of the small business rate relief scheme, the demand notice needs to reflect the relief that is given to those eligible ratepayers and explain the fact that different multipliers are applied in different circumstances. This applies to both the bill itself and the explanatory notes that follow.

7.4 These amending Regulations do not change any aspect of the council tax demand notice.

7.5 The opportunity has been taken to revoke, with savings, some statutory instruments and a related article of the Local Authorities (Contracting Out of Tax Billing, Collection and Enforcement Functions) Order 1996 that have been superseded.

8. Impact

8.1 A Regulatory Impact Assessment has not been produced, as the SI is technical and aimed at billing authorities. It imposes no costs or savings on businesses, charities or the voluntary sector.

8.2 The Regulations have no impact on the public sector.

9. Contact

Nic Suggit, at the Office of the Deputy Prime Minister (Tel 020 7944 2524 or e-mail nic.suggit@odpm.gsi.gov.uk) can answer any queries regarding the instrument.

21st December 2004