EXPLANATORY MEMORANDUM TO

The New NAV List (Time of Valuation) Order (Northern Ireland) 2021

S.R. 2021 No. 245

1. Introduction

1.1. This Explanatory Memorandum has been prepared by the Department of Finance to accompany the Statutory Rule (details above) which is laid before the Northern Ireland Assembly.

1.2. The Statutory Rule is made under Article 39A(1) of the Rates (Northern Ireland) Order 1977 (S.I. 1977/2157 (N.I. 28) ("the 1977 Order") and is subject to the negative resolution procedure.

2. Purpose

2.1. This Order specifies 1st October 2021 as the time by reference to which net annual values (NAVs) are to be ascertained for the new rating valuation list coming into force on 1st April 2023.

3. Background

3.1. The Finance Minister announced on 16th June 2021 that the next revaluation of hereditaments listed in the net annual value (NAV) list (non-domestic properties) is to be effective from 1st April 2023.

3.2. Hereditaments listed in the capital value list (domestic properties) are not being revalued.

3.3. The occupiers of non-domestic properties pay non-domestic rates and individual rate bills are based on the NAVs of each non-domestic property.

3.4. The new NAV list containing these values will be prepared and published by the Commissioner of Valuation for Northern Ireland. For the purpose of a new NAV list, the NAV of a property has to be ascertained by reference to a common date known as the antecedent valuation date (AVD).

3.5. Due to the time needed to revalue all the non-domestic property in Northern Ireland the AVD has to be set in advance of the date on which the new NAV list will come into force. This Order specifies the AVD as 1st October 2021 and will provide Land & Property Services with a legislative basis for gathering the necessary information.

4. Consultation

4.1. This Statutory Rule operates as a technical mechanism and is a long standing feature of the valuation and rating system.

5. Equality Impact

5.1. There are no equality impact implications as the rule operates as a technical feature of the rating system.

6. Regulatory Impact

6.1. A regulatory impact assessment has not been prepared for this Order as it operates as a technical feature of the rating system and does not directly impose any costs on business, charities or voluntary bodies.

7. Financial Implications

7.1. There are no financial implications associated with this particular Statutory Instrument.

8. Section 24 of the Northern Ireland Act 1998

8.1. There are no section 24 implications associated with this Order.

9. EU or TCA Implications

9.1. There are no EU or TCA implications associated with this Order.

10. Parity or Replicatory Measure

10.1. The proposed non-domestic revaluation will come into operation on 1st April 2023. Non-domestic revaluations are also planned in England, Scotland and Wales with decisions on the Antecedent Valuation Date being taken directly within each of those jurisdictions.

11. Additional Information

11.1. Not applicable.