POLICY NOTE

THE NON-DOMESTIC RATES (LEVYING) (SCOTLAND) REGULATIONS 2019

SSI 2019/39

The above instrument is made in exercise of the powers conferred by section 153 of the Local Government etc. (Scotland) Act 1994 and by all other enabling powers. The instrument is subject to the negative procedure.

The instrument makes provision from 1 April 2019, for reductions in non-domestic rates as a result of the Small Business Bonus Scheme and provides for a poundage supplement, known as the Large Business Supplement on non-domestic properties with a rateable value in excess of £51,000. There is no change to the Small Business Bonus Scheme or the Large Business Supplement compared to 2018-19.

Policy objective

The Small Business Bonus Scheme provides relief (bill discounts) to non-domestic properties in Scotland where the cumulative rateable value (i.e. the total number of premises held by the ratepayer) is £35,000 or less on any day in the financial year 2019-20. If this condition is met, the Scheme will offer 100% relief to individual properties with a rateable value of £15,000 or less, and 25% relief to individual properties with a rateable value between £15,001 and £18,000.

The Scheme provides the following reliefs from 1 April 2019 for non-domestic premises where the cumulated rateable value is no more than £35,000:

Rateable value of all individual properties in Scotland 2019-20	**Relief percentage under the Small Business Bonus Scheme**
Up to £15,000	**100%**
£15,001 to £18,000	**25%**

No relief is available for individual properties where the cumulated rateable value is over £35,000.

In addition, payday lenders will continue to be unable to benefit from the Scheme.

This instrument also provides for a poundage supplement (Large Business Supplement) of 2.6p in the pound for all non-domestic properties with a rateable value exceeding £51,000 on any day in the financial year 2019-20

Consultation

There is no statutory requirement to consult on these Regulations, however the changes were proposed as part of the draft Budget, which is a consultative process.

Business and Regulatory Impact Assessment

No Business and Regulatory Impact Assessment has been carried out.

Financial Implications

The Scottish Government reimburses local authorities for the cost of granting relief as part of the General Revenue Grant payment. The present instrument has no additional financial effects on the Scottish Government or local government.

Scottish Government
Local Government and Communities Directorate
February 2019