POLICY NOTE

THE NON-DOMESTIC RATES (TELECOMMUNICATIONS NEW FIBRE INFRASTRUCTURE RELIEF) (SCOTLAND) REGULATIONS 2019

SSI 2019/43

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.

These Regulations provide 100% relief on telecommunications new fibre infrastructure up to 31st March 2029.

Policy objectives

In the Scottish Budget 2019-20, the Scottish Government announced the creation of a new 100% relief for "telecommunications new fibre infrastructure," defined in The Non-Domestic Rating (Telecommunications New Fibre Infrastructure) (Scotland) Order 2019.[1] This infrastructure includes the new fibre; a proportion[2] of the poles, posts, towers, masts, mast radiators, pipes, ducts and conduits, etc. that is used solely in connection with the new fibre, and any parts of the lands and heritages which are exclusively occupied by the new fibre. That Order provides that the telecommunications new fibre infrastructure must be the subject of a separate entry on the valuation roll.

Relief is available from the day the entry for this infrastructure is made on the Valuation Roll to 31st March 2029, and any additions to that entry. An application must be made for this relief but it can commence from the date of entry on the Roll.

Consultation

While there is no statutory requirement to consult on these Regulations, relevant Scottish Assessors were consulted in the drafting of these regulations.

Business and Regulatory Impact Assessment

No Business and Regulatory Impact Assessment is required because the present instrument will not impose new regulatory burdens on businesses, charities or the voluntary sector.

Financial Implications

The Scottish Government reimburses local authorities for the cost of granting relief as part of the General Revenue Grant payment. The cost of this relief in foregone public revenue is forecast by the Scottish Fiscal Commission in Scotland's Economic and Fiscal Forecasts: December 2018.[3]

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[1] S.S.I. 2019/42.

[2] In order to estimate this proportion, the Assessor is to calculate what the rateable value of the lands and heritages would be were they not subject to separate entries in the roll.

[3] http://www.fiscalcommission.scot/media/1435/scotlands-economic-and-fiscal-forecasts-december-2018-full-report.pdf

This relief is subject to State aid de minimis.

Scottish Government
Local Government and Communities Directorate
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