STATUTORY INSTRUMENTS

2026 No. 17

RATING AND VALUATION, ENGLAND

The Non-Domestic Rating (Small Business Rate Relief and Demand Notices) (England) (Amendment) Regulations 2026

Made - - - -	*7th January 2026*
Laid before Parliament	*12th January 2026*
Coming into force - -	*1st April 2026*

The Secretary of State makes these Regulations in exercise of the powers conferred by section 143(1) and (2) of, and paragraph 4(2)(a) of Schedule 4ZA and paragraphs 1 and 2(2)(ga) of Schedule 9 to, the Local Government Finance Act 1988(**a**).

Citation, extent and commencement

1.—(1) These Regulations may be cited as the Non-Domestic Rating (Small Business Rate Relief and Demand Notices) (England) (Amendment) Regulations 2026.

(2) These Regulations extend to England and Wales.

(3) These Regulations come into force on 1st April 2026.

Amendment of the Non-Domestic Rating (Small Business Rate Relief) (England) Regulations 2023

2. In regulation 2 of the Non-Domestic Rating (Small Business Rate Relief) (England) Regulations 2023(**b**), for paragraph (3) substitute—

"(3) The conditions are that—

(a) the ratepayer's occupation of hereditament B started on a date after that ratepayer started to occupy hereditament A, and

(b) on the chargeable day concerned—

(i) the ratepayer has occupied hereditament B for a period not exceeding—

(aa) 12 months, where the occupation began before 27th November 2025; or

(bb) 36 months, where the occupation began on or after 27th November 2025, and

(**a**) 1988 c. 41. Schedule 4ZA was inserted by section 1 of the Non-Domestic Rating Act 2023 (c. 53). See paragraph 11 of Schedule 4ZA for the definition of "the appropriate national authority". See section 146(6) for the definition of "prescribed".

(**b**) S.I. 2023/1250.

(ii) the chargeable amount as regards hereditament B is not calculated in accordance with paragraph 4(1)(a) of Schedule 4ZA to the Act.".

Amendment of the Council Tax and Non-Domestic Rating (Demand Notices) (England) Regulations 2003

3. In paragraph 3 of Schedule 2 to the Council Tax and Non-Domestic Rating (Demand Notices) (England) Regulations 2003(**a**), for "Part 1", substitute "Part A1"(**b**).

Signed by authority of the Secretary of State for Housing, Communities and Local Government

Alison McGovern
Minister of State
7th January 2026 Ministry of Housing, Communities and Local Government

EXPLANATORY NOTE

(This note is not part of the Regulations)

Schedule 4ZA to the Local Government Finance Act 1988 ("the 1988 Act") provides that small business rate relief is available to ratepayers when conditions prescribed by the Secretary of State in regulations are satisfied.

The Non-Domestic Rating (Small Business Rate Relief) (England) Regulations 2023 (S.I. 2023/1250) ("the 2023 Regulations") provide that a condition for availability of small business rate relief is that the ratepayer must occupy only one hereditament in England but this condition is subject to the provision on hereditaments to be disregarded for these purposes if a ratepayer occupies a second property of any rateable value within a 12 month period.

Regulation 2 amends the 2023 Regulations for the purpose of applying relief for chargeable days on or after 1st April 2026 to increase the time period for which a ratepayer may occupy a second property of any rateable value and maintain small business rates relief on their main property from 12 months to 36 months where occupation begins on or after 27th November 2025.

Regulation 3 makes an amendment to the Council Tax and Non-Domestic Rating (Demand Notices) (England) Regulations 2003 consequential on amendments made to Schedule 7 to the 1988 Act by section 15 of the Non-Domestic Rating Act 2023 (c.53).

An impact assessment has not been produced for this instrument because it amends an existing local tax regime. Publication of a full impact assessment is not necessary for such legislation.

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(**a**) S.I. 2003/2613, amended by S.I. 2004/3389.
(**b**) Part A1 was inserted into Schedule 7 to the Local Government Finance Act 1988 (c. 41) (the 1988 Act) by section 15 of the Non-Domestic Rating Act 2023 (c. 53) (the 2023 Act) and amended by section 1 of the Non-Domestic Rating (Multipliers and Private Schools) Act 2025 (c. 12). Part 1 of Schedule 7 to the 1988 Act was disapplied in relation to England by Part 5 of the Schedule to the 2023 Act and repealed by paragraph 9(5) of the Schedule to the Local Government Finance (Wales) Act 2024 (asc. 6).

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