STATUTORY INSTRUMENTS

1974 No. 1322

RATING AND VALUATION

The Precepts (Rate of Interest) Rules 1974

Made - - -	30*th July* 1974
Laid before Parliament	31*st July* 1974
Coming into Operation	21*st August* 1974

The Secretary of State for the Environment, after consultation with the associasions of local authorities with whom consultation appeared to him to be desirable, in exercise of the powers conferred by section 12(9) of the General Rate Act 1967(**a**) as amended by paragraph 3 of Schedule 7 to the Local Government Act 1974(**b**) and by section 113 of the General Rate Act 1967 and now vested in him (**c**) and of all other powers enabling him in that behalf, hereby makes the following rules:—

1. These rules may be cited as the Precepts (Rate of Interest) Rules 1974 and shall come into operation on 21st August 1974.

2.—(1) The Interpretation Act 1889(**d**) shall apply for the interpretation of these rules as it applies for the interpretation of an Act of Parliament.

(2) In these rules "the Bank of England Minimum Lending Rate" means the minimum rate at which the Bank of England will lend to a discount house having access to the Discount Office of the Bank.

3. For the purposes of section 12(8) of the General Rate Act 1967 (which requires a rating authority to pay interest on any part of the amount due under a precept which has not been paid by the date specified in the precept for payment) the annual rate of interest per cent in respect of any day when interest is payable shall be determined in the following manner, that is to say, by ascertaining the Bank of England Minimum Lending Rate and taking as the said annual rate of interest the rate which is 2% above that Rate.

Anthony Crosland,
Secretary of State for the Environment.

30th July 1974.

(**a**) 1967 c. 9. (**b**) 1974 c. 7. (**c**) S.I. 1970/1681 (1970 III, p. 5551).
(**d**) 1889 c. 63.

EXPLANATORY NOTE

(This Note is not part of the Rules.)

Section 12(9) of the General Rate Act 1967 as amended by paragraph 3 of Schedule 7 to the Local Government Act 1974 enables the Secretary of State to fix a different rate to the 6% fixed by that section for the payment of interest on amounts overdue under precepts issued by the county councils, the Greater London Council and the Receiver for the Metropolitan Police District. The different rate may be either prescribed or determined in a prescribed manner. These rules prescribe the manner in which to determine the rate, namely, by taking that rate which is 2% above the Bank of England Minimum Lending Rate.

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