**EXPLANATORY MEMORANDUM TO**

**Rates (Temporary Rebate) (Amendment) Order (Northern Ireland) 2025**

**S.R. 2025 No. 29**

## 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 31D(15) and (16) of the Rates (Northern Ireland) Order 1977 ("the 1977 Order") and is subject to the affirmative resolution procedure.

## 2. Purpose

2.1. This Order provides for the continuation of the "back in business" rebate scheme for the period up to 31st March 2026.

2.2. Article 1 contains the citation and commencement provisions.

2.3. Article 2(a) and (b) amend Article 31D of the 1977 Order to provide that an application for the rebate may be made before 1st April 2026 in respect of a retail property which becomes occupied before that date, having been unoccupied for a continuous period of twelve months or more.

2.4. Article 3 revokes Article 2 of the Rates (Temporary Rebate) (Amendment) Order (Northern Ireland) 2024 which had previously extended the rebate to 31st March 2025.

## 3. Background

3.1. Provision was first made in the Rates (Amendment) Act (Northern Ireland) 2012 to enable a temporary 50 per cent. rebate for certain previously unoccupied hereditaments to be introduced.

3.2. The provision was introduced as a Ministerial amendment to that Bill in response to proposals by a number of consultees who had commented on the 2011 consultation paper, Rating of Commercial Properties.

3.3. The scheme ran continuously until 31st March 2017 when the legislative provision for the scheme expired as a result of the absence of a Northern Ireland Executive.

3.4. Following the restoration of a functioning Assembly and Executive in January 2020 the Finance Minister and Executive decided to reintroduce the scheme within the Budget 2020/21 arrangements. Due to the COVID 19 pandemic and the subsequent 100% rates support provided to local businesses, the Minister subsequently held the proposal to reintroduce the scheme for April 2020.

3.5. The then Finance Minister reintroduced and enhanced the scheme in May 2022 with support provided for 24 months. That scheme lapsed again when the statutory cover for the scheme expired on 31st March 2023.

3.6. The then Finance Minister restored the scheme in 2024 and this Statutory Rule now acts to extends the scheme until 31st March 2026.

## 4. Consultation

4.1. No further consultation has been undertaken in respect of this Statutory Rule which extends an existing policy lever within the taxation system.

## 5. Equality Impact

5.1. Prior impact assessment showed that there would be no significantly disproportionate impact for any section 75 groups from the measures included in the enabling statute. The Department considers that these findings remain valid given that this Rule continues an existing policy lever within the taxation system.

## 6. Regulatory Impact

6.1. Prior impact assessment determined that the impact on small businesses was considered positive. The Department considers that these findings remain valid given that this Rule continues an existing policy lever within the taxation system.

## 7. Financial Implications

7.1. It is the Department's assessment that the majority of the long-term empty shops that become occupied as a result of this measure would have remained empty in the absence of the policy.

## 8. Section 24 of the Northern Ireland Act 1998

8.1. It is the view of the Department of Finance that this Order is compatible with section 24 of the Northern Ireland Act 1998.

## 9. EU Implications

9.1. There are no new EU implications associated with this Rule which continues an established rating policy lever.

## 10. Parity or Replicatory Measure

10.1. Similar Schemes have also operated, and operate, in England, Scotland and Wales.

## 11. Additional Information

11.1. Not applicable.