

## Small Business Rate Relief Guidance Notes

The enclosed Application Form is for either:

- i) Ratepayers that are applying for Small Business Rate Relief on an occupied non-domestic property for the first time, or
- ii) To inform the Council of any additional non-domestic properties occupied since applying for Small Business Rate Relief

You no longer have to apply for this relief separately for each financial year, or for each 5 year Revaluation period.

You only need to make one application for Small Business Rate Relief and you will continue to receive it until you have a change of circumstances, or there is a change in the eligibility criteria that means you will no longer qualify.

Please read these notes fully whilst completing the Application Form.

### Note 1 – Ratepayers Contact Details

Under Name provide the name of the Ratepayer(s) that occupy the property for which the relief is sought.

This should be the name of one of the following:

- i) The corporate body i.e. the company;
- ii) The sole trader, together with any trading name;
- iii) All the partners within a partnership, together with the partnership name;
- iv) The Trust; or
- v) Any local non-profit making organisation, e.g. a sports club.

Under Address please provide the principal or normal address of the Ratepayer together with other contact details.

### Note 2 – Period applied for

Normally we will look at the date you occupied this property, unless it was prior to 1st April 2010.

- ❖ **For the period 1st April 2007 to 31st March 2010** the deadline for applying for Small Business Rate Relief is 6 months from the end of this period, i.e. 30th September 2010
- ❖ **From 1st April 2010** the deadline is 6 months after the end of each revaluation.
  - For the 2010 revaluation, which covers the period 1st April 2010 to 31st March 2015, the deadline is 30th September 2015
  - For the 2015 revaluation, which covers the period 1st April 2015 to 31st March 2020, the deadline is 30th September 2020

### **Note 3 – First Application**

Only complete this part if this is your **first** application for Small Business Rate Relief.

There are two circumstances where relief can be granted:

- a) If you occupy only one non-domestic property with a rateable value of less than £18,000 – or
- b) If you occupy one main non-domestic property and other additional non-domestic properties in England but the additional properties have individual rateable values of less than £2,600 and the combined rateable value of all the occupied non-domestic properties is less than £18,000

In the second case the relief will be applied to the main property only.

In this part please provide the address details of the property on which you are claiming the relief but only if it is different from the address given in Part 1. Please also provide addresses of any additional properties that you occupy in England.

If you are granted relief under b), you have a legal duty to notify the Non-domestic Rates Section of Selby District Council in writing of any increase in the rateable value of any of your additional properties that are located outside the Selby District. You must do so in writing within 4 weeks of official notification of the increase from the Valuation Office Agency.

Failure to do so will result in the relief being removed and may also result in criminal prosecution.

#### **How much will I save?**

There are 2 non-domestic rate multipliers set by central government each financial year– the normal multiplier and a lower small business multiplier. The amount of relief granted will depend on the rateable value of the non-domestic property that you occupy and will be calculated as follows:

- ❖ If the rateable value of your property is less than £6,000 your non-domestic rate bill will be calculated using the lower small business multiplier. In addition, you will also qualify for a further 50% reduction on your bill.
- ❖ If you occupy a property with a rateable value between £6,000 and £11,999, your non-domestic rate bill will also be calculated using the lower small business multiplier. In addition, you will qualify for further relief dependant on the actual rateable value of your property. The 50% reduction on your bill reduces on a sliding scale of 1% relief for every £120 that the rateable value is over £6,000.
- ❖ If you occupy a property with a rateable value of more than £12,000 and less than £18,000, your non-domestic rate bill will be calculated using the lower small business multiplier only. You will not receive any further relief.

The government has allowed a temporary increase in the level of Small Business Rate relief so that eligible ratepayers will receive relief at 100% on properties with rateable values up to £6,000 with a tapered relief of between 100% and 0% for properties with rateable values between £6,001 and £12,000. The new levels of relief will be available from 1 October 2010 to 30 September 2012.

## **Note 4 – Changes since your first application**

Only complete this part if you have occupied other non-domestic properties since your first application for Small Business Rate Relief.

If you have occupied other non-domestic properties, you are legally required to inform the Council, even if you believe that this will not effect your entitlement to the relief.

**You must notify the Council within 4 weeks of occupation by completing and returning the Application Form.** Failure to do so is an offence and will result in the relief being removed, even though you may otherwise be entitled, and may result in you being prosecuted.

## **Note 5 – Declaration**

All applications must be completed in full and signed by the Ratepayer or a person that is authorised to sign on behalf of the ratepayer.

### **Capacity of Person Signing**

You must state the capacity of the person who is signing the Declaration. This means that the person signing must be one of the following:

- i) If the Ratepayer is a corporate body (e.g. a company), a Director of that body
- ii) If the Ratepayer is a Trust, a Trustee of that Trust
- iii) If the Ratepayer is a partnership, a partner of that partnership
- iv) If the Ratepayer is a sole trader, the sole trader

If the Ratepayer is not any of the above, it must be a person duly authorised to sign on behalf of the Ratepayer, or your application may be refused.

### **Other Criteria**

The rateable value of the property must be less than £18,000 on 1 April of the relevant financial year; must be less than £18,000 on the chargeable day concerned and must be less than £18,000 on any day in-between 1 April and the chargeable day concerned.

For example if your rateable value is £16,000 on 1 April and is increased to £20,000 on 1 May, you will not be entitled to the relief from 1 May. If your rateable value is then reduced to £16,000 on 1 June, you will not be entitled to relief until 1 April of the following financial year.

### **Interaction with other reliefs**

- ❖ If you are entitled to 80% mandatory relief as a Community Amateur Sports Club and Small Business Rate Relief, you will receive 80% mandatory relief only.
- ❖ If you are entitled to 80% mandatory Charitable Relief and Small Business Rate Relief, you will receive 80% mandatory relief only.
- ❖ If you are entitled to 50% mandatory Rural Rate Relief and Small Business Rate Relief, you will receive 50% mandatory rural rate relief only.
- ❖ If you are entitled to all of these reliefs you will receive 80% mandatory relief only.