

Business Rates: Warning

First Published in our monthly e-newsletter in June 2016

www.centre-p.co.uk/OUTLOOKJune16.pdf

and now re-issued as a **WARNING TO ALL LOCAL BUSINESSES.**

As many businesses will be aware, the Valuation Office are undertaking a revaluation of all business premises. The new Valuation List will become operational as from 1st April 2017, but will be published in a draft form on the 1st October this year. It has been brought to my attention that a number of companies have resurfaced offering their expertise to businesses, many promising the impossible. In the last month I have twice heard of companies who have told my clients that they are still able to obtain reductions in the current Valuation List going back to April 2010. This is incorrect. More significantly, these advisors are asking businesses to sign documents, and in some cases pay up-front fees, on the basis that they will be able to obtain a reduction in their rateable value under the list that will be published later this year. Many town centre shops will see a reduction in their rateable value as a result of the decline in town centre rents, and therefore many reductions in rates payable will come automatically. Businesses in some cases are being asked to give away up to 30% of the reduction in rates payable for the life time of the new Valuation List; a planned five year period. I have seen the terms of one standard contract which even states the fees are based on 25% of the reduction of the **Rateable Value** (not rates payable) for one year in each valuation period covered by the 2010, 2017 and 2022 Valuation lists! Another standard contract states that the fee is based on 20% of the reduction in the rates payable, **however this is brought about**; so this will mean that when the threshold for 100% rates relief increases next April, for single property businesses, from £6,000 to £12,000 as has already been announced by The Chancellor, the rate payer if they have signed this Contract of Engagement will be obliged to pay a fee based on a gain that was automatically coming their way. If you are approached in the next few months please consider seeking our advice, and whatever you are told it is not possible to formally appeal on new assessments until after 1st April 2017, unless a listing error has been made. You have been warned!

September 2016

Small Business Rates Relief

It is still possible for businesses who have a rateable value of less than £12,000 to claim Small Business Rates Relief; in some cases refunds are available for each of the financial years back to April 2010. We strongly advise you to check your Non-Domestic Rates Demand to ensure that you are receiving the appropriate relief. If you have not actually claimed, you will not be receiving the relief.

Councils are not able to give relief automatically.

Businesses who believe they may be affected are welcome to make contact and read http://www.centre-p.co.uk/Small_Business_Rates_Relief_2016_2017.pdf

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