

2016 Central Government Autumn Statement

Changes to business rates for 2017/18 which may affect you

2017 Revaluation and Transitional Relief

The transitional relief scheme for the 2017 revaluation has now been published. The Government continues to believe it is important to provide the greatest support to small and medium businesses seeing increases and to also allow those small and medium businesses seeing reductions to gain quickly from the revaluation.

The transitional relief scheme has been developed using detailed data on the 2017 revaluation prepared independently by the Valuation Office Agency. The scheme must be revenue neutral and, in order to continue to support small and medium businesses, the Government has decided to provide less relief for large businesses than in 2010.

The relevant regulations can be found at the following links:

<https://www.gov.uk/government/consultations/business-rates-revaluation-2017>

<http://www.legislation.gov.uk/id/ukdsi/2016/9780111151655>

Provisional 2017-18 Multipliers

The proposed small business non-domestic multiplier for 2017/18 is **46.6p**.

The proposed national non-domestic multiplier is **47.9p**. The multipliers will be confirmed after either the Local Government Finance Report for 2017-18 has been approved by Parliament or 1 March 2017, whichever is earlier.

Update on Budget 2016 Measures

Small Business Rate Relief

At Budget 2016, the Government confirmed that the doubling of the Small Business Rate Relief (SBRR) from 50% to 100% will be made permanent from 1 April 2017. The £6,000 and £12,000 thresholds will increase to £12,000 and £15,000 respectively. Therefore, hereditaments with rateable values of £12,000 or below that meet the eligibility criteria will receive 100% relief and those businesses with rateable values between £12,001 and £14,999 will receive tapered relief. The taper will operate as at present – with 100% relief for eligible hereditaments with an RV of £12,000 or below, decreasing to 0% relief for hereditaments with an RV of £15,000 or above.

The threshold for the standard business rates multiplier will also increase from a rateable value of £18,000 (£25,500 in London) to £51,000. We will compensate local authorities for loss of income through section 31 grants and will amend the relevant regulations to bring these changes into effect from 1 April 2017.

Better Billing and Digitalisation Measures

At Budget 2016 and following the Business Rates Review, the Government stated its commitment to work with authorities to standardise business rates bills, ensure ratepayers have the option to receive and pay bills online, make explanatory notes available online and end multi-year billing.