

Rating update



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In the Budget Statement on 22 November the Chancellor announced “Retail Relief” but there were no specific details of the type of property that would be included in the scheme.

The Ministry of Housing, Communities & Local Government has recently issued a retail discount – guidance note and it was thought to be important to make clients aware of the guidance note which can be accessed [here](#).

2. Hereditaments that are being used for the provision of the following services to visiting members of the public:

- Hair and beauty services (such as: hair dressers, nail bars, beauty salons, tanning shops, etc)
- Shoe repairs/ key cutting
- Travel agents
- Ticket offices e.g. for theatre
- Dry cleaners
- Launderettes
- PC/ TV/ domestic appliance repair
- Funeral directors
- Photo processing
- Tool hire
- Car hire



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The relief will apply to properties for the 2019/2020 & 2020/2021 rate years with a Rateable Value of less than £51,000 and which meet the following requirements as detailed in the guidance note:

We consider shops, restaurants, cafes and drinking establishments to mean:

1. Hereditaments that are being used for the sale of goods to visiting members of the public:

- Shops (such as: florists, bakers, butchers, grocers, greengrocers, jewellers, stationers, off licences, chemists, newsagents, hardware stores, supermarkets, etc)
- Charity shops
- Opticians
- Post offices
- Furnishing shops/ display rooms (such as: carpet shops, double glazing, garage doors)
- Car/ caravan show rooms
- Second hand car lots
- Markets
- Petrol stations
- Garden centres
- Art galleries (where art is for sale/hire)

2. Hereditaments that are being used for the sale of food and/or drink to visiting members of the public:

- Restaurants
- Takeaways
- Sandwich shops
- Coffee shops
- Pubs
- Bars

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The guidance note also mentions that if a Rateable Value that was originally less than £51,000 is increased to that figure, or above, then the relief will stop from the date of increase.

The European Union State Aid De Minimis Regulations will apply so a business is only entitled to 200,000 Euros of State Aid in a three year period (the current financial year and the two previous financial years).

If the UK leaves the EU on 29th March then the guidance note mentions that the Government will transpose EU State Aid Rules into UK domestic legislation.

The following list sets out the types of uses that the Government does not consider to be retail use for the purpose of this relief.

Hereditaments that are being used for the provision of the following services to visiting members of the public:

- Financial services (e.g. banks, building societies, cash points, bureaux de change, payday lenders, betting shops, pawn brokers)
- Other services (e.g. estate agents, letting agents, employment agencies)
- Medical services (e.g. vets, dentists, doctors, osteopaths, chiropractor)
- Professional services (e.g. solicitors, accountants, insurance agents/ financial advisers, tutors)
- Post office sorting offices

Local authorities have to determine for themselves whether particular properties are broadly similar in nature to those below and, if so, to consider them not eligible for the relief under their local scheme.

For any help on your business rates please contact **Alan Watson** or **Stacey Jolly**.

