

# **Rates (Amendment) Bill**

[AS INTRODUCED]

## **CONTENTS**

1. Additional rate in respect of large retail hereditaments for the years ending on 31st March 2013, 31st March 2014 and 31st March 2015
2. Window displays not to constitute occupation in certain cases
3. Restriction on same state and circumstances assumption for new NAV lists
4. Repeal in relation to new valuation list of special provision where net annual value fixed having regard to volume of trade
5. Interpretation
6. Commencement
7. Short title



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Amend the Rates (Northern Ireland) Order 1977.

**B**E IT ENACTED by being passed by the Northern Ireland Assembly and assented to by Her Majesty as follows:

**Additional rate in respect of large retail hereditaments for the years ending on 31st March 2013, 31st March 2014 and 31st March 2015**

1. After Article 7 of the principal Order (making of rates) there shall be inserted the following Article—

5           **“Additional regional rate in respect of large retail hereditaments for the years ending on 31st March 2013, 31st March 2014 and 31st March 2015**

7A.—(1) An additional regional rate of 8.52 pence in the pound for the year ending on 31st March 2013 shall be levied on the rateable net annual value of every large retail hereditament.

(2) Additional regional rates for the year ending on 31st March 2014 and the year ending on 31st March 2015 shall be made and levied on the rateable net annual value of every large retail hereditament.

(3) In this Article—

15           “large retail hereditament” means a hereditament which—

- (a) has a rateable net annual value not less than £500,000; and
- (b) is occupied and used primarily for retail sales;

20           “retail sales”, in relation to a hereditament, means sales of goods to members of the public who visit the hereditament to buy goods for consumption or use elsewhere for purposes unconnected with a trade or business;

“sales of goods”, in relation to a hereditament, does not include sales of—

*Rates (Amendment)*

- (a) meals or refreshments prepared to order for immediate consumption elsewhere; or
  - (b) vehicles.
- (4) The Department may by an order which is made subject to affirmative resolution modify paragraph (3). 5
- (5) The additional regional rate under paragraph (1) shall be treated for the purposes of this Order as a rate made by the Department on the day on which section 1 of the Rates (Amendment) Act (Northern Ireland) 2012 comes into operation.
- (6) The provisions of this Order have effect as follows— 10
- (a) Article 7(1) does not apply to the additional regional rate under paragraph (1);
  - (b) Article 7(4) does not apply to an order under paragraph (1) of that Article so far as it relates to an additional regional rate;
  - (c) in Article 11(3) the words from “except that” to the end do not apply in relation to an additional regional rate; 15
  - (d) Article 15(1) is without prejudice to paragraph (10);
  - (e) Article 19 is subject to paragraphs (7) to (11);
  - (f) Article 25A does not apply in relation to an additional regional rate. 20
- (7) Paragraphs (8) to (11) shall have effect with respect to the assessment of persons to, and their liability on account of, an additional regional rate in respect of any hereditament for any year.
- (8) A person who is chargeable to an additional regional rate in respect of a hereditament for part only of the year shall, subject to the provisions of this Order, be liable to be charged with such part only of the total amount of the additional regional rate as bears to that amount the same proportion as the number of days in the part of the year during which the person is so chargeable bears to the total number of days in the year. 25
- (9) A person who is chargeable to an additional regional rate in respect of a hereditament for any part of the year may be assessed to the rate in accordance with paragraph (8) notwithstanding that any part of the year during which the person was so chargeable ended before the rate was made. 30
- (10) A person who is chargeable to an additional regional rate in respect of a hereditament at any time after that rate is made may be assessed to and shall in the first instance be liable to pay— 35
- (a) if the person was so chargeable at the beginning of the year, the whole of the amount of that rate charged in respect of the hereditament; or 40
  - (b) if the person became so chargeable subsequently, a proportion of that amount calculated on the basis that the person will remain so chargeable until the end of the year,
- but shall, if the part of year during which the person is so chargeable ends before the end of the year be entitled to recover from the Department any 45

sums paid by the person in excess of the amount properly chargeable against the person in accordance with paragraph (8).

(11) Paragraph (10) is subject to the following—

- (a) no allowance shall be made for a period of less than seven days; and
- (b) a person shall not be entitled to recover any sum in so far as the person has previously recovered it from another person who is an incoming occupier.”.

**Window displays not to constitute occupation in certain cases**

2. In Schedule 8A to the principal Order (unoccupied hereditaments), after paragraph 8 there shall be added the following paragraph—

“9.—(1) For the purposes of Article 25A if (apart from this paragraph) a hereditament to which this paragraph applies would be treated as occupied by reason only of a window display during any period after 31st March 2012 and before 1st April 2015, it shall be treated as unoccupied for so much of that period as the conditions in sub-paragraph (2) are satisfied.

(2) The conditions referred to in sub-paragraph (1) are—

- (a) the depth of the window display does not exceed 1.5 metres and the area of the window display does not exceed 5 per cent. of the floor area of that part of the building fronted by the window display;
- (b) the window display is not for the purposes of, and does not identify, a trade or business; and
- (c) the window display is not for political purposes or detrimental to advancement of good community relations.

(3) This paragraph applies to a hereditament if it is included in the NAV list and (disregarding the window display) is—

- (a) a hereditament which, when last occupied, was used for the purpose of the retail provision of goods or services on or from the hereditament; or
- (b) a hereditament which has never been occupied but where any building or part of a building comprised in the hereditament is constructed or adapted for the purpose mentioned in head (a).

(4) The Department may by an order which is made subject to affirmative resolution modify sub-paragraphs (2) and (3).”.

**Restriction on same state and circumstances assumption for new NAV lists**

3.—(1) Article 39A of the principal Order (time by reference to which, and basis on which, valuations to be made for new NAV list) shall be amended as follows.

(2) In paragraph (1) for the words “hereditament was in the same state and circumstances” there shall be substituted the words “matters mentioned in paragraph (1A) were”.

(3) After paragraph (1) there shall be inserted the following paragraph—

“(1A) The matters referred to in paragraph (1) are—

- (a) matters affecting the physical state or physical enjoyment of the hereditament;
- (b) the mode or category of occupation of the hereditament; 5
- (c) matters affecting the physical state of the locality in which the hereditament is situated; and
- (d) the use or occupation of other premises situated in the locality of the hereditament.”.

**Repeal in relation to new valuation list of special provision where net annual value fixed having regard to volume of trade** 10

**4.**—(1) In Part I of Schedule 12 to the principal Order (basis of valuation - general rule), paragraph 4 (special provision where net annual value fixed having regard to volume of trade or quantity of minerals or other substances extracted) shall be amended as follows. 15

(2) The words “the volume of trade carried on at the hereditament or” shall be omitted.

(3) For the word “it” there shall be substituted the words “the hereditament”.

(4) The words “volume or” in both places where they occur shall be omitted.

(5) The amendments made by this section do not apply in relation to a valuation list which is in force before the commencement of this section. 20

**Interpretation**

**5.** In this Act “the principal Order” means the Rates (Northern Ireland) Order 1977.

**Commencement** 25

**6.**—(1) Sections 1 and 5, this section and section 7 come into operation on the day after that on which this Act receives Royal Assent.

(2) The other provisions of this Act come into operation on 1st April 2012.

**Short title**

**7.** This Act may be cited as the Rates (Amendment) Act (Northern Ireland) 2012. 30