**Reduction of rates on certain hereditaments used for recreation**

**31**.—(1) Subject to paragraph (5) and Article 44(2A)(b)(i), the amount which, apart from this Article, would be payable on account of a rate in respect of a hereditament to which this Article applies shall for each year be reduced in accordance with paragraphs (3), (3A) and (4).

(1A) This Article applies to a hereditament which—

(a) is a registered community amateur sports club; or

(b) falls within paragraph (2).

(2) A hereditament falls within this paragraph if it is a hereditament—

(a) which, or any part of which, is used solely for the purposes of a prescribed recreation; and

(b) which is occupied for the purposes of a club, society or other organisation that—

(i) is not established or conducted for profit, and

(ii) does not employ any person to engage in any recreation for reward, except for the instruction of other persons who are themselves engaging or preparing to engage in it otherwise than for reward; and

(c) which is not—

(i)distinguished in the NAV list as exempt from rates as being a hereditament of a description mentioned in Article 41(2)( e) (recreational charities) or by virtue of Article 12(2), (3) or (4) of the Rates (Capital Values, etc.) (Northern Ireland) Order 2006; or

(ii) shown in the NAV list as a registered community amateur sports club.

(3) Where a hereditament is shown in the NAV list as used solely for the purposes of a prescribed recreation, the reduction shall be effected by reducing the normal rate by 80 per cent.

(3A) Where a hereditament is shown in the NAV list as a registered community amateur sports club, the reduction shall, subject to any apportionment of net annual value under paragraph (4), be effected by reducing the normal rate by 100 per cent.

(4) Where the hereditament is shown in the NAV list as having part of its net annual value apportioned to a part or parts of the hereditament used solely for the purposes of a prescribed recreation (in the case of a hereditament falling within paragraph (2)) or for qualifying purposes (in the case of a registered community amateur sports club), the reduction shall be effected by computing separately—

(a) so much of the amount payable as is referable to the part of the net annual value shown in the list as so apportioned, and

(b) so much of that amount as is referable to the remainder of the net annual value,

and by reducing the normal rate, for the purpose of the computation mentioned in sub-paragraph (a), by 80 per cent in the case of a hereditament falling within paragraph (3) and by 100 per cent in the case of a hereditament which is a registered community amateur sports club.

(5) Where a hereditament is one to which this Article applies during part only of a year, the reduction shall be made for that part of the year only; and if the reduction, or any adjustment in it, affects the amount levied on account of a rate in respect of the hereditament for that year, the difference—

(a) if too much has been paid, shall be repaid or allowed; or

(b) if too little has been paid, shall be paid and may be recovered as if it were arrears of the rate.

(6) In this Article and Article 44—

“licensed premises” in respect of a hereditament means any area in which a person may under a licence (other than an occasional licence) or a protection order sell intoxicating liquor by retail;

“the normal rate” for any year in respect of any hereditament means the amount which, apart from this Article, would be the amount in the pound of the rate to be levied for that year in respect of the rateable net annual value of that hereditament;

“prescribed recreation” means a recreation, whether conducted indoors or outdoors, which in the opinion of the Department demands an appreciable degree of physical effort and which is of a kind specified by the Department, after consultation with the Sports Council for Northern Ireland and with any association which appears to the Department to be representative of district councils, by an order made subject to affirmative resolution;

“qualifying purposes” has the meaning given by section 661 of the Corporation Tax Act 2010;

“use” in relation to a hereditament or any part of it means use by members of the club, society or other organisation for the purposes of which the hereditament is occupied or by other persons who under the rules of that club, society or organisation are permitted to use the hereditament or that part.

(7) For the purposes of this Article and Article 44—

(a) an area provided as a parking place for vehicles of persons engaging in a prescribed recreation, and any part of a hereditament constructed or adapted for use by such persons (or by persons who have engaged or intend to engage in the recreation) as a bathroom or lavatory or for use wholly or mainly for the storage of their clothing or of equipment used for purposes of the recreation, shall be treated in the case of a hereditament falling within paragraph (2) as used solely for the purposes of that recreation (notwithstanding that it is also used by other persons or that at particular times it is used by persons none of whom are engaging in such a recreation);

(b) any area of a registered community amateur sports club which constitutes licenced premises shall not be treated as being used for qualifying purposes;

(c) a hereditament is a registered community amateur sports club if it is a registered club within the meaning of section 658(6) of the Corporation Tax Act 2010.

**Other matters required or authorised to be entered in valuation list**

**44**.—(1) . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . .

(2) . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . .

(2A) Where a hereditament is one to which Article 31(2) applies—

(a) if the hereditament is used solely for the purposes of a prescribed recreation (as defined by Article 31(6)), it shall be shown in the NAV list as so used;

(b) if only one or more than one part (but not the whole) of the hereditament is so used, the net annual value of the hereditament shall be apportioned by the Commissioner or the district valuer between the part or parts of the hereditament used solely for the purposes of a prescribed recreation and the remainder of the hereditament, and—

(i) if the amount apportioned to the part or parts of the hereditament used solely for the purposes of a prescribed recreation is less than 20 per cent. of the net annual value, the hereditament shall be shown in the NAV list as having no part of its net annual value apportioned to that part or these parts;

(ii) if the amount so apportioned is 20 per cent. or more, but less than 50 per cent., of the net annual value, the apportionment shall be shown in the NAV list;

(iii) if the amount so apportioned is 50 per cent. or more, but less than 80 per cent., of the net annual value, that amount shall be increased by 20 per cent. thereof (and the amount apportioned to the remainder of the hereditament shall be reduced accordingly) and the apportionment as so adjusted shall be shown in the NAV list;

(iv) if the amount so apportioned is 80 per cent or more of the net annual value, the hereditament shall be shown in the NAV list as used solely for the purposes of a prescribed recreation.

(2AA) Where the hereditament is a registered community amateur sports club—

(a) it shall be shown in the NAV list as such;

(b) if the whole of the hereditament is used solely for qualifying purposes it shall be shown in the NAV list as so used;

(c) if only one or more than one part (but not the whole) of the hereditament is so used, the net annual value of the hereditament shall be apportioned by the Commissioner or the district valuer between the part or parts of the hereditament used solely for qualifying purposes and the remainder of the hereditament and the apportionment shall be shown in the NAV list.

(2B) References in paragraphs (2A)(b) and (2AA) to the hereditament shall not include any part of the hereditament which is used for the purposes of a private dwelling.