

Rates Revaluation for all Commercial Properties coming to a business near you!

- Retail could be hard hit
- The new rateable value will determine your liability from 2010 to 2015
- Return forms will soon be hitting your door mat

“New rateable values for Commercial Property in England and Wales will come into effect on the 1st April 2010. Whilst that may appear some while away, the process is now under way with the Valuation office gearing up to send out return forms”, says Paul Richardson of Chartered Surveyors Richardson Commercial.

“The effect of failing to return the forms is prosecution” says Paul, “and whilst relatively simple to complete they can be time consuming when faced with a range of questions relating to the premises from which an occupier operates”.

Business rates raised in excess of £20bn last year, being levied by Central Government but collected by the Local Authority. The tax is calculated by assessing the rateable value of each property and applying this figure to a multiplier (set by Government).

The Rateable value is based upon the property’s market rental value as at 1st April 2008 and it is this figure which is to be reassessed.

“The process needs to be watched carefully with new Rateable values being published in September this year”, comments Paul. “Whilst the government need to collect the £20bn amount, the revaluation will help redistribute rates payments in line with relative movements in rental values between 2003 and 2008. Those buildings that have seen greater rental growth than the average will face higher rates bills in 2010. Similarly those that saw rents grow at below the average should see a reduction”.

Appeals against the 2005 list, i.e one’s current rateable value are no longer able to be made, unless other criteria are met. The next window for appealing the new values will be 6 months from September this year. Research shows that Rateable values are likely to rise significantly especially in the retail sector and despite what is happening in the High Street today.

“Whilst business has many other things to consider it is imperative that the return forms are completed accurately and timely. Despite being set by Government there is a right of appeal and that should not be lost” says Paul.

For more information or an informal discussion Paul Richardson can be contacted on 01635 42631