

Business Rates – Update following Government Announcements

Summary of announcements made by the Chancellor (Credit ACS consultancy)

Announcement	Comment / Action
<p>Small business grant funding – The government recognises that many small businesses pay little or no business rates because of Small Business Rate Relief (SBRR). To support those businesses and in light of the new circumstances, and to support their cash flow, today I can increase those grants to £10,000</p>	<p>Increase in Budget announcement – Businesses receiving Small Business Rates Relief will now get a grant of £10,000 (was previously announced as £3,000)</p>
<p>Retail Discount I announced last week that for businesses in the retail, hospitality and leisure sectors, with a rateable value of less than £51,000, they will pay no business rates this year.</p>	<p>Premises which would current qualify for Retail Discount will receive 100% discount (previously announced). Those business will</p>
<p>Today, I can go further and provide those businesses with an additional cash grant of up to £25,000 per business – to help bridge through this period.</p> <p>Additionally, I also am today extending the business rates holiday to all businesses in those sectors, irrespective of their rateable value. That means every single shop, pub, theatre, music venue, restaurant - and any other business in the retail, hospitality or leisure sector – will pay no business rates whatsoever for 12 months, and if they have a rateable value of less than £51,000, they can now get a cash grant as well.</p>	<p>also receive a grant of £25,000. – questions as to how that will be paid – the announcement links the retail discount to the grant</p> <p>All premises that fall within the Retail Discount provision will now have 100% - irrespective of Rateable Value</p> <p>We assume 'state aid issues' will not be relevant given the crisis and that discounts will be automatic</p> <p>It will be essential to rebill and to ensure that full S31 grant is received from Treasury</p>

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<p>Business rates pubs discount – The government previously committed to introducing a £1,000 business rates discount for pubs with a rateable value below £100,000 in England for one year from 1 April 2020. To further support pubs, in response to COVID-19 the discount for pubs will be increased to £5,000.</p>	<p>Originally announced in the Budget now overridden by extension to Retail Discount</p>
<p>Business rates public lavatories relief – The government will bring forward legislation as soon as possible in this session to provide mandatory 100% business rates relief for standalone public lavatories in England from April 2020.</p>	<p>Previously announced in Budget</p>
<p>Business rates local newspaper office space discount – The £1,500 business rates discount for office space used by local newspapers in England will be extended for an additional five years until 31 March 2025.</p>	<p>Previously announced in Budget</p>
<p>Business rates review – The government is launching a fundamental review of business rates to report in the autumn. The Terms of Reference for this review are published alongside this Budget and a call for evidence will be published in the spring.</p>	<p>Previously announced in Budget- terms of reference now published</p>