

Business Rates – Rateable Value: What Do I Pay?

The rateable value of a property is determined by the Valuation Office Agency. All non-domestic properties usually have a revaluation every 5 years. The current revaluation takes effect from 1st April 2017.

Bolton Council works out the business rates bill by multiplying the rateable value of the property by the appropriate multiplier. The Government sets the multipliers for each financial year for the whole of England. There are two multipliers; the standard non-domestic rating multiplier (50.4 pence in 2019/20) and the small business non-domestic rating multiplier (49.1 pence in 2019/20). The former is higher to pay for small business rate relief.

The Government normally changes both multipliers every year in line with inflation. By law, the multipliers cannot go up by more than the rate of inflation apart from some minor adjustments to counteract losses from appeals and, in relation to the standard multiplier, to pay for small business rate relief. In the year of a revaluation, the multipliers are set at a level which will keep the total amount raised nationally in rates the same as the year before, plus inflation for that year.

Transitional Arrangements

Property values normally change a good deal between each revaluation. To counteract any large increase and decreases in what your new business rate payment might be, transitional arrangements are in place. Transitional arrangements mean that the increase or decrease will be phased in over 5 years, so that a ratepayer only pays a percentage of the overall increase each year. The exact percentage increases each year are shown in the table below. These caps are in real terms (which means that they exclude inflation) and also ignore reliefs (such as the small business relief scheme) and any supplements on the multiplier (such as the small supplement which will be paid by ratepayers who do not qualify for the small business relief). To help pay for the limits on increases in bills, there also have to be limits on reductions in bills and these are also shown below. Once the annual increase/decrease falls below the maximum level shown, the transitional arrangements cease and the charge is calculated in the usual way (rateable value x multiplier).

Cap Levels 2017 - 2022						
Year	Maximum Increases			Maximum Reductions		
	Small	Medium	Large	Small	Medium	Large
2017/18	5%	12.5%	42%	20%	10%	4.1%
2018/19	7.5%	17.5%	32%	30%	15%	4.6%
2019/20	10%	20%	49%	35%	20%	5.9%
2020/21	15%	25%	16%	55%	25%	5.8%
2021/22	15%	25%	6%	55%	25%	4.8%

Note - Small properties are those with rateable value up to and including £20,000, medium properties up to £100,000 and large properties above £100,000

The transitional agreement scheme applies only to the business rate bill of a property at the time of the revaluation. If there should be any changes to the property after 1st April 2017, transitional arrangements will not normally apply to the part of a business rate bill which relates to any increase in rateable value because of those changes. Any transitional adjustments are shown on your bill.

Reliefs

There are reliefs available that may reduce the amount you have to pay.

Useful links

The Valuation Office website www.voa.gov.uk

www.businesslink.gov.uk/businessrates

[Small Business Rates Relief Form:](#)

Contact us:

Telephone: (01204) 331730 (Monday to Friday, 9.00am – 5.00pm)

E-mail: business.rates@bolton.gov.uk

Write to: Business Rates Section, PO Box 32, Bolton BL1 1RX

Visit: The One Stop Shop – Appointment Only*
Town Hall
Bolton

Opening hours: Monday to Friday, 9.00am – 5.00pm)

*To ensure an officer is available to see you, please ring 01204 331730 to arrange an appointment.