

Business Rates Relief Schemes in England

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Here for Business

Introduction

Owners or occupiers of shops, offices, warehouses, factories and other types of non-domestic property are usually liable for business rates. Anyone who runs a business from home may also incur a business rates charge for the part of the property they use for business purposes.

However, small firms and other types of organisation may be eligible for business rates relief in specific circumstances. In England, local authorities administer business rates relief schemes.

This factsheet explains the business rates relief that is available in England. For more information about business rates and how they are calculated, see BIF061 Business Rates.

Retail, hospitality and leisure relief

Retail, hospitality and leisure relief, which replaced the retail discount scheme on 1 April 2022, provides eligible businesses with a 50% reduction in their 2022/23 business rates bill, up to a total value of £110,000 per business. Examples of eligible businesses include:

- Shops.
- Restaurants, cafés and pubs.
- Leisure venues such as cinemas and gyms.
- Hotels.

For more information, go to www.gov.uk/apply-for-business-rate-relief/retail-discount.

Covid-19 additional relief fund

Businesses affected by the Covid-19 pandemic may be eligible for business rates relief under the COVID-19 additional relief fund. For more information, go to www.gov.uk/apply-for-businessrate-relief/covid19-additional-relief-fund.

Small business rate relief (SBRR)

The SBRR scheme helps small firms by reducing their business rates bills. For England, the amount of relief is as follows:

- For business properties with a rateable value of up to £12,000, the rate of relief is 100%.
- For properties with a rateable value between £12,001 and £15,000 the rate of relief reduces on a sliding scale from 100% to 0%.
- For properties with a rateable value between £15,000 and £51,000 the SBRR does not apply, but the small business rate multiplier is still used to calculate the properties' business rates.

Small business rate relief is normally granted for one property only. However, if the business ratepayer occupies additional properties, they may still qualify for the relief if both of the following conditions apply:

- The rateable value of each additional property is less than £2,900.
- The total rateable value of all of the properties is less than £20,000 (£28,000 in London).

Go to www.gov.uk/apply-for-business-rate-relief/small-business-rate-relief for details about SBRR in England.

Transitional relief

Transitional relief limits the amount a business rates bill can change each year as a result of the revaluation of commercial premises. It ensures that increases for eligible businesses are phased in gradually.

Go to www.gov.uk/apply-for-business-rate-relief/transitional-relief for more information about transitional relief.

Hardship relief

Business ratepayers that are experiencing unexpected hardship can sometimes apply to their local authority for hardship relief. This discretionary relief can provide short-term assistance by reducing business rates for a specific period.

Ratepayers should contact their local authority to find out if hardship relief is available in their local area. Go to www.gov.uk/contact-your-local-council-about-business-rates to search for local authority contact details.

Charitable rate relief

Charities and community amateur sports clubs (CASCs) can apply for 80% rate relief if the property they occupy is used wholly or mainly for charitable purposes. Under the Local Government Finance Act 1988, local authorities have the power to grant a further 20% discretionary charitable rate relief. Charities and CASCs should contact their local authority for details of the relief available in their local area. Go to www.gov.uk/apply-for-business-rate-relief/charitable-rate-relief for more details.

Rural rate relief

Certain types of business in rural areas with a population of less than 3,000 may qualify for 100% rural rate relief. This applies to:

- Post Offices and village shops, where the rateable value of the property is up to £8,500.
- Pubs and petrol stations, where the rateable value of the property is up to £12,750.

Go to www.gov.uk/apply-for-business-rate-relief/rural-rate-relief for more details.

Enterprise zone relief

Businesses starting up in, or relocating to, an enterprise zone may qualify for up to 100% business rates relief for five years, up to a maximum of £275,000.

Go to www.gov.uk/apply-for-business-rate-relief/enterprise-zones for a list of enterprise zones and contact details.

Empty property rate relief

Empty properties are exempt from business rates for the first three months after they become vacant (six months for industrial premises). The threshold at which empty properties become liable for business rates has been set at £2,900. All empty properties with a rateable value of less than £2,900 are exempt from rates until they become occupied again. Additional exemptions apply to listed buildings, and to properties owned by charities and CASCs in certain circumstances.

Go to www.gov.uk/apply-for-business-rate-relief/exempted-buildings-and-empty-buildings-relief for more information.

Useful contact

The Valuation Office Agency (VOA) assesses the rateable value of business and non-domestic properties in England. It publishes information and guidance about business rates. www.gov.uk/government/organisations/valuation-office-agency

Related factsheets

BIF061 Business Rates

BIF519 Business Rates Relief Schemes in Wales

BIF520 Business Rates Relief Schemes in Scotland

BIF521 Business Rates Relief Schemes in Northern Ireland

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