

2008 No. 2997 (W. 262)

**RATING AND VALUATION,
WALES**

**The Non-Domestic Rating
(Miscellaneous Provisions)
(Amendment) (Wales) Regulations
2008**

EXPLANATORY NOTE

(This note is not part of the Regulations)

Paragraph 2 of Schedule 6 to the Local Government Finance Act 1988 (“the 1988 Act”) provides that the rateable value of a non-domestic hereditament is to be ascertained by reference to the rent at which it is estimated the hereditament might reasonably be expected to be let from year to year.

In those cases where there is no more direct evidence of rental value, the rateable value of a non-domestic hereditament is instead ascertained by decapitalising the estimated total capital value of the hereditament (this is known as “the contractor’s basis of valuation”). The decapitalisation rates are prescribed under paragraph 2(8) of Schedule 6 to the 1988 Act. The principal Regulations made under this power are the Non-Domestic Rating (Miscellaneous Provisions) (No 2) Regulations 1989 (as amended) (“the 1989 Regulations”), Regulation 2 of which prescribes the rates.

The Welsh Ministers in making these Regulations amend, with effect from 11 December 2008, the decapitalisation rates prescribed by Regulation 2 of the 1989 Regulations.

A Regulatory Impact Assessment has been prepared in connection with these Regulations. A copy can be obtained at <http://www.assemblywales.org/bus-home/buslegislation/bus-legislation-sub>.

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**The Non-Domestic Rating
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2008**

Made *17 November 2008*

Laid before the National Assembly for Wales
19 November 2008

Coming into force *11 December 2008*

The Welsh Ministers make the following Regulations in exercise of the powers conferred on the Secretary of State by section 143(1) of, and paragraph 2(8) of Schedule 6 to, the Local Government Finance Act 1988⁽¹⁾ and now vested in the Welsh Ministers⁽²⁾.

Title, commencement and application

1.—(1) The title of these Regulations is The Non-Domestic Rating (Miscellaneous Provisions) (Amendment) (Wales) Regulations 2008 and they come into force on the 11 December 2008.

(2) These Regulations apply in relation to Wales.

**Amendment to the Non-Domestic Rating
(Miscellaneous Provisions) (No 2) Regulations 1989**

2.—(1) Regulation 2 of the Non-Domestic Rating (Miscellaneous Provisions) (No 2) Regulations

(1) 1988 c. 41.

(2) The powers of the Secretary of State were transferred, in relation to Wales, to the National Assembly for Wales by the National Assembly for Wales (Transfer of Functions) Order 1999 (S.I. 1999/672), *see* the reference to the Local Government Finance Act 1988 in Schedule 1. The functions of the National Assembly for Wales were transferred to the Welsh Ministers under section 162 of, and paragraph 30 of Schedule 11 to, the Government of Wales Act 2006 (c. 32).

1989(1) (Valuation on the contractor's basis) is amended as follows.

(2) In paragraph (1C) omit the words "or after".

(3) After paragraph (1C) insert—“(1D) Paragraph (2D) of this regulation applies in relation to a hereditament, shown in a non-domestic rating list compiled on or after 1 April 2010, the rateable value of which is being ascertained using the contractor's basis of valuation.”

(4) After paragraph (2C) insert—“(2D) In applying the provisions of the Act referred to in paragraph (2) of this regulation in circumstances where paragraph (1D) of this regulation applies, the appropriate rate is to be assumed to be-

(a) in the case of a defence hereditament, an educational hereditament, a health care hereditament or a hereditament which is wholly a public convenience 2.97 per cent; and

(b) in any other case 4.5 per cent.”.

Brian Gibbons

Minister for Social Justice and Local Government, one of the Welsh Ministers

17 November 2008

(1) S.I. 1989 No. 2303 (as amended).