

Are there any exemptions from the business rates charge?

After the initial three or six month rate free period expires, an empty property is liable for 100% of the basic occupied business rate charge unless:-

1. From **1 April 2011**, the rateable value of the property is **less than £2,600**.
This rateable value limit was much higher in 2009/10 (£15,000) and 2010/11 (£18,000) because the government increased it in these years to help businesses during the recession. From **April 2011** it went back to a much lower figure of £2,600. This means that smaller premises are liable for the 100% business rate charge.
2. The owner is prohibited by law from occupying the property or allowing it to be occupied.
3. The property is kept vacant because of action taken by or on behalf of the Crown, or any other local or public authority, to prohibit occupation of the premises or acquisition of them.
4. The property is included in the schedule of monuments compiled under s.1 to the Ancient Monuments and Archaeological Areas Act 1979.
5. The property is the subject of a building preservation notice within the meaning of the Planning (Listed Buildings and Conservation Areas) Act 1990 or is included in a list compiled under section 1 of that Act.
6. The owner is entitled to possession only in his capacity as the personal representative of a deceased person.
7. One of the following insolvency or debt administration situations exists:
 - A bankruptcy order within the meaning of section 381 (2) of the Insolvency Act 1986.
 - The owner is entitled to possession of the property in his capacity as trustee under a deed of arrangement to which the Deeds of Arrangement Act 1914 applies.
 - The owner is a company subject to a winding-up order made under the Insolvency Act 1986 or which is being wound up voluntarily under that Act.
 - The owner is entitled to possession of the property in his capacity as liquidator under s112 or s145 of the Insolvency Act 1986.

- The owner is a company in administration under the Insolvency Act 1986 or is subject to an administration order.

There are also no business rates to pay on an empty property if:

- it is held by a charity and appears likely to be next used for charitable purposes.
- it is held by a community amateur sports club and appears likely to be next used for the purposes of the club.
- it is a newly-built non-domestic property completed after 1 October 2013 and before 30 September 2016.

Contact us if you need more details about these exemptions and zero ratings.