



Llywodraeth Cynulliad Cymru
Welsh Assembly Government

WRITTEN STATEMENT BY THE WELSH ASSEMBLY GOVERNMENT

Title: **Application to Wales of Non Domestic Rating Measures
Announced In the Pre Budget Report**

Date: **28 November 2008**

By: **Brian Gibbons, Minister for Social Justice and Local
Government**

I am writing to inform you of my decision to make legislation to apply to Wales two non domestic rating measures announced by the Chancellor of the Exchequer in the Pre Budget Report on 24 November 2008.

I will shortly be making legislation to:

- (i) Increase the threshold at which empty properties are exempted from paying rates from £2,200 to £15,000 from 1 April 2009 until 31 March 2010.

This will benefit the owners of the majority of empty business properties in Wales by saving them up to £7,355 on their rates bills and help them to manage short-term pressures due to the current difficult property market conditions. In the long term it is right to charge rates when properties stand empty, since this increases incentives to re-let and re-use empty property, and it would not be an effective use of resources to divert Assembly Government resources to subsidise owners of empty properties when the UK Government funding for this ends in 2011.

- (ii) Replicate the changes being made by the UK Government in England to allow businesses to pay certain backdated business rates bills in interest free installments over a period of up to 8 years. This will apply in respect of the 2005 rating list (the last revaluation) to business premises that should have

been liable for rates since 2005 but were not identified and put on the list until after it was compiled. In these cases, business rates bills are backdated to 2005 and issued for immediate payment.

This will assist affected business with their cash flow and will benefit occupiers of ports who have been affected by recent rating reviews.

These measures will further enhance the package of assistance available to businesses in Wales to provide assistance to businesses during these tough times for the economy.