Property Tax and Assessment News from Around the World

# UNITED KINGDOM – September 2023

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#### **UK GENERAL**

UK Hospitality chief executive warns rise in inflation 'hugely concerning' for businesses as Jeremy Hunt says increase is likely after 'blip' in prices

Against the backdrop of further inflation rises, this article reports on the chief executive of UK Hospitality's request to the chancellor to freeze rates and retain hospitality rate relief.

The article can be accessed via the following link:

UK Hospitality chief executive warns rise in inflation 'hugely concerning' for businesses as Jeremy Hunt says increase is likely after 'blip' in prices | Daily Mail Online

#### **International Property Tax Institute**

# Clamour grows for reform of 'broken' business rates

The demise of retail chains Wilko and Paperchase and the closures of about 6,000 retail stores in the past 5 years have prompted the industry to revive its campaign to reform business rates. This article hears from two well known retail chains who are calling for reform, and a rating practitioner who outlines the problems and what has been done to date. The article lists the "reviews" that successive governments have made to discover an improvement or alternative to the current system.

The article can be accessed via the following link:

Clamour grows for reform of 'broken' business rates (thetimes.co.uk)

# Retailers warn Chancellor against £400m business rates hike

The British Retail Consortium (BRC), supported by 44 of the largest retailers in the UK, have written to the Chancellor to urge him to freeze business rates in April 2024. This article looks at the annual rise which is based on the inflation figure for September of the previous year – currently looking likely to be 6% - and the consequences for retail properties if the rise goes ahead.

The article can be accessed via the following link:

Retailers warn Chancellor against £400m business rates hike | Evening Standard

#### Calls for chancellor to act on business rates

Recently, 44 major British retailers wrote to the Chancellor, urging him to freeze business rates in April 2024. This article hears from rating practitioners about the effect increasing property tax rates will have on businesses and the property market.

The article can be accessed via the following link:

<u>Calls for chancellor to act on business rates (drapersonline.com)</u>

## Business rates 'aren't fit for purpose' and are stifling small businesses, says FSB

The Federation of Small Businesses (FSB) are calling for the government to extend rate relief for small businesses in the retail, hospitality and leisure sectors. This article examines the proposals from the FSB, which include increasing the rateable value limit on small business relief from £12,000 to £25,000, and hears from their spokesperson that the system should be overhauled.

The article can be accessed via the following link:

Business rates 'aren't fit for purpose' and are stifling small businesses, says FSB (cityam.com)

#### **International Property Tax Institute**

# Sky: media business and Govt could unlock billions together

This article reports on Sky Media who are urging the government to commit to five key policy policies to expand the sector and inject investment into the UK economy. One of the five concerns the planning process and also the high level of business rate assessments currently the subject of major concern.

The article can be accessed via the following link:

Sky: media business and Govt could unlock billions together - The Media Leader (the-media-leader.com)

#### **ENGLAND & WALES**

## **Proposed Changes To Business Rates System**

The Non-Domestic Rating Bill 2022-23 is scheduled to start its third reading in the House of Lords in October and is likely to come in force early next year. This article examines the key measures the bill introduces, namely frequency of revaluations, new and amended reliefs, duty to provide information to the Valuation Office Agency and digitalising business rates.

The article can be accessed via the following link:

Proposed Changes To Business Rates System - Construction & Planning - UK (mondag.com)

#### **NORTHERN IRELAND**

### Increasing rates bills and bringing in water charges won't fix Stormont's budget

This article reports that the Secretary of State has told civil servants to launch public consultations on revenue-raising measures, including water charges and raising domestic and business rates. The article looks at the reasons for this and provides opinion on the impact of the current proposals.

The article can be accessed via the following link:

Increasing rates bills and bringing in water charges won't fix Stormont's budget (vnexplorer.net)

#### **SCOTLAND**

# Scottish Government 'ducking' key council tax reform, warns IFS

The Institute for Fiscal Studies (IFS) recently stated that the Scottish Governments proposals to increase council tax for the most expensive bands was a "step in the right direction", but a wider reform should still be considered. This article looks at the council tax system in Scotland and England where there has been no council tax revaluation since 1991, and

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compares those countries to Wales where a second revaluation is proposed as well as a more fundamental reform of the tax.

The article can be accessed via the following link:

Scottish Government 'ducking' key council tax reform, warns IFS | The Herald (heraldscotland.com)

# Scottish Government plan to reform council tax branded 'pointless'

Following a government consultation on council tax where consideration is being given to increasing the tax on Band E properties on a sliding scale between 7.5% and 22.5%, this article hears from the Reform Scotland Group who feel the tax should be abolished as it does not take into consideration a person's ability to pay.

The article can be accessed via the following link:

Scottish Government plan to reform council tax branded 'pointless' - Daily Record