



UNITED KINGDOM – October 2023

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UK GENERAL

Business rates forecast to rise £1.56bn next April, Colliers finds

The business rates multiplier rises annually in line with the Consumer Price Index for the September in the year preceding the April in which the increase will take effect. This article looks at the CPI estimate which will affect rates payable from April 2024 and hears from a rating practitioner who outlines the likely effects of a rate rise on commercial property occupiers and provides details of proposals for business rates reform.

The article can be accessed via the following link:

[Business rates forecast to rise £1.56bn next April, Colliers finds | Online | Property Week](#)

IFS examines options for reforming inheritance tax

This article looks at a report from the Institute of Fiscal Studies suggesting possible options for reforming Inheritance Tax, which include raising the nil rate band, or capping key reliefs such as business property relief and agricultural property relief.

The article can be accessed via the following link:

[IFS examines options for reforming inheritance tax | ICAEW](#)

Business Rates Avoidance and Evasion Consultation

A recent Government Consultation into Business Rates Avoidance and Evasion closed on 28 September. This article looks at the reasons behind the consultation, including the number of schemes that have been used to challenge the application of empty property relief. The article looks at the proposals the government are proposing, the question of “rogue agents” and the wider aims of the consultation.

The article can be accessed via the following link:

[Business Rates Avoidance and Evasion Consultation - Lexology](#)

Beleaguered London film studios could close despite demand spike, fear execs

This article hears from film studios in the United Kingdom who are facing a large increase in their business rates assessments effective from the new rating list from 1 April 2023. The BFC and their representatives are currently in discussions with the Valuation Office Agency to find a way forward.

The article can be accessed via the following link:

[Fears that London film studios will close over tax hikes - despite demand spike \(cityam.com\)](#)

International Property Tax Institute

IPTI Xtracts- The items included in IPTI Xtracts have been extracted from published information. IPTI accepts no responsibility for the accuracy of the information or any opinions expressed in the articles.

Businesses paying 30 per cent too much in rates, says Labour candidate

A labour candidate in the West Midlands has claimed that local businesses are paying 30% too much in business rates. This article looks at the claims based around the need for a better understanding of what grant support is available, whether they are eligible for rebates, and whether they might have grounds to appeal.

The article can be accessed via the following link:

[Businesses paying 30 per cent too much in rates, says Labour candidate | Express & Star \(expressandstar.com\)](https://www.expressandstar.com)

Of course NHS hospitals pay business rates – a very sensible idea it is too

This article provides a detailed explanation of why NHS hospitals should continue to be liable for business rates.

The article can be accessed via the following link:

[Of course NHS hospitals pay business rates - a very sensible idea it is too — Adam Smith Institute](https://www.adamsmithinstitute.org.uk)

Fuller's boss warns business rates will rise ten-fold due to pub closures without relief

This article hears calls from a national brewery for an extension of the business rates relief afforded to leisure properties. The article looks at the struggles of the pub industry, including data on closures, and how matters will get worse when the relief ends in April 2024.

The article can be accessed via the following link:

[Fuller's boss warns business rates will rise ten-fold due to pub closures without relief - Taranga News](https://www.taranganews.com)

Government Storm Babet grant too little too late, say flood-hit residents

This article looks at the Government's package to help occupiers affected by the recent Storm Babet, including up to £500, council tax and business rates holidays, and Business Recovery Grants and contributions to flood protection. The article hears from people affected by the floods in England and Scotland.

The article can be accessed via the following link:

[Government Storm Babet grant too little too late, say flood-hit residents | The Independent](https://www.the-independent.com)

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Labour should ‘proceed very carefully’ with land value capture, expert says

This article reports on a speech given by the Head of Strategic Research and Insight at a Sustainable Development Company, who advises the Labour Party to think carefully about imposing land value capture if they come to power. The article looks at how Labour would reform how land is valued for compulsory purchase and use land value capture to provide affordable housing.

The article can be accessed via the following link:

[Inside Housing - News - Labour should ‘proceed very carefully’ with land value capture, expert says](#)

ENGLAND

September’s inflation signals £1.95bn rise in business rates

The annual rise in business rates to reflect inflation is based on the Consumer Price Index (CPI) from the previous September. This article reports on calls for the Chancellor to intervene, as the September CPI figure is 6.7%, meaning a rise of £1.95 billion in business rates next year. The article explains that the tax rate was frozen last year and certain retail, leisure and hospitality properties were granted a 75% discount for the year.

The article can be accessed via the following link:

[September's inflation signals £1.95bn rise in business rates \(drapersonline.com\)](#)

UK business rates inflation-linked rise "unsustainable" says Colliers

This article provides a warning to the government by a rating practitioner that the anticipated increase in business rates next April is unsustainable and will have a deleterious effect on retail businesses on the high street. The article also looks at the logistics/manufacturing sector which is also expected to be affected.

The article can be accessed via the following link:

[UK business rates inflation-linked rise "unsustainable" says Colliers \(fashionnetwork.com\)](#)

NORTHERN IRELAND

Rising rates could discourage new ventures, says Larne business owner

This article hears from a Larne businessman in respect of the increase in the assessment for business rates purposes of his car dealership. It also includes an explanation from the Department of Finance of how rates payable are arrived at in terms of assessments, the regional and district rates and the available relief schemes.

The article can be accessed via the following link:

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[Rising rates could discourage new ventures, says Larne business owner \(yahoo.com\)](#)

High rates 'are a wrecking ball' for hospitality sector

This article reports on the views of the chair of Ulster Hospitality. He explains the pressures facing the hospitality sector in Northern Ireland, how it has been treated harshly in comparison to other countries in terms of property tax and VAT and gives advice to the chancellor of the measurers he should take to help the struggling industry.

The article can be accessed via the following link:

[High rates 'are a wrecking ball' for hospitality sector - The Irish News](#)

Government focus needed as threats to hospitality laid bare

This article looks at the level of business rates being charged in Northern Ireland and compares it to other countries in the UK. The article hears from the new chair of Hospitality Ulster who is urging the government to support the industry over the winter period as people now have less money to spend on hospitality.

The article can be accessed via the following link:

[Stephen Magorrian: Government focus needed as threats to hospitality laid bare - The Irish News](#)

SCOTLAND

Council tax frozen

Council tax rates are to be frozen in Scotland next year to help households with the effects of inflation. This article looks at the announcement from the First Minister for Scotland, which explains that the freeze will be fully funded by the Scottish Government.

The article can be accessed via the following link:

[Council tax frozen - gov.scot \(www.gov.scot\)](#)

Scottish businesses disadvantaged by new rates appeal rules

This article, written by a rating practitioner, looks at the reasons for the low appeal rate for the 2023 valuation roll in Scotland. The author believes this is a direct result of changes to the appeal process which has made it more difficult to appeal and tightened the deadlines. The electronic appeal system in use by the Assessors was also unavailable for 7 weeks, reducing the time available to appeal.

The article can be accessed via the following link:

[Scottish businesses disadvantaged by new rates appeal rules - Louise Daly \(scotsman.com\)](#)

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‘Real anger’ at Scottish Government decision to freeze council tax

There is considerable anger expressed by the Convention of Scottish Local Authorities (COSLA) over the fact that they were not consulted prior to the announcement by the First Minister that Council tax will be frozen for the next year. This article looks at the comments by COSLA who make it clear that they have not agreed this, and that they are the only ones who can make the decision.

The article can be accessed via the following link:

[‘Real anger’ at Scottish Government decision to freeze council tax – Cosla | The Independent](#)

Who will gain from the council tax freeze?

Following the announcement by the first minister of a council tax freeze, and the backlash from local council’s who were not consulted, this article looks at whether the lost council tax income will be funded by the Scottish Government as suggested. The article also considers analysis carried out to determine who will benefit from the freeze.

The article can be accessed via the following link:

[Who will gain from the council tax freeze? \(vnexplorer.net\)](#)

Consultation supports council taking action against empty homes

The results of a Scottish consultation have revealed that the public support action being taken against empty homes. This article examines the details obtained from the responses to the consultation which included favouring higher council tax premiums for homes empty for longer than a year and provides comments from the labour MSP and a local councillor.

The article can be accessed via the following link:

[Consultation supports council taking action against empty homes | Glasgow Times](#)

WALES

Replace council tax with local income tax as a matter of urgency, says report as local authorities face cash crisis

A report from Cardiff University’s Wales Governance Centre had concluded that without action local authorities in Wales will face a funding gap of £744m by 2027. This article looks at the report looks at the reasons for the growing gap, including spending pressures, inflation and pay increases, and suggests that scrapping council tax and replacing it with local income tax might be a solution.

The article can be accessed via the following link:

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[Replace council tax with local income tax as a matter of urgency, says report as local authorities face cash crisis \(nation.cymru\)](#)

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