



Department for
Communities and
Local Government

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Chief Finance Officers of English Billing Authorities

FOR THE ATTENTION OF THE BUSINESS RATES SECTION

Dear Chief Finance Officer

Business Rates Information Letter (9/2012); 2015 Business Rates Revaluation Announcement

This is the ninth business rates information letter to be issued by the Department for Communities and Local Government this year. Previous letters are available on the internet at:

<http://www.communities.gov.uk/localgovernment/localgovernmentfinance/businessrates/busratesinformationletters/>.

This letter covers:

2015 Business Rates Revaluation

1. The Government has announced its intention to postpone the next business rates revaluation in England to 2017. Primary legislation will be brought forward through the Growth and Infrastructure Bill which was laid before Parliament on 18 October 2012.
2. Business rates are the third biggest outgoing for local firms after rent and staff costs. This decision will avoid local firms and local shops facing unexpected hikes in their business rate bills over the next five years. As business rates are linked to inflation, there will be no real terms increase in rates over this period. This reform will provide certainty for business to plan and invest, supporting local economic growth.
3. Since the last revaluation (based on 2008 valuations), the economy and property market have faced exceptional changes. A revaluation at this point

would be likely to result in sharp changes to business rate bills in many parts of the country and in many sectors. Tax stability is vital to businesses looking to grow and help improve the economy.

4. The Government is committed to maintaining up to date rate bills through regular five yearly revaluations in England which will resume after 2017, once the economy has had a chance to recover fully from the financial and fiscal crisis this Government inherited from the last Administration.

5. The draft Growth and Infrastructure Bill is available on the Parliamentary website at: <http://www.parliament.uk/business/bills-and-legislation/>.