

A BASIC GUIDE TO THE RATING OF HOLIDAY COTTAGES

What is a rateable value?

Apart from those properties which are exempt from rates each non-domestic property has a rateable value.

The rateable value broadly represents the annual rent the property could have been let for on the open market on a particular date, on full repairing and insuring terms. For the current rating list, this date was set as 1 April 1998.

What factors may be taken into account in arriving at the rateable value?

In arriving at the rateable value the actual rents which operators pay may be taken into account. In addition other factors which may affect the rental value are also considered including the type, size, location; quality of the accommodation and the income potential.

What is a Self Catering Unit?

A building or self-contained part of a building which is available for letting commercially as self catering accommodation for short periods totalling 140 days or more in the year from the day you intend to make it available.

If I let it for less than 140 days in the year, am I still liable for a rating assessment?

If the property was available for letting throughout the year but the proprietor makes a conscious decision to only accept bookings for a total of 139 days (or less), then the property will not be subject to a rating assessment.

Where the proprietor does not make a decision to limit the total period for which bookings will be accepted the property will be liable for a rating assessment, regardless of whether actual lettings fail to exceed the 139-day limit in any given year.

What happens if I decide to let the property on a long-term tenancy?

If you let the property on a long-term basis so that it becomes, for example, someone's sole, or main residence, (a domestic property) then it will not become liable for a rating assessment. If it is already assessed for rating purposes, its entry will be deleted from the rating list and it will be 'banded' for council tax from the date when it became a domestic property.

Is my rateable value the same as the rates I will pay?

No. Rateable values are a key factor in the calculation of business rates but they are not the rates bill.

Local authorities are responsible for calculating actual rates bills and for collecting rates and will use the rateable value in working out how much you have to pay

The local authority will apply the multiplier (a rate in the pound) which is set by the Office of the Deputy Prime Minister (ODPM) to the rateable value to the rateable value and then deduct any relief's that are available. In Wales the multiplier is set by the National Assembly for Wales (NAW). The local authority will also work out any transitional adjustment. The transitional adjustment limits the amount by which your rates bill changes following a revaluation.

From what date will the self-catering unit be rated?

Generally, a property will be entered in the rating list with effect from the date that it becomes available for use as a self-catering unit. This date is known as the 'Effective Date'.

There are exceptions to this where the date the use as a self-catering unit started was prior to 1st April in the year the VO alters the list. Under these circumstances the 'Effective Date' may be later than the date the property actually became available for use. Your local Valuation Office will be able to provide guidance for your particular circumstances.

Can I appeal against the rating assessment?

Yes. You can appeal against both the rateable value and the Effective Date - this is known as making a 'proposal' to alter the Rating List.

If you have had an entry in the 2000 Rating List from 1 April 2000 you can appeal against the original entry in this list at any time up until 31 March 2005. If it is a new entry into the Rating List, or the entry has been altered since 1 April 2000, you will be served a notice by the Valuation Officer.

Proposals in response to a list alteration or a new entry in the 2000 list may be made up to 30 September 2005. The Effective Date of an alteration to the rating list in response to a ratepayer's appeal may be subject to certain limitations.

For more information contact your local Valuation Office.

You can obtain a proposal form from your local Valuation Office or you can make an appeal on-line from our web site at

www.voa.gov.uk

Your local Valuation Officer is Patrick Bond who has offices at:

Norwich Valuation Office

Rosebery Court, Central Avenue
St. Andrews Business Park
Norwich, NR7 0HS
Tel: 01603 241000
Fax: 01603 241099

Ipswich Valuation Office

St Clare House, Greyfriars
Ipswich, IP1 1LR
Tel: 01473 587800
Fax: 01473 587899

Colchester Valuation Office

34 Southway,
Colchester, CO2 7BB
Tel: 01206 287100
Fax: 01206 287199

Chelmsford Valuation Office

London House, New London Road
Chelmsford, Essex, CM2 0QL
Tel: 01245 541200
Fax: 01245 541299

Other leaflets available

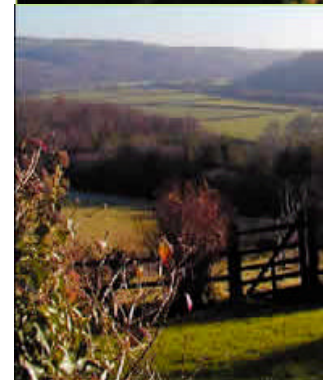
Choosing a rating advisor
How your property is valued for rating
How to appeal against your rating assessment
Rating of Bed & Breakfast and guest houses
Council Tax and the new owner
A guide to disabled facilities at local VO offices

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