

A basic guide to the Rating of bed and breakfast accommodation and guest houses

When is a Bed and Breakfast property domestic?

A property will be domestic and therefore have a Council Tax banding rather than a rating assessment if: -

you do not intend to provide short stay accommodation for more than 6 persons at any one time within the coming year

and
the property is your sole or main residence

and
the bed and breakfast use is **subsidiary** to the private use.

How is the Rateable Value calculated?

The rateable value is based on the Valuation Officer's estimate of the rental value of the property as at 1 April 1998.

What factors may be taken into account in arriving at the Rateable Value?

In arriving at the rateable value, regard may be had to the actual rents which operators pay.

In addition factors such as the number of bedrooms, whether singles, doubles or family rooms, basic or ensuite, the location and quality of the accommodation, the presence of restaurant facilities and the level of turnover may be taken into account in the valuation.

The Bed and Breakfast Use must be subsidiary to the private use. What factors are considered?

The amount of a property used for B & B at any one time -

If half or more of the whole house is used for guests at any time that property is likely to be rated.

Adaptation to a property -

If adaptations have been carried out specifically to benefit guests, for example the installation of additional wash basins, bathrooms or ensuite facilities, fire precautions such as fire doors, alarms and extinguishers and these alterations alter the character of the property beyond that of a private house then the B & B use may not be subsidiary and therefore rateable.

Nature of use -

Factors such as whether the property is open all year round, serves evening meals or has a licence are taken into account when deciding if the B & B use is subsidiary.

Is the Rateable Value the amount I will actually pay?

No. The amount of rates that you will pay will be calculated and collected by the local Billing Authority for your area in respect of each rate year for which you are assessed.

The rateable value is multiplied by the appropriate Uniform Business Rate for each year.

The amount payable may be also affected by transitional relief, details of which can be obtained from the Billing Authority.

Should I employ a Rating Adviser?

You may make an appeal yourself or you can employ an agent or property specialist to represent you or make your appeal. Members of the Royal Institution of Chartered Surveyors (RICS) and the Institute of Revenues, Rating and Valuation (IRRV) are regulated by rules of professional conduct designed to protect you, and they will be pleased to provide you with the addresses of reputable firms practising in your area. The RICS offer a helpline on 0870 333 1600.

Before employing a rating adviser who is not a member of one of these bodies you should satisfy yourself that he or she has the knowledge and expertise needed to represent you properly. You should also make sure that the adviser holds adequate professional indemnity insurance.

The Valuation Officer is not permitted to offer advice on the suitability of any adviser.

Further Information

Please contact your local valuation office.

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 adviser
How your property is valued for rating
How holiday cottages are valued
How to appeal against your rating assessment
Council Tax and the new owner
A guide to disabled facilities at local VO offices

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www.voa.gov.uk

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