



Non-Domestic Revaluation Explained 2010



Summary

- We are carrying out the revaluation to achieve a fair and equitable distribution of the rate burden.
- A revaluation in itself will not increase the total amount of rates payable in Northern Ireland.
- The full effects of the revaluation will only become known towards the end of the exercise.
- **We are NOT revaluing domestic property at this time.**

What is a non-domestic revaluation?

As the name suggests, non domestic revaluation deals with **all properties that are not domestic**. Numerically, the bulk of properties to be revalued are shops, offices, factories and warehouses, but the total also includes property types such as;

- Pubs
- Schools
- Hospitals
- Utilities
- Playing fields, etc

A revaluation brings rateable values into line with current property values.

Following the revaluation a new 'Valuation List' will be published. This will come into force on 1st April 2010.

What information do I need to supply if I receive a Form of Return?

Everyone who needs to supply information will receive a letter from Land & Property Services. This letter will include a 'Form of Return'. If you receive a 'Form of Return' you need to complete it and return it within 28 days or risk a fine of £1000.

The type of information required includes:

- whether the property is owner occupied or if rented
- the rent you pay
- the terms and conditions of the tenancy agreement.

What is the purpose of a revaluation?

Revaluation brings rateable values back into line with current property rental values.

It is not designed to raise additional revenue but to make sure that rates liability is fairly distributed across all properties in line with changes in rental values.

To illustrate this, we can think about a business located in an area that has undergone economic decline since the last revaluation. Such a business will now be paying proportionally too much in rates. In contrast, a business in an area that has benefited from improved economic conditions may now be paying proportionally too little.

A system of regular revaluations helps make sure that large imbalances do not build up in the Valuation List as a result of changing market conditions.

What are rateable values?

Rateable values (also referred to as Net Annual Values) are used to work out your rate bill. The values are **based on rental values** and are fixed at the time of a revaluation.

For business premises, the rateable values contained in the current Valuation List reflects the level of rents which applied on 1 April 2001.

Do higher values mean higher rates bills?

In general no. The revaluation in itself will not increase the total amount of rates payable in Northern Ireland. However, individual ratepayers will be affected.

Higher rateable values should translate into proportionally lower rates in the pound. Looking at the last revaluation, the overall increase in total value was around 25%. This resulted in a reduction of the average rate poundage from 50 pence to below forty pence.

Can I challenge the new valuation?

Yes. There are three possible routes:

- Apply to the District Valuer for a review.
- If dissatisfied – Appeal to the Commissioner of Valuation.
- If still dissatisfied – Appeal to the Lands Tribunal for Northern Ireland.

For more information visit our website: www.lpsni.gov.uk

Will 'derating' be affected by revaluation?

The percentage derating applied to certain industrial properties **will be unaffected** by the revaluation. From 1 April 2010 any rates which are paid on these premises will be based on the new valuations.

Will my property be inspected?

Most properties will not need a detailed inspection. Exceptions would be:

- If your property has changed since it was last inspected.
- If we need to add extra detail to our records that may impact on the valuation figure.
- Who assesses the new rateable values?

The new rateable values are assessed by professional valuers/chartered surveyors within Land & Property Services.



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Contact Information

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