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## What if I defer and then change my mind?

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Speak to your local authority and they will remove the deferral and adjust your payments.

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## When do I pay it back?

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To keep the process simple you will pay back half the deferred amount in 2010-11 and half in 2011-12.

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## Will deferral affect any rate relief I receive?

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No. The amount deferred will not be taken into account when calculating relief entitlement in 2009-10 or in the 2 forward years.

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## Can I defer more or less than 3%?

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No, this scheme allows deferral of 3%.

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## Do I need to pay someone else to apply on my behalf?

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No. You do not need to apply through a third party who may charge for their services.

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## Will you operate a similar scheme next year?

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This scheme is in response to the current economic climate and we will need to fully assess the situation before considering a similar scheme for 2010-11.

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## What other help is available?

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If you pay business rates for properties with a combined rateable value of £15,000 or less you may be eligible for the Small Business Bonus Scheme in 2009-10.

Thresholds for eligible properties are –

Combined rateable value of all business properties in Scotland	Percentage relief available 2008-09	Percentage relief available 2009-10
Up to £8,000	80%	100%
£8,001 to £10,000	40%	50%
£10,001 to £15,000	20%	25%

If eligible, you may also qualify for retrospective Small Business Bonus Scheme relief for 2008-09.

For more information please visit [www.scotland.gov.uk/sbbs](http://www.scotland.gov.uk/sbbs) or contact your **local authority** for a small business bonus scheme application form.

Other rate reliefs are in operation and you should contact your local authority for advice.

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## Further information?

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To request an application form or for queries about your non-domestic rates bill, please contact your local authority.

Please note that the Scottish Government cannot supply application forms or answer queries relating to individual applications. For other enquiries, please contact:

The Scottish Government  
Business Rates Enquiries  
Area 3 J(N)  
Victoria Quay  
Edinburgh EH6 6QQ

Email- [business.rates.enquiries@scotland.gsi.gov.uk](mailto:business.rates.enquiries@scotland.gsi.gov.uk)

A copy of this leaflet is available on the Scottish Government Website : [www.scotland.gov.uk](http://www.scotland.gov.uk)

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**Scottish  
Business  
Rates  
Deferral  
Scheme  
2009-10**



# Scottish Business Rates Deferral Scheme 2009-10:

On 1<sup>st</sup> April 2009 most non-domestic (business) rate bills in Scotland increased by 5%. In response to the difficulties facing businesses as a result of the economic crisis, the Scottish Government and all 32 Scottish local authorities have implemented a new business rates deferral scheme for 2009-10 to minimise the impact of this increase, help cash flow and provide a 'much-needed boost' for the Scottish economy.

This scheme allows businesses to choose to spread repayment of part of their 2009-10 business rates over 3 years.

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## What is the scheme?

You can choose to defer payment of 60% of the 5% increase in business rates bills for 2009-10. In practice this equates to 3% of your 2009-10 bill.

You will repay the deferred amount split half into 2010-11 and half in 2011-12.

For example, if your rates bill is £25,000 in 2009-10, you can defer 3% – a total of £750. This will be repaid by adding an additional £375 to each of your 2010-11 and 2011-12 bills. The remainder of your 2009-10 bill (£24,250) must be paid, as normal, in 2009-10.

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## Do I pay interest on the deferred amount?

No.

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## What is the catch?

There isn't one. The scheme is intended to help **all** rate paying businesses in the current economic climate.

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## How does a business qualify?

Every single business that pays business rates in Scotland qualifies.

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## What if I pay no rates?

If you are exempt from paying rates or already receive 100% relief your rates bill will be zero so you have no amount to defer.

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## What do businesses need to do?

Deferral is available **on request**. Each business needs to let its local authority know that it would like to defer payment by submitting an application form, which should be enclosed with this leaflet or available from your local authority. Contacts for your local authority can be found on your rates bill or at:

<http://www.scotland.gov.uk/Topics/Government/local-government/17999/11199/contact>

You **must** keep paying your original bill until you are notified that deferment arrangements are in place or you receive a new bill.

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## Will I receive another bill?

Yes. If you apply for deferment your local authority will re-bill you, unless you have already received a final notice for 2009-10. Local authorities will need time to process applications and will reissue bills from August onwards.

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## What if I fall into arrears?

Once your 2009-10 bill is at final notice stage you will lose the right to defer. This is because liability has not been deferred, only payment. If you receive a final notice in 2009-10 or either of the two later years your local authority will begin normal recovery procedures to recover the entire bill and this will include any deferred amounts.

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## Is there a deadline in the current financial year to apply?

No. Although we would encourage you to apply as soon as possible to benefit from the scheme. Businesses may apply to defer their 2009-10 bill, provided there is still a sufficient amount outstanding on the bill of at least 3% at the point of application and you have not received a final notice.

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## What if I have more than one property in the same Local Authority area?

If you have multiple properties in the same local authority area then you need only complete one application per local authority. The application form has a section above your signature that you can use if you have multiple properties. Please remember to provide details (on a separate page if necessary) of all the addresses you wish to claim for.

If your business has properties in several local authority areas you will need to apply to each local authority individually.

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## What if I don't want to defer payment?

You need do nothing – just continue to pay your original 2009-10 bill. Each business has the flexibility to choose to defer or not. But if you want to defer, you **must** send an application form to your local authority.

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## Why not just make this an automatic qualification?

We believe it is important that businesses are allowed the flexibility to choose.