

LOCAL GOVERNMENT IN SCOTLAND ACT 2003

EXPLANATORY NOTES

THE ACT – SECTION BY SECTION

Part 5 – Rating and council tax

Section 28 – Rate Relief on former agricultural premises

82. This section establishes, with effect from 1 April 2003, a 50 per cent mandatory rate relief scheme for lands and buildings used for non-agricultural purposes on what had previously been agricultural lands and buildings. The section also gives local authorities a discretionary power to increase the relief to 100 per cent. This section sets out the conditions that the lands and heritages must meet if they are to qualify for the 50 per cent mandatory rate relief.
83. This section also places a 5 year limit on the relief from the date the provision comes into effect. It also gives the Scottish Ministers power to extend the life of the scheme for a further period or periods and if the period is extended, limits the mandatory relief for lands and heritages that include land and buildings already qualifying for relief, to a 5 year period from the date this provision comes into effect.
84. The mandatory relief described above will not be available to stud farms, which already benefit from an existing concession that reduces their rateable value. Under existing legislation, local authorities have a discretionary power to increase rate relief to 100 per cent. Stud farms newly established on or after 1 April 2003 will be able to qualify for this discretionary relief by virtue of section 28. However, this will be subject to the rateable value of the lands and heritages occupied by the stud farm, shown in the valuation roll at the beginning of the financial year, not being more than the amount prescribed by the Scottish Ministers.