

BUSINESS RATE SUPPLEMENTS ACT 2009

EXPLANATORY NOTES

COMMENTARY ON SECTIONS

Liability to business rate supplements

Sections 13 and 14: Chargeable amount

33. These sections set out the method for calculating the chargeable amount for a chargeable day. The method varies depending on whether one of the existing mandatory or discretionary reliefs from national non-domestic rates is available in respect of the property.
34. [Section 13\(2\)](#) prescribes the formula for calculating the daily chargeable amount for properties in respect of which no rate reliefs are available. This basic liability is calculated by applying the BRS multiplier to the rateable value of the property and dividing the result by the number of days in the financial year ([section 14\(2\)-\(4\)](#)). Where the rateable value has been apportioned under [section 12\(2\)](#) and (3), the multiplier is applied to the rateable value for the occupied portion of the property.
35. *Subsection (3)* prescribes the formula for calculating the daily chargeable amount for occupied properties in respect of which small business rate relief is granted.
36. *Subsection (4)* prescribes the formula for calculating the daily chargeable amount for occupied properties in respect of which mandatory rate relief for charities and community amateur sports clubs is granted.
37. *Subsection (5)* prescribes the formula for calculating the daily chargeable amount for occupied properties in respect of which mandatory rural rate relief is granted.
38. The operation of each of these formulae is adjusted by [section 14\(9\)](#) and (10) to reduce the liability of the occupiers of partially empty properties where the owners of empty properties are liable to the BRS. These subsections apply only where an order is in place under [section 45\(4A\)](#) of the Local Government Finance Act 1988 which reduces the liability to national non-domestic rates of the owners of empty properties to less than 100% of the basic liability. At all other times where the owners of empty properties are liable to the BRS, the liability of occupiers of partially empty properties is the same as the liability in respect of fully occupied properties.
39. *Subsection (6)* prescribes the formula for calculating the daily chargeable amount for empty properties. This subsection applies only where the Secretary of State or, in Wales, the Welsh Ministers have made an order under [section 45\(4A\)](#) of the Local Government Finance Act 1988 which reduces the liability to national non-domestic rates of the owners of empty properties to less than 100% of the basic liability.
40. *Subsections (7)* and (8) describe how the daily chargeable amount is calculated for properties in respect of which the rates billing authority has granted discretionary relief or hardship relief.

*These notes refer to the Business Rate Supplements Act
2009 (c.7) which received Royal Assent on 2 July 2009*

41. [Section 14\(6\)](#) places an upper limit on the multiplier for any single BRS imposed by a levying authority in a financial year of 0.02, or 2p per pound of rateable value. [Subsection \(7\)](#) places the same overall upper limit on all BRS imposed by a levying authority in a financial year.
42. [Subsection \(8\)](#) provides that, in addition to the limits imposed by [subsections \(6\)](#) and [\(7\)](#), a BRS cannot increase above the amount specified in the final prospectus or in accordance with a variation under section 10.