

# **BUSINESS RATE SUPPLEMENTS ACT 2009**

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## **EXPLANATORY NOTES**

### **COMMENTARY ON SECTIONS**

#### *Administration of business rate supplements*

#### *Sections 18 to 20: Notice to billing authorities and calculations for financial year*

47. **Section 20** sets out which authority is responsible for calculating the amount to be paid by each person liable to pay a BRS in a year. Where the levying authority is a billing authority for the purposes of national non-domestic rates, *subsection (1)* requires it to calculate the chargeable amount.
48. However, where the levying authority is not a billing authority, the calculation will be the responsibility of the billing authority for the area that the person's non-domestic property is situated in (*subsections (2) and (3)*). To enable the calculation to be made, section 18(1) requires levying authorities intending to impose a BRS to give written notice to each billing authority in their area containing the information specified in *subsection (2)*. In particular, levying authorities must notify billing authorities of the BRS multiplier and their policy on reliefs.
49. If the BRS is to be payable with effect from the beginning of a financial year, section 18(3) specifies that the notice must be given before 1st March in the preceding financial year. If notice is not given by that time, the BRS is to commence in its first year other than on 1st April, or a variation is to take effect other than on 1st April, notice must instead be given under section 19.
50. If notice is not served on a billing authority under section 18 or section 19, it need not make any calculations under section 20(2). Where notice is given of a variation to the BRS, new calculations are required only to the extent necessary to give effect to the variation (section 20(4)).

#### *Sections 21 and 22: Collection and enforcement and administrative expenses*

51. **Section 21(1)** empowers the Secretary of State and, in Wales, the Welsh Ministers to make regulations dealing with the collection and enforcement of BRS. These may be made as standalone regulations relating specifically to the collection and enforcement of BRS or by way of applying or amending the existing regulations governing the collection and enforcement of non-domestic rates. These regulations will deal with the practicalities of collection and enforcement and the form and contents of BRS bills.
52. Under section 22(1), the regulations may also contain provision allowing billing authorities to retain a prescribed proportion of BRS revenues to cover their costs incurred in collecting and enforcing payment of BRS. However, if costs are incurred as a result of the levying authority serving notice on the billing authority under section 19, introducing a BRS mid-way through a financial year or making a variation to the BRS which takes effect mid-way through a financial year, they cannot be covered by the BRS revenues. In those circumstances, they must be met by the levying authority (*subsections (3)-(6)*).

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

53. [Section 21\(3\)](#) provides that collection and enforcement may continue after the BRS has come to an end to the extent that sums fell due before that time. [Subsection \(4\)](#) provides that regulations may deal with when collection and enforcement must stop as a result of the project being funded by the BRS being abandoned.