



MONTAGU EVANS TALKS...

EXTENSIVE MEASURES TO ASSIST SCOTTISH RATEPAYERS

BY STEVEN DALTON

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Further to last week's note on the extensive measures announced by the Scottish Government, additional information has now been provided clarifying a number of issues:

- For those who qualify for 12 months rates relief (retail, hospitality and leisure sectors), the Scottish Government expect each council to grant relief **automatically** and without the need to submit an application form. Relief will be effective from 1 April 2020.
- State Aid Limits will **increase** from €200,000 to €800,000 over a 3 year period. This will have a **serious impact** to ratepayers with larger assessments and portfolios and in particular, those that have benefited from relief previously.
- Properties who claim **empty property** rates relief **won't qualify** for 12 months rates relief.
- Properties that have **closed temporarily**, will continue to be classed as occupied.
- **Application forms** have now been made available to claim for **grant aid** for qualifying firms. As a reminder, these grants are as follows:
 - £10,000 grants available for businesses that qualify for Small Business Bonus Scheme or Rural Relief.
 - £25,000 grants for hospitality, leisure and retail properties with a rateable value between £18,000 and £51,000.
 - Grants will be made available from 1 April 2020 to 31 March 2021.
 - Only one grant is payable per ratepayer regardless of how many properties you own.
 - Application can be made online via the relevant Council's website.
 - Grants to be provided within 10 working days
 - No need to be repay grants.

Although it is the expectation of the Scottish Government that all councils will automatically grant 12 month rates relief, in reality this will take time to process. Additionally, there will undoubtedly be examples where relief has failed to be applied and further approach will be necessary. The increase of the State Aid Limit will assist some and restrict many. We are aware that this increase falls in line with other European countries although the Government continues to seek approval from the European Union for removal of all limits. It is unclear whether the Scottish Government will amend their stance if limits are removed. There is also an element of confusion as to what is deemed retail, hospitality and leisure. A list of qualifying properties was issued by the Scottish Government last week but has since been removed from their website. This suggests some changes, additions and deletions, are likely.

As soon as any further information becomes available, we'll advise accordingly. In the meantime, feel free to contact any member of our team should you require assistance.

TALK TO ONE OF THE TEAM



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