

Local Authority Briefing

This briefing provides a summary of activity the Valuation Office Agency (VOA) is about to carry out around changes to the eligibility rules for self-catering properties, which mean the property can be assessed for business rates. This activity concerns property owners in both Wales and England.

Changes to business rates rules for self-catering properties

In March 2022 and May 2022, the UK and Welsh Governments respectively announced changes to the eligibility rules for whether a property can be assessed as a self-catering property and then valued for Business Rates rather than Council Tax.

Although the new eligibility rules come into force on 1 April 2023, for assessment purposes VOA will look at letting information from the previous operating year. Owners of self-catering properties need to be aware that it is the availability and actual letting of their property during 2022-23 that will determine whether they are eligible for Business Rates rather than Council Tax.

The new eligibility rules

There are different criteria for Wales and England, as follows:

In England, your property must be (all of the following):

- available for letting commercially (with a view to making a profit) for short periods. These short periods must total **140 days** or more in the previous, and in the current year.
- actually let commercially for **70 days** or more in the previous 12 months.

If your property is in Wales it must be (all of the following):

- available to let commercially for short periods that total 252 days or more in the previous and current year
- actually let commercially for 182 days or more in the previous 12 months.

Letting owners know about the changes

The VOA will be contacting customers from 24 October to let them know about the new eligibility rules, with a mailshot to self-catering properties currently on the Rating List. A copy of the letters to English and Welsh customers is shared below for your awareness.

After 1 April 2023, we will contact owners in England by writing to their billing address to confirm their eligibility.

In Wales, we have already issued a form of return to owners of around half the self-catering properties in the rating list (5,500) to be reviewed against the current criteria. Next year we will issue to the remaining property owners and review against the new criteria.

The rolling programme means we will ask customers to give us information at different times during the 2023/24 operating year. But we will be using a universal date, from which we will assess whether the new eligibility rules have been met, of 01 April 2023.

Social media campaign

From the week commencing 24 October we will be posting regular content on our social media channels to raise awareness of the changes. Please keep an eye on our channels and share any content that is relevant for your audiences.

You can find the VOA on [Twitter](#) and [LinkedIn](#).

A warm-up tweet, which explains whether customers should contact the VOA or their local authority for business rates queries, can be found [HERE](#).

Frequently asked questions

When will the new eligibility rules come in?

The new eligibility rules will be effective from 1 April 2023.

Will the new eligibility rules apply retrospectively?

The new eligibility rules will take effect from 1 April 2023. However, we will look at Information about a property's letting during the 2022/23 operating year to assess whether the new eligibility rules have been met.

If a property does not meet the new eligibility rules for the 2022/23 operating year, the property will be moved out of Business Rates and into the Council Tax Valuation list from 1 April 2023.

Will the new eligibility rules apply to new holiday lets?

They will apply equally to all self-catering properties across England and Wales.

New holiday lets will be liable for Council Tax each day until the property meets the eligibility rules.

What do I need to do?

Property owners do not need to tell the VOA anything now. A valuation officer will ask for this information in the 'Request for Information' form, which will be sent to property owners at a later date. We will consider whether they meet the new rules on the actual lettings for their property in 2022/23.

Further information

To find out more, property owners can go to GOV.UK and search 'VOA business rates self-catering properties'.

There are a number of reliefs available to assist businesses, including the [Small Business Rates Relief Scheme \(SBRR\)](#). For further details, property owners should contact their local council.

Appendix 1: Mailshot content England

October 2022

Find out if changes to business rates affect your self-catering property

We're writing to let you know that there are new eligibility rules you need to meet for your self-catering property to continue to be eligible for business rates (subject to any reliefs).

These new rules will apply from 1 April 2023. We want to make you aware that information about lettings during the 2022/23 operating year will be used by our valuation officers to assess whether your property remains in the Rating List. If you don't meet these rules your property will become eligible for paying Council Tax.

This letter is for your information only – you do not need to tell us anything now. A valuation officer will ask for this information in the 'Request for Information' form, which will be sent to you at a later date. But you may need to consider the availability and actual lettings for your property in 2022/23 if you want it to remain in the Rating List.

To continue to be eligible for business rates

From 1 April 2023 your property must be (all of the following):

- available for letting commercially (with a view to making a profit) for short periods. These short periods must total **140 days** or more in the previous, and in the current year.
- actually let commercially for **70 days** or more in the previous 12 months.

When will properties be assessed?

Valuation officers conduct a rolling programme to check that properties listed as self-catering properties in the non-domestic rating list meet the eligibility rules. Properties

may also be reassessed for other reasons, for example if there has been a change of circumstances or a change of use.

These new eligibility rules will be used in assessments made from 1 April 2023. The rolling programme means we will write to customers, asking for this information, at different times during the 2023/24 operating year. But we will be using a universal date, from which we will assess whether the new eligibility rules have been met, of 01 April 2023.

To find out more

Go to GOV.UK and search 'VOA business rates self-catering properties'.

If you would like to receive this letter in large print, braille or another format, please contact us on 03000 501 501 or using Relay UK on 18001 03000 501 501

The Valuation Office Agency

Appendix 2: Mailshot content Wales

October 2022

Find out if changes to business rates affect your self-catering property

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This letter is for your information only – you do not need to tell us anything now. A valuation officer will ask for this information in the 'Request for Information' form, which will be sent to you at a later date. But you may need to consider the availability and actual lettings for your property in 2022/23 if you want it to remain in the Rating List.

To continue to be eligible for business rates

From 1 April 2023 your property must be (all of the following)

- available to let commercially for short periods that total **252 days** or more in the previous and current year

- actually let commercially for **182 days** or more in the previous 12 months.

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To find out more

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The Valuation Office Agency

Hydref 2022

Darganfod a yw newidiadau i drethi busnes yn effeithio ar eich eiddo hunanddarpar

Rydym yn ysgrifennu atoch i roi gwybod i chi fod yna reolau cymhwysra newydd y mae angen i chi eu bodloni er mwyn i'ch eiddo hunanddarpar barhau i fod yn gymwys ar gyfer trethi busnes (yn amodol ar unrhyw ryddhad).

Bydd y rheolau newydd hyn yn dod i rym ar 1 Ebrill 2023. Rydym eisiau eich hysbysu y bydd gwybodaeth am osodiadau yn ystod blwyddyn weithredu 2022/23 yn cael ei defnyddio gan ein swyddogion prisio i asesu a fydd eich eiddo'n aros ar y Rhestr Ardrethu. Os nad ydych yn bodloni'r rheolau hyn, bydd eich eiddo'n dod yn gymwys ar gyfer talu Treth Gyngor.

Mae'r llythyr hwn er eich gwybodaeth yn unig – nid oes angen i chi ddweud dim byd wrthym ar hyn o bryd. Bydd swyddog prisio yn gofyn am yr wybodaeth hon yn y ffurflen 'Cais am Wybodaeth', a fydd yn cael ei hanfon atoch yn ddiweddarach. Ond mae'n bosibl y bydd angen i chi ystyried argaeledd eich eiddo a gosodiadau gwirioneddol ar gyfer eich eiddo yn 2022/23 os ydych am iddo aros ar y Rhestr Ardrethu.

I barhau i fod yn gymwys ar gyfer trethi busnes

O 1 Ebrill 2023 ymlaen, mae'n rhaid i bob un o'r canlynol fod yn berthnasol o ran eich eiddo:

- rhaid iddo fod wedi bod ar gael i'w osod yn fasnachol am gyfnodau byr sy'n dod i gyfanswm o 252 diwrnod neu fwy yn ystod y flwyddyn flaenorol a'r flwyddyn bresennol
- rhaid iddo fod wedi bod ar osod yn fasnachol am 182 diwrnod neu fwy yn ystod y 12 mis blaenorol

Pryd y caiff eiddo eu hasesu?

Mae swyddogion priso'n cynnal rhaglen dreigl i wirio bod eiddo a restrir fel eiddo hunanddarpar ar y rhestr drethu annomestig yn bodloni'r rheolau cymhwysra. Gellir hefyd ailasesu eiddo am resymau eraill, er enghraifft os bu newid mewn amgylchiadau neu newid o ran defnydd

Bydd y rheolau cymhwysra newydd hyn yn cael eu defnyddio mewn asesiadau a wneir o 1 Ebrill 2023 ymlaen. Golyga'r rhaglen dreigl hon y byddwn yn ysgrifennu at gwsmeriaid i ofyn am y wybodaeth yma ar adegau gwahanol yn ystod blwyddyn weithredu 2023/24. Serch hyn, byddwn yn defnyddio 01 Ebrill 2023 fel dyddiad cyffredinol er mwyn asesu os yw'r rheolau cymhwysedd newydd wedi cael eu bodloni.

I gael rhagor o wybodaeth

Ewch i GOV.UK a chwilio am 'VOA business rates self-catering properties'.

Os hoffech dderbyn gwybodaeth mewn fformat arall fel print bras, braille, neu rhywbeth arall, rhowch wybod i ni drwy gysylltu â 03000 505505 neu drwy ddefnyddio 'Relay UK' ar 18001 03000 501 501

Asiantaeth y Swyddfa Brisio