

# Press release 2015



## RICS RESPONDS TO HM TREASURY ON BUSINESS RATES

Having been increasingly put under the spotlight within recent political manifestos and budgets, the methods of the Business Rates system have come under scrutiny. The verdict? It is an over complex, archaic system.

Business rates are a tax on property, affecting most businesses and Landlord's in the UK. However, with the rapidly changing economy, there are criticisms that the system doesn't match the dynamic nature of the market, and would be more poised to create fair rates if revaluations of were undertaken more frequently.

Recently the RICS have responded to the HM Treasury consultation to the business rates system with the main points being as follows.

1. As technology has advanced it seemed that the business rates system simply hasn't followed. It is still compulsory to fill out VOA forms on paper rather than being accessible to the platform of online users which would greatly progress the system and you would think make for a smoother process for the Valuation Office.
2. The RICS have called for more frequent revaluations which have previously been every 5 years although the last revaluation period has been for 7 years. The frequency of valuations will, in theory greatly improve fairness in allowing rateable values more closely to market levels.
3. The RICS responds also calls for further route and branch review into the appeals process which in our opinion lacks both transparency and speed.

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In addition to the above the final piece of the RICS response related to the complex regime of exemptions and relief that are currently in place. These are grown at piecemeal over many years as Government policy has changed and has led to an overly complex system.

Alastair Fearn comments:

“The business rate system does have significant flaws which need addressing and it is encouraging to see that HM Treasury are consulting on the issue. The problem is however how much appetite is there really from the Government to change the tax system that regularly brings in £29b per annum?

I can't help but feel that any changes will be relatively minor, still leaving businesses and rate payers crying out for change.”

FHP are experts in the field of business rates and are experienced in saving rate payers money by reducing rateable values and successfully applying for reliefs. Any occupy can challenge their rateable value, if you are interested in seeing if we can help you please contact Alastair Fearn at FHP on 0115 841 3913 or [alastair@fhp.co.uk](mailto:alastair@fhp.co.uk).

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Alastair Fearn  
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Tel: 0115 9507577  
Email: [alastair@fhp.co.uk](mailto:alastair@fhp.co.uk)