

Non-Domestic Rates (Scotland) Bill

Marshalled List of Amendments selected for Stage 3

The Bill will be considered in the following order—

Sections 1 to 31

Long Title

Amendments marked * are new (including manuscript amendments) or have been altered.

Section 3

Kate Forbes

- 30 In section 3, page 2, line 26, leave out from <section> to end of line 27 and insert <an enactment providing for them not to be entered in the roll.>

Alexander Stewart

- 1 In section 3, page 3, line 13, at end insert—
- <() Before—
- (a) making regulations under subsection (6)(a), or
 - (b) laying a draft of a Scottish statutory instrument containing regulations under subsection (6)(b) before the Scottish Parliament,
- the Scottish Ministers must consult such persons as they consider appropriate.>

Kate Forbes

- 31 In section 3, page 3, line 20, at end insert—
- <() In subsection (3)(b)(ii), “enactment” includes an Act of the Scottish Parliament and an instrument made under such an Act.”.>

Section 3A

Kate Forbes

- 32 In section 3A, page 3, line 25, leave out from <provide> to <may> in line 27 and insert <make provision requiring lands and heritages falling within subsection (1A) to>

Kate Forbes

- 33 In section 3A, page 3, line 28, at end insert—
- <(1A) Land and heritages fall within this subsection if they are not entered in the valuation roll by virtue of an enactment, other than Part 2 of the Local Government Finance Act 1992, providing for them not to be so entered.>

Alexander Stewart

2* In section 3A, page 3, line 28, at end insert—

<() Before—

- (a) laying a draft of a Scottish statutory instrument containing regulations under subsection (1) to which subsection (3) applies before the Scottish Parliament, or
- (b) making regulations under subsection (1) to which subsection (4) applies, the Scottish Ministers must consult such persons as they consider appropriate.>

Kate Forbes

34 In section 3A, page 3, line 37, at end insert—

<() In this section, “enactment” includes an Act of the Scottish Parliament and an instrument made under such an Act.”.>

Peter Chapman

22 Leave out section 3A

Section 4A

Sarah Boyack

35 Leave out section 4A

Section 7

Kate Forbes

36 In section 7, page 7, leave out lines 16 and 17 and insert—

<() in subsection (1A), after “following” insert—

- “(a) a proposal being made under section 3ZA(1), or
- (b)”;

() in subsection (2)(cc), for “an appeal by virtue of section 3(2A) of this Act” substitute “a proposal made by virtue of section 3ZA(2)(b) or an appeal under section 3ZB(1) in relation to such a proposal”.>

Kate Forbes

37 In section 7, page 7, line 35, after <2(1A)> insert <as a result of a proposal or appeal made by the proprietor, tenant or (as the case may be) occupier>

Kate Forbes

38 In section 7, page 8, line 24, after <proposal> insert <reached after the proposal was made>

Kate Forbes

- 39 In section 7, page 8, line 34, after <proposal> insert <or any other person with an interest in the lands and heritages to which the proposal relates>

Kate Forbes

- 40 In section 7, page 8, line 36, at end insert—
<() the day from which an alteration made to an entry in the valuation roll following a decision under subsection (5)(a) or (b) is to have effect,>

Alexander Stewart

- 3 In section 7, page 8, line 38, at end insert—
<() Before laying a draft of a Scottish statutory instrument containing regulations under subsection (6)(da) before the Scottish Parliament, the Scottish Ministers must consult—
(a) such person or persons as appear to the Scottish Ministers to represent the interests of—
(i) local authorities,
(ii) assessors,
(iii) the business sector, and
(iv) other ratepayers,
as the Scottish Ministers consider appropriate,
(b) such other persons as they consider appropriate.>

Kate Forbes

- 41 In section 7, page 9, line 16, leave out <against that entry,>

Kate Forbes

- 42 In section 7, page 9, line 21, leave out from <may> to end of line 22 and insert <is to be treated as if it were an appeal against a decision under section 3ZA(5)(c).>

Kate Forbes

- 43 In section 7, page 10, line 12, after <appeal> insert <(including evidence which may be led)>

Alexander Stewart

- 4 In section 7, page 10, leave out lines 16 to 20 and insert—
<() Before laying a draft of a Scottish statutory instrument containing regulations under subsection (6)(d) before the Scottish Parliament, the Scottish Ministers must consult—
(a) such person or persons as appear to the Scottish Ministers to represent the interests of—
(i) local authorities,

- (ii) assessors,
 - (iii) the business sector, and
 - (iv) other ratepayers,
- as the Scottish Ministers consider appropriate,>

Section 8B

Graham Simpson

- 17 In section 8B, page 11, line 9, leave out from <, in> to end of line 17 and insert <—
- (a) in subsection (1), in the definition of “material change of circumstances”—
 - (i) the words from “any alteration in such lands” to the end become paragraph (a), and
 - (ii) after that paragraph insert—
 - “(b) any change in the net annual value of the lands and heritages arising from economic or physical changes to the area in which the lands and heritages are situated,”
 - (b) after subsection (2) insert—
- “(2A) The Scottish Ministers may by regulations define “economic or physical changes” for the purposes of the definition of “material change of circumstances” under subsection (1).”.>

Graham Simpson

- 18* Leave out section 8B and insert—
- <Independent review of the definition of “material change of circumstances”**
- (1) The Scottish Ministers must designate such person as they consider appropriate to undertake a review of the definition of “material change of circumstances” under section 37 (interpretation) of the 1975 Act.
 - (2) A review under subsection (1) must be commenced as soon as practicable after this section comes into force.
 - (3) In undertaking the review a person designated under subsection (1) must—
 - (a) consult—
 - (i) such person or persons as appear to represent the interests of ratepayers,
 - (ii) such other persons as they consider appropriate,
 - (b) make a report to the Scottish Ministers no later than one year after the commencement of the review.
 - (4) The Scottish Ministers must, as soon as practicable after having received it—
 - (a) lay a report made to them under subsection (3)(b) before the Scottish Parliament, and
 - (b) advise the Parliament of what action they propose to take in response to the report.>

Section 8C

Alexander Stewart

5 In section 8C, page 11, line 24, at end insert—

- <() Before laying a draft of a Scottish statutory instrument containing regulations under subsection (1) before the Scottish Parliament, the Scottish Ministers must consult such persons as they consider appropriate.>

Andy Wightman

23* Leave out section 8C and insert—

<Setting of non-domestic rates

Setting of non-domestic rates by rating authorities

(1) After section 7 of the 1975 Act insert—

5 **“7ZA Provisions as to setting of non-domestic rates**

(1) The Scottish Ministers must by regulations make such provision as they consider appropriate to provide that the rate levied by a rating authority under section 7 in respect of lands and heritages for the financial year beginning on 1 April 2024 shall be levied according to such rate as may be determined by the rating authority.

10

(2) The Scottish Ministers may by regulations amend the date for the time being specified in subsection (1).

(3) Regulations under subsection (1) may (in particular) make provision for or about—

15

(a) the process by which a rating authority is to determine the non-domestic rate to apply to the authority’s area,

(b) arrangements for rating authorities to wholly retain the non-domestic rates collected in the authority’s area,

20

(c) revenue support grants to be paid by the Scottish Ministers to local authorities.

(4) Regulations under subsections (1) or (2) may—

(a) make different provision for different purposes,

(b) make incidental, supplementary, consequential, transitional, transitory or saving provision,

25

(c) modify any enactment (including this Act).

(5) Regulations under this section are subject to the affirmative procedure.

(6) References (however expressed) in any enactment to the non-domestic rate prescribed by the Scottish Ministers shall be construed as references to the non-domestic rate determined by a rating authority in accordance with regulations under subsection (1).”

30

(2) The 1975 Act is amended as follows.

(3) Section 7B (provisions as to setting of non-domestic rates) is repealed.

(4) In section 37 (interpretation), in the definition of “non-domestic rate” for “7A” substitute “7ZA”.

35 (5) The Local Government Finance Act 1992 is amended as follows.

(6) Section 108 (payments to local authorities by Secretary of State) and schedule 12 (payments to local authorities by Secretary of State: Scotland) are repealed.>

Andy Wightman

23A* As an amendment to amendment 23, line 8, leave out <the financial year beginning on> and insert <a financial year beginning on or after>

Kate Forbes

44 Leave out section 8C

After section 8C

Andy Wightman

24* After section 8C, insert—

<Progressive rate

Progressive rate

(1) Section 7B of the 1975 Act is amended as follows.

(2) In subsection (2), after “area —” insert—

“(za) in accordance with the non-domestic progressive rate set under subsection (2A),”.

(3) After subsection (2), insert—

“(2A) The non-domestic progressive rate is calculated as follows.

Step 1 x pence in the pound on the first £10,000 of rateable value.

Step 2 x pence in the pound on the £50,000 thereafter of rateable value.

Step 3 x pence in the pound on rateable value above that specified in step 2.

(2B) The Scottish Ministers must by regulations set the pence in the pound values set out in subsection (2A), but in so doing—

(a) the pence in the pound value prescribed for Step 2 must be greater than the pence in the pound value for Step 1, and

(b) the pence in the pound value for Step 3 must be greater than the pence in the pound value for Step 2.

(2C) The Scottish Ministers may by regulations amend the rateable value figures for the time being specified in steps 1 and 2 of subsection (2A).”.

(4) For subsection (5) substitute—

“(5) Regulations under this section are subject to the affirmative procedure.”.>

Before section 9

Andy Wightman

25* Before section 9, insert—

<Mandatory minimum payment

After section 7B of the 1975 Act, insert—

“7C Mandatory minimum payment

- (1) This section applies in place of any other provision of this Act or any other enactment which specifies non-domestic rates relief.
- (2) Any person who is liable for rates in respect of the occupation of lands and heritages must pay a minimum payment of 2.5 percent of the valuation of the lands and heritages before any rate relief is to apply.
- (3) The Scottish Ministers may by regulations amend the minimum payment figure for the time being specified in subsection (2).
- (4) Regulations under subsection (3) are subject to the affirmative procedure.”.>

Section 9

Alexander Stewart

7 In section 9, page 12, line 11, leave out <negative> and insert <affirmative>

Alexander Stewart

6* In section 9, page 12, line 11, at end insert—

<() Before laying a draft of a Scottish statutory instrument containing regulations under subsection (1) before the Scottish Parliament, the Scottish Ministers must consult such persons as they consider appropriate.>

Alexander Stewart

45* In section 9, page 12, line 11, at end insert—

<() Before making regulations under subsection (1), the Scottish Ministers must consult such persons as they consider appropriate.>

Section 9A

Sarah Boyack

46 In section 9A page 12, line 18, leave out <1994 Act (power of Secretary of State> and insert <Local Government etc. (Scotland) Act 1994 (power>

Sarah Boyack

47 In section 9A, page 12, line 21, leave out from beginning to <heating> in line 22 and insert—
<“(c) which—

- (i) contribute to the net-zero emissions target (for example, by virtue of forming part of a district heating network) and those which do not so contribute,
- (ii) contribute as mentioned in sub-paragraph (i) and whose contributions>

Sarah Boyack

48 In section 9A, page 12, line 23, leave out <paragraph> and insert <sub-paragraph>

Sarah Boyack

49 In section 9A, page 12, line 24, leave out <“and (c)”> and insert <“ or (c)(ii)”>

Sarah Boyack

50 In section 9A, page 12, line 24, at end insert—

<() After subsection (6) insert—

“(7) In subsection (3)(c), “net-zero emissions target” has the meaning given by section A1(1) of the Climate Change (Scotland) Act 2009.”>

Section 9B

Kate Forbes

51 Leave out section 9B and insert—

<Specialist music provision in public schools: rates relief

- (1) The Scottish Ministers may by regulations make provision for relief from the payment of non-domestic rates in respect of any part of lands and heritages which falls within subsection (2).
- (2) A part of lands and heritages falls within this subsection if—
 - (a) the lands and heritages are wholly or mainly used as a public school, some or all of the pupils of which—
 - (i) are selected for attendance at the school on the basis of musical ability or potential, and
 - (ii) follow a curriculum which includes tuition aimed at developing musical excellence, and
 - (b) the part is wholly or mainly used to provide such tuition to pupils who follow that curriculum.
- (3) Regulations under subsection (1) may (in particular) make provision as to how a part of lands and heritages falling within subsection (2) is to be identified and may provide—
 - (a) for there to be separate entries in the valuation roll in respect of any part of lands and heritages falling within subsection (2) and the remainder of the lands and heritages,
 - (b) for the rateable value included in those entries to be determined in accordance with the regulations.

- (4) Regulations under subsection (1) may make further provision for or about eligibility for relief.
- (5) Regulations under subsection (1)—
 - (a) may make different provision for different purposes,
 - (b) may make incidental, supplementary, consequential, transitional, transitory or saving provision.
- (6) Regulations under subsection (1) are subject to the negative procedure.
- (7) In this section, “public school” has the meaning given by section 135(1) of the Education (Scotland) Act 1980.>

Section 10

Andy Wightman

- 52 In section 10, page 13, line 12, after <(9A)> insert <or such other school as may be prescribed by the Scottish Ministers in regulations>

Andy Wightman

- 53 In section 10, page 13, line 27, insert—
 <() After subsection (12) insert—
 “(12A) Regulations under subsection (9) are subject to the affirmative procedure.”>

Liz Smith

- 16 Leave out section 10

Section 12

Kate Forbes

- 54 In section 12, page 15, line 25, leave out <within whose area the lands and heritages are situated> and insert <to which the rates are or would, but for the reduction or remission, be payable>

After section 13B

Sarah Boyack

- 56 After section 13B, insert—

<Report on number of assessors and availability of resources

Duty to report on number of assessors and availability of resources

- (1) Subsection (2) applies to—
 - (a) a joint valuation board established by an order under section 27(7) of the Local Government etc. (Scotland) Act 1994,
 - (b) a valuation authority from whom functions have not been delegated to such a board by virtue of section 27(8) of that Act.

- (2) The board or authority must, in each reporting year, prepare a report on—
- (a) the number of assessors and depute assessors appointed by the board or authority holding office on 1 April in that year,
 - (b) whether that number is sufficient for the proper exercise of the functions of those assessors and depute assessors in relation to non-domestic rates,
 - (c) whether the board or authority has sufficient resources for the proper exercise of its functions in relation to non-domestic rates,
 - (d) such other matters relating to non-domestic rates as the board or authority considers appropriate.
- (3) A report under subsection (2) must be laid before the Scottish Parliament by 31 May in the reporting year.
- (4) In this section, “reporting year” means 2025 and each third year thereafter.>

Kate Forbes

55 After section 13B, insert—

<Valuation appeal panels and committees

Status of secretary of valuation appeal panel

In schedule 2 of the Tribunals (Scotland) Act 2014 (transfer-in of members), in paragraph 1, after sub-paragraph (3) insert—

- “(4) In relation to a valuation appeal committee constituted under section 29(1)(a) of the Local Government etc. (Scotland) Act 1994, a person who is a secretary or assistant secretary of a valuation appeal panel constituted under that section is also a transferable person.”.>

Before section 13C

Andy Wightman

26 Before section 13C, insert—

<Procedure for prescribing a non-domestic rate

In section 7B of the 1975 Act (provisions as to setting of non-domestic rates) in subsection (5) for “shall be subject to annulment in pursuance of a resolution of either House of Parliament” substitute “is subject to the affirmative procedure”.>

Section 13C

Andy Wightman

27 In section 13C, page 19, line 19, leave out from <in> to end of line 21 and insert <for subsection (6) substitute—

- 5 “(6) Regulations under this section that the Scottish Ministers consider are likely to result in a decrease or an increase in the amount of non-domestic rates collected in excess of £10,000,000 per annum are subject to the affirmative procedure.
- (7) Otherwise, regulations under this section are subject to the negative procedure.”.>

Andy Wightman

27A* As an amendment to amendment 27, line 7, at end insert—

<(8) The Scottish Ministers may by regulations amend the figure for the time being specified in subsection (6).

(9) Regulations under subsection (8) are subject to the negative procedure.”.>

Kate Forbes

57 Leave out section 13C

Section 14

Kate Forbes

58 In section 14, page 19, line 26, leave out from <lands> to end of line 27 and insert <the lands and heritages referred to in the notice,>

Graham Simpson

19 In section 14, page 19, leave out lines 28 and 29

Kate Forbes

59 In section 14, page 19, line 32, leave out <valuing> and insert <exercising the assessor’s functions relating to non-domestic rates in relation to>

Section 15

Kate Forbes

60 In section 15, page 20, line 2, leave out from second <a> to end of line 8 and insert <to any person who the officer thinks is the proprietor, tenant or occupier of lands and heritages a notice in writing (in this Part, a “local authority information notice”) requiring the person to provide the local authority with such information as it may reasonably require for the purpose of issuing any demand or other document relating to non-domestic rates in respect of those lands and heritages.>

Section 16

Kate Forbes

61 In section 16, page 20, line 20, leave out from beginning to <heritages> and insert—

<(A1) Subsection (1) applies to a person who—

(a) is liable to pay non-domestic rates in respect of any lands and heritages, or

(b) would be liable to pay non-domestic rates in respect of any lands and heritages if they were payable.

(1) The person>

Kate Forbes

- 62 In section 16, page 20, line 21, leave out <in whose area the lands and heritages are situated> and insert <to which the rates are, or would be, payable>

Section 18

Graham Simpson

- 63 In section 18, page 21, line 18, leave out <28> and insert <42>

Kate Forbes

- 64 In section 18, page 21, line 30, after first <of> insert <the greater of—
(i) £1,000, and
(ii) 50% of>

Alexander Stewart

- 8* In section 18, page 22, line 6, at end insert—
<() Before laying a draft of a Scottish statutory instrument containing regulations under subsection (7) before the Scottish Parliament, the Scottish Ministers must consult such persons as they consider appropriate.>

After section 18

Graham Simpson

- 20* After section 18, insert—
<Review of the civil penalties for failure to comply with assessor information notices under section 18
(1) The Scottish Ministers must commence a review of section 18, insofar as it relates to the matters in subsection (2), no later than 2 years after section 18 comes into force.
(2) The matters the Scottish Ministers must consider are whether—
(a) the levels of the civil penalties, and
(b) the timescales for complying with assessor information notices, are appropriate.
(3) The Scottish Ministers must—
(a) prepare and publish a report on the review,
(b) lay a copy of the report before the Scottish Parliament.
(4) In carrying out the review the Scottish Ministers must—
(a) consult such persons as they consider appropriate,
(b) consider the penalties and timescales for complying with notices under section 72 of the Local Government Act 2003.

- (5) A report under subsection (3) must be prepared, published and laid before the Parliament no later than 12 months after commencement of the review.>

Section 19

Kate Forbes

- 65 In section 19, page 22, line 37, at end insert—
<() whether the penalty to which such an appeal relates, and any further penalty under section 18(3) or 18(3A), is payable while the appeal is outstanding,>

Alexander Stewart

- 10 In section 19, page 23, line 5, leave out <negative> and insert <affirmative>

Alexander Stewart

- 9* In section 19, page 23, line 5, at end insert—
<() Before laying a draft of a Scottish statutory instrument containing regulations under subsection (7) before the Scottish Parliament, the Scottish Ministers must consult such persons as they consider appropriate.>

Alexander Stewart

- 66* In section 19, page 23, line 5, at end insert—
<() Before making regulations under subsection (7), the Scottish Ministers must consult such persons as they consider appropriate.>

Section 20

Alexander Stewart

- 11 In section 20, page 23, line 34, at end insert—
<() Before laying a draft of a Scottish statutory instrument containing regulations under subsection (5) before the Scottish Parliament, the Scottish Ministers must consult such person as they consider appropriate.>

Section 21

Alexander Stewart

- 13 In section 21, page 24, line 36, leave out <negative> and insert <affirmative>

Alexander Stewart

- 12* In section 21, page 24, line 36, at end insert—
<() Before laying a draft of a Scottish statutory instrument containing regulations under subsection (6) before the Scottish Parliament, the Scottish Ministers must consult such persons as they consider appropriate.>

Alexander Stewart

67* In section 21, page 24, line 36, at end insert—

<() Before making regulations under subsection (6), the Scottish Ministers must consult such persons as they consider appropriate.>

Section 21A

Alexander Stewart

14* In section 21A, page 25, line 2, at end insert—

<() Before—

- (a) laying a draft of a Scottish statutory instrument containing regulations under subsection (2) to which subsection (5)(a) applies before the Scottish Parliament, or
- (b) making regulations under subsection (2) to which subsection (5)(b) applies, the Scottish Ministers must consult such persons as they consider appropriate.>

Section 30

Graham Simpson

21 In section 30, page 28, line 22, at end insert—

<() section (*Independent review of the definition of “material change of circumstances”*),>

Andy Wightman

28* In section 30, page 28, line 33, at end insert—

<(2A) Before laying a draft of a Scottish statutory instrument containing regulations under subsection (2) appointing a day for section (*Setting of non-domestic rates by rating authorities*) to come into force before the Scottish Parliament, the Scottish Ministers must—

- (a) consult—
 - (i) local authorities,
 - (ii) assessors,
 - (iii) representatives of the business sector, and
 - (iv) such other persons as they consider appropriate, and
- (b) lay a report on that consultation before the Scottish Parliament.

(2B) No regulations appointing a day for section (*Setting of non-domestic rates by rating authorities*) to come into force may be made after the end of the period of 5 years beginning with the day of Royal Assent.

(2C) Regulations under subsection (2) appointing a day for section (*Setting of non-domestic rates by rating authorities*) to come into force are subject to the affirmative procedure.>

Andy Wightman

- 68* In section 30, page 28, line 33, at end insert—
- <(2D) The Scottish Ministers must lay a draft of a Scottish statutory instrument containing regulations under subsection (2) appointing a day for section (*Setting of non-domestic rates by rating authorities*) to come into force before the Scottish Parliament no later than 12 months after the day of Royal Assent.
 - (2E) Regulations under subsection (2) appointing a day for section (*Setting of non-domestic rates by rating authorities*) to come into force are subject to the affirmative procedure.>

Graham Simpson

- 15* In section 30, page 28, line 33, at end insert—
- <() A draft of a Scottish statutory instrument containing regulations under subsection (2) appointing a day for section 10 to come into force must not be laid before the Parliament before —
 - (a) the Scottish Ministers have designated such a person as they consider appropriate to undertake a review of the reduction and remission of rates payable by charitable organisations,
 - (b) a person so designated has undertaken such a review,
 - (c) a report on the review has been laid before the Scottish Parliament.
 - () Regulations under subsection (2) appointing a day for section 10 to come into force are subject to the affirmative procedure.>

Andy Wightman

- 69* In section 30, page 28, line 34 after <(2)> insert <or (2A)>

Andy Wightman

- 70* In section 30, page 28, line 34 after <(2)> insert <or (2D)>

Andy Wightman

- 29* In section 30, page 28, line 34, at end insert—
- <() Regulations may not appoint a day for section (*Setting of non-domestic rates by rating authorities*)(2) to (6) to come into force that is earlier than the day on which section (*Setting of non-domestic rates by rating authorities*)(1) comes into force.>

Andy Wightman

- 71* In section 30, page 28, line 35 after <(2)> insert <or (2A)>

Andy Wightman

- 72* In section 30, page 28, line 35 after <(2)> insert <or (2D)>

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