

Non-Domestic Rates (Scotland) Bill

Marshalled List of Amendments for Stage 2

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.

Before section 2

Andy Wightman

1 Before section 2, insert—

<Liability for rates

Transference of liability for rates from occupier to owner

- (1) Section 16 of the 1956 Act is repealed.
- (2) In the first year commencing after the coming into force of this section and in every subsequent year every rate levied by a rating authority is to be payable by owners only.
- (3) The Scottish Ministers—
 - (a) must not bring this section into force before the end of the next revaluation year following the Bill for this Act receiving Royal Assent,
 - (b) must bring this section into force before 1 April 2025.>

Andy Wightman

5 Before section 2, insert—

<Liability for rates

Guidance on liability of owners for rates

In section 16 of the 1956 Act (transference of liability for owners' rates and consequential reduction of rents), after subsection (3) insert—

- “(4) The Scottish Ministers may issue guidance to rating authorities about the exercise of the powers conferred by subsection (3) in relation to the recovery of rates levied in respect of lands and heritages from the owner.
- (5) A rating authority must have regard to such guidance.
- (6) Guidance under subsection (4) may be—
 - (a) general or for particular purposes,
 - (b) different in relation to different persons or otherwise for different purposes.

- (7) Before issuing guidance under subsection (4), the Scottish Ministers must consult—
 - (a) such persons as appear to the Scottish Ministers to represent the interests of local authorities,
 - (b) such other persons as they consider appropriate.
- (8) Subsection (4) is complied with even if the consultation took place, or began, before section (*guidance on liability of owners*) of the Non-Domestic Rates (Scotland) Act 2020 comes into force.
- (9) The Scottish Ministers must publish, in such manner as they consider appropriate, any guidance issued under subsection (4).
- (10) The power to issue guidance includes power to revise that guidance (and the references to guidance in subsections (5) to (9) include references to such revised guidance).”.>

Andy Wightman

84 Before section 2, insert—

<Liability for rates

Liability for rates: owners of lands and heritages

After section 16 of the 1956 Act insert—

“16A Liability for rates: owners of lands and heritages

- (1) In the event that a rating authority has been unable to recover rates levied in respect of any lands and heritages from the occupier of those lands and heritages the rating authority has the right to recover the rates from the owner of those lands and heritages.
- (2) The Scottish Ministers may by regulations make further provision about the circumstances in which a rating authority may seek to recover rates in respect of lands and heritages from the owner of those lands and heritages.
- (3) Regulations under subsection (2) are subject to the affirmative procedure.”.>

After section 2

Andy Wightman

6 After section 2, insert—

<Ascertainment of value of lands and heritages and improvements made to such lands and heritages

- (1) Section 6 of the 1956 Act (ascertainment of gross annual value, net annual value and rateable value of lands and heritages) is amended as follows—
 - (a) in subsection (1)—
 - (i) the words “net annual value and the rateable” are repealed,
 - (ii) after “heritages” insert “and the value of any improvements made to such lands and heritages”,

- (b) in subsection (8) the words “the net annual value of any lands and heritages” are repealed,
 - (c) in subsection (8ZA) the words “net annual” are repealed,
 - (d) in subsection (8A) after “heritages” insert “and the value of any improvements made to such lands and heritages”,
 - (e) subsections (9) and (10) are repealed.
- (2) Section 6 of the 1975 Act (valuation by formula of certain lands and heritages) is amended as follows—
- (a) in subsection (1) for the words “rateable values or the aggregate amount of their rateable” substitute “value and the value of any improvements made to such lands and heritages”,
 - (b) in subsection (2) for the words “rateable value or aggregate amount” substitute “value”,
 - (c) in subsection (3) for the words “rateable value or aggregate amount” wherever they occur substitute “value”.>

Section 3

Kate Forbes

- 16 In section 3, page 2, line 21, after <building> insert <—
(i)>

Kate Forbes

- 17 In section 3, page 2, line 23, at end insert <, or
(ii) would have been shown in such an entry in the valuation roll but for section 7(3), 7A(3) or 8C(1) of the Valuation and Rating (Scotland) Act 1956.>

Kate Forbes

- 18 In section 3, page 2, line 38, at end insert—
<() A mark included in an entry in the valuation roll under subsection (2) must be removed from the entry on the next occasion when the entry is altered by an assessor.>

After section 3

Andy Wightman

- 7 After section 3, insert—
<Land and heritages to be entered in valuation roll
(1) In the 1956 Act the following sections are repealed—

- (a) section 7 (provisions relating to agricultural lands and heritages and dwelling-houses occupied in connection therewith),
 - (b) section 7A (provisions relating to lands and heritages used for fish farming and dwelling houses occupied in connection therewith),
 - (c) section 7B (rateable value of certain buildings used for breeding or rearing horses),
 - (d) section 8 (subjects to be excluded from valuation roll),
 - (e) section 8C (exclusion of automatic telling machine sites from valuation roll).
- (2) Section 14 (provisions relating to agricultural lands and heritages) of the 1963 Act is repealed.
- (3) In section 1 of the 1975 Act, after subsection (6) insert—
- “(7) For the purposes of this section, the following lands and heritages are exempt from the valuation roll—
- (a) public roads,
 - (b) public bridges,
 - (c) foreign military bases,
 - (d) embassies,
 - (e) consulates,
 - (f) trade missions,
 - (g) churches and other places of worship.”.
- (4) Section 73 (alterations to valuation roll) of the Local Government Finance Act 1992 is repealed.
- (5) The Valuation and Rating (Exempted Classes) (Scotland) Order (1998/688) is repealed.
- (6) The Valuation and Rating (Exempted Classes) (Scotland) Order (S.I 2002/262) is repealed.
- (7) The Valuation and Rating (Exempted Classes) (Scotland) Order (S.I 2006/180) is repealed.
- (8) This section comes into force at the end of the next revaluation year following the Non-Domestic Rates (Scotland) Act 2020 receiving Royal Assent.>

Andy Wightman

8 After section 3, insert—

<Power of Scottish Ministers to remove the exempt status of lands and heritages

After section 8C of the 1956 Act insert—

“8D Power of the Scottish Ministers to remove the exempt status of lands and heritages

- (1) The Scottish Ministers may by regulations provide that, for all purposes of the Valuation Acts, lands and heritages which would, apart from the regulations, be treated as exempt or excluded from the valuation roll, may be entered in the valuation roll.
- (2) Regulations under subsection (1) may—

- (a) make incidental, supplementary, consequential, transitional, transitory or saving provision,
 - (b) make different provision for different purposes,
 - (c) modify any enactment (including this Act).
- (3) Regulations under this section that add to, replace or omit any part of the text of an Act are subject to the affirmative procedure.
- (4) Otherwise, regulations under this section are subject to the negative procedure.”.>

Section 4

Kate Forbes

- 19 In section 4, page 3, line 20, leave out <and (1B)> and insert <to (1C)>

Kate Forbes

- 20 In section 4, page 3, leave out lines 21 to 37 and insert—

<“(1ZA)An entry is to be made in the roll in respect of any part of the lands and heritages which falls within either subsection (1ZB) or (1ZC).

(1ZB)A part falls within this subsection if the part is occupied by a person or body other than the person or body mentioned in paragraph (a) or, as the case may be, (b) of subsection (1).

(1ZC)A part falls within this subsection if—

- (a) the part is occupied by the person or body mentioned in paragraph (a) or, as the case may be, (b) of subsection (1), and
- (b) persons may be required to pay for access to facilities on the part or for goods or services provided on it.

(1ZD)The remainder of the lands and heritages is not to be entered in the roll.”.>

After section 4

Sarah Boyack

- 85 After section 4, insert—

<Entering of certain student accommodation in valuation roll

After section 7B of the 1956 Act insert—

“7C Entering of certain student accommodation in valuation roll

- (1) For the purposes of the levying of rates in respect of any year subsequent to the coming into force of this section, any landlord is liable to be rated if—
 - (a) the purpose of letting the property is to confer on the tenant the right to occupy the let property while the tenant is a student, and
 - (b) subsection (2) or (3) applies to the tenancy.
- (2) This subsection applies to a tenancy if the landlord is not—

- (a) a university or constituent college, school or hall of a university,
 - (b) a central institution within the meaning of section 135(1) of the Education (Scotland) Act 1980 (“the 1980 Act”),
 - (c) a designated institution within the meaning of section 44(2) of the Further and Higher Education (Scotland) Act 1992 (“the 1992 Act”),
 - (d) an institution for the provision of further education within the meaning of section 135(1) of the 1980 Act which is administered by an education authority,
 - (e) a college of further education which is managed by a board of management in terms of Part 1 of the 1992 Act,
 - (f) an association approved under regulation 8 of the Further Education (Scotland) Regulations 1959 (S.I. 1959/477),
 - (g) the Royal College of Surgeons of Edinburgh.
- (3) This subsection applies to a tenancy if—
- (a) planning permission for the construction, conversion or change of use of the building (or part of the building) of which the let property forms part was given on the basis that the let property would be used predominantly for housing students, and
 - (b) the landlord is an institutional provider of student accommodation.
- (4) For the purposes of subsection (3), a landlord is an institutional provider of student accommodation if—
- (a) the landlord lets, or is entitled to let, other properties in the same building or complex as the let property,
 - (b) the let property and the other properties together include at least 30 bedrooms, and
 - (c) the landlord uses, or intends to use, the other properties predominantly for the purpose of housing students.
- (5) In determining for the purposes of subsection (1) whether during any year the provisions of that subsection apply to any lands and heritages, no account shall be taken of any time in that year during which those lands and heritages were used in any other way, or as the case may be, for any other purpose, if that time does not amount to a substantial part of the year.
- (6) In this section, “student” means a person who is pursuing a course of study provided by a body referred to in subsection (2).”.>

After section 5

Kate Forbes

21 After section 5, insert—

<Agreement as to valuation

In section 1 of the 1975 Act, after subsection (3) insert—

- “(3A) Subsection (3B) applies where the assessor and the proprietor, tenant or occupier of lands and heritages have reached an agreement in writing as to the details to be included in the entry in the valuation roll for the lands and heritages (whether that agreement was reached before or after the draft valuation roll was published under section 1B(1)).
- (3B) The assessor must include those details in the entry for the lands and heritages, unless, since the agreement was reached, there has been an alteration in the value of the lands and heritages due to a material change of circumstances.”>

Kate Forbes

22 After section 5, insert—

<Draft valuation roll and valuation notices

After section 1A of the 1975 Act insert—

“1B Draft valuation roll and valuation notices

- (1) Before making up a valuation roll under section 1(1), an assessor must—
- (a) publish a draft of the roll, and
 - (b) send a draft valuation notice to each person who is a proprietor, tenant or occupier of lands and heritages entered in the draft valuation roll.
- (2) A draft valuation notice is a notice setting out—
- (a) the details included in the entry for the lands and heritages in the draft valuation roll,
 - (b) the effect of subsections (3) and (4), and
 - (c) such other information as—
 - (i) the Scottish Ministers may specify in regulations, or
 - (ii) the assessor considers appropriate.
- (3) A person who receives a draft valuation notice may make representations to the assessor as to the details to be included in the entry for the lands and heritages in the valuation roll when it is made up under section 1(1).
- (4) When the assessor makes up the valuation roll under section 1(1), the assessor may include details in an entry for lands and heritages which are different to those included in the entry for the lands and heritages in the draft valuation roll, whether as a result of representations made under subsection (3) or otherwise (but see also section 1(3A) and (3B)).
- (5) Regulations under subsection (2)(c)(i)—
- (a) may make different provision for different purposes,

- (b) may make incidental, supplementary, consequential, transitional, transitory or saving provision.
- (6) Regulations under subsection (2)(c)(i) are subject to the negative procedure.”.>

Section 7

Kate Forbes

- 23 In section 7, page 5, line 6, leave out from <for> to <situated> in line 7 and insert <who has the function of valuing the lands and heritages>

Kate Forbes

- 24 In section 7, page 5, line 21, at end insert—
- <() A person may not make a proposal in pursuance of subsection (2)(a) where—
 - (a) the notice under section 3(2) relates to an entry included in the valuation roll when it was made up under section 1(1), and
 - (b) the details included in the entry are in accordance with an agreement in writing between that person and the assessor as to the details to be included in the entry.>

Kate Forbes

- 25 In section 7, page 5, line 32, after <with> insert <—
(i)>

Kate Forbes

- 26 In section 7, page 5, line 32, after <proposal,> insert <or
(ii) an agreement in writing between the assessor and the person who made the proposal,>

Kate Forbes

- 27 In section 7, page 5, leave out lines 33 and 34 and insert—
- <() to alter the entry other than in accordance with the proposal or such an agreement (including by either increasing or decreasing the rateable value shown in the entry),>

Kate Forbes

- 28 In section 7, page 6, line 1, at end insert—
- <(da) fees payable in connection with a proposal (including provision about circumstances in which a fee may be repaid),>

Sarah Boyack

- 86 In section 7, page 6, leave out lines 6 and 7

Kate Forbes

- 29 In section 7, page 6, line 8, after <to> insert <—
() the affirmative procedure, if they make provision under subsection
(6)(da),
() otherwise,>

Kate Forbes

- 30 In section 7, page 6, line 12, at beginning insert <A person who is>

Kate Forbes

- 31 In section 7, page 6, line 13, leave out from <for> to <situated> in line 14

Kate Forbes

- 32 In section 7, page 6, line 15, leave out from <under> to end of line 16 and insert <, in relation to a proposal made by the person, under section 3ZA(5)(b) or (c),>

Kate Forbes

- 33 In section 7, page 6, line 18, leave out <proprietor, tenant or (as the case may be) occupier> and insert <person>

Kate Forbes

- 34 In section 7, page 6, leave out line 20

Kate Forbes

- 35 In section 7, page 6, line 23, at end insert—
<() An appeal under subsection (1)(b) may be made only on the same basis as the proposal to which it relates was made under section 3ZA(2).>

Alexander Stewart

- 36 In section 7, page 7, line 15, at end insert—
<() Before making regulations under subsection (6)(d), the Scottish Ministers must consult—
(a) local authorities,
(b) assessors,
(c) representatives of the business sector, and
(d) such other persons as they consider appropriate.>

Sarah Boyack

- 87 In section 7, page 7, leave out lines 18 and 19

After section 8

Kate Forbes

37 After section 8 insert—

<Restriction on making complaints

In section 13 of the 1854 Act (complaints with regard to valuations)—

- (a) the existing text becomes subsection (1),
- (b) after that subsection insert—

“(2) A person may not make a complaint as mentioned in subsection (1) in respect of lands and heritages of which the person is the proprietor, tenant or occupier.”.>

Kate Forbes

38 After section 8, insert—

<Meaning of “material change of circumstances”

In section 37 (interpretation) of the 1975 Act, in the definition of “material change of circumstances”—

- (a) the words from “and, without prejudice to” to the end become paragraph (a), and
- (b) after that paragraph insert—

“(b) but does not include any change—

- (i) in the rent of the lands and heritages (or any other lands and heritages), or
- (ii) in the level of valuations generally or in the value of lands and heritages generally.”.>

Andy Wightman

9 After section 8, insert—

<Levying of rates

Levying of rates

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

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

- (1) The Scottish Ministers must by regulations make such provision as they consider appropriate with a view to giving full effect to section 7, as amended by the Non-Domestic Rates (Scotland) Act 2020, by the year 2024.
- (2) Regulations under subsection (1) are subject to the affirmative procedure.
- (3) If a rating authority do not choose to discharge their power under section 7, the Scottish Minister may, in respect of the financial year following that in which subsection (1) has come into force and each subsequent financial year, prescribe a rate which will be the non-domestic rate to be levied throughout Scotland in respect of that financial year.”.

- (2) Section 110 of the Local Government Finance Act 1992 is repealed.
- (3) Section 153 of the Local Government etc. (Scotland) Act 1994 is repealed.>

Andy Wightman

10 After section 8, insert—

<Levying of rates

Levying of rates

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

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

- (1) The Scottish Ministers must by regulations make such provision as they consider appropriate with a view to giving full effect to section 7, as amended by the Non-Domestic Rates (Scotland) Act 2020, by the year 2024.
- (2) Regulations under subsection (1) are subject to the affirmative procedure.
- (3) If a rating authority do not choose to discharge their power under section 7, the Scottish Ministers may, in respect of the financial year following that in which subsection (1) has come into force and each subsequent financial year, prescribe a rate which will be the non-domestic rate to be levied throughout Scotland in respect of that financial year.

7ZB National rate and regional rate

- (1) A non-domestic rate to be levied in respect of each financial year, beginning with the year 2024, is to be prescribed by—
 - (a) the Scottish Ministers, and
 - (b) local authorities.
- (2) The Scottish Ministers must by regulations prescribe a national rate in respect of any lands and heritages.
- (3) Once a national rate is prescribed, a regional rate approved by a resolution passed by the local authority may be prescribed.
- (4) Non-domestic rates must be levied—
 - (a) in the case of a national rate as prescribed by the Scottish Ministers under subsection (2), where the lands and heritages fall within a class of lands and heritages prescribed under section 153 of the Local Government etc. (Scotland) Act 1994, in accordance with those regulations,
 - (b) in the case of a regional rate in respect of lands and heritages in the district to which it relates in accordance with section 7 of this Act.
- (5) In this section—
 - “a national rate” is a non-domestic rate to be levied throughout Scotland and set by the Scottish Ministers,
 - “a regional rate” is a non-domestic rate set by a local authority to be levied throughout their district to which it relates.
- (6) Regulations under subsection (2) are subject to the affirmative procedure.”.

- (2) Section 7B of the 1975 Act is repealed.
- (3) In section 153 (power of the Secretary of State to prescribe) of the Local Government etc. (Scotland) Act 1994—
 - (a) subsection (1) is repealed,
 - (b) in subsection (3)(b) the words “under subsection (1)” are repealed,
 - (c) in subsection (3A) for the words “subsection (1)” substitute “section 7ZB(2) of the Local Government (Scotland) Act 1975”,
 - (d) in subsection (6) for the words “shall be subject to annulment in pursuance of a resolution of either House of Parliament” substitute “is subject to the affirmative procedure.”.>

Andy Wightman

14 After section 8, insert—

<Levying rates

Levying rates

- (1) Section 7B of the 1975 Act is amended as follows.
- (2) Subsection (1) is repealed.
- (3) In subsection (2), after “area —” insert—
 - “(za) in accordance with the non-domestic progressive rate set under subsection (2A), and”.
- (4) After subsection (2), insert—
 - “(2A) The non-domestic progressive rate is calculated as follows.
 - Step 1 10 pence in the pound on the first £10,000 of rateable value.
 - Step 2 20 pence in the pound on the next £50,000 of rateable value.
 - Step 3 Thereafter the pence in the pound increases by such figure as the Scottish Ministers may prescribe in regulations for every £50,000 increment of rateable value.
 - (2B) The Scottish Ministers may by regulations amend the pence in the pound values set out in subsection (2A), but in so doing, the values prescribed for Step 2 must be greater than the values for Step 1 and the values for Step 3 must be greater than the values for Step 2.”.
- (5) For subsection (5) substitute—
 - “(5) Regulations under subsections (2A) and (2B) are subject to the affirmative procedure.”.>

Graham Simpson

13 After section 8, insert—

<Power to prescribe a supplemental rate in relation to certain lands and heritages

Power to prescribe a supplemental rate in relation to certain lands and heritages

In section 153 of the 1994 Act (power of Secretary of State to prescribe amount of non-domestic rate), after subsection (3) insert—

“(3ZA) Where in making regulations under this section the Scottish Ministers set a different rate in relation to lands and heritages whose rateable value exceeds a prescribed figure that different rate must not exceed the business rate supplement levied by levying authorities in England and Wales in exercise of powers conferred by section 1 of the Business Rate Supplements Act 2009.>

Alexander Stewart

39 After section 8, insert—

<Valuation process

Duty to report on the valuation process

After section 27 of the Local Government etc. (Scotland) Act 1994 insert—

“27A Duty to report on the valuation process

- (1) Each valuation authority must, as soon as practicable after the end of each financial year make a report to the Scottish Ministers on the effectiveness of the valuation process undertaken by assessors appointed under section 27.
- (2) The Scottish Ministers must lay a report before the Scottish Parliament that—
 - (a) collates the reports provided by valuation authorities under subsection (1),
 - (b) considers whether the valuation process is operating effectively
- (3) A report under subsection (2) must be laid before the Scottish Parliament as soon as reasonably practicable after all valuation authorities have submitted reports to the Scottish Ministers under subsection (1).>

Sarah Boyack

88* After section 8, insert—

<Assessors

Duty to report on the number of assessors in valuation authority areas

After section 27 of the Local Government etc. (Scotland) Act 1994 insert—

“27A Duty to report on the number of assessors in valuation authority areas

- (1) Each valuation authority must, as soon as practicable after the end of each three-year period beginning with the day on which this section comes into force, make a report to the Scottish Ministers on the number of assessors and depute assessors holding office in their area.
- (2) The Scottish Ministers must lay a report before the Scottish Parliament that—
 - (a) collates the reports provided by valuation authorities under subsection (1),
 - (b) considers whether there are—
 - (i) sufficient assessors and depute assessors holding office,
 - (ii) sufficient financial resources,to enable the fulfilment of the legislative functions of assessors, insofar as they relate to non-domestic rates, in all valuation authority areas.

- (3) A report under subsection (2) must be laid before the Scottish Parliament as soon as reasonably practicable after all valuation authorities have submitted reports to the Scottish Ministers under subsection (1).”.>

Before section 9

Andy Wightman

3 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 or instruments 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 were to apply.”.>

Section 9

Sarah Boyack

89 In section 9, page 8, line 11, at end insert—

- <(4A) The Scottish Ministers must issue guidance to rating authorities about the exercise of powers conferred by subsection (1) in relation to lands and heritages of the type mentioned in subsection (1).
- (4B) A rating authority must have regard to such guidance.
- (4C) Guidance under subsection (4A) may be—
- (a) general or for particular purposes,
 - (b) different in relation to different persons or otherwise for different purposes.
- (4D) Before issuing guidance under subsection (4A), the Scottish Ministers must consult—
- (a) such person or persons as appear to the Scottish Ministers to represent the interests of local authorities, and
 - (b) such other persons as they consider appropriate.
- (4E) Subsection (4D) is complied with even if the consultation took place, or began, before this section comes into force.
- (4F) The Scottish Ministers must publish, in such manner as they consider appropriate, any guidance issued under subsection (4A).
- (4G) The power to issue guidance under subsection (4A) includes power to revise the guidance (and the references to guidance in subsections (4B) to (4F) include references to such revised guidance).>

After section 9

Sarah Boyack

90 After section 9, insert—

<Sustainable business practices: rates relief

- (1) The Scottish Ministers may by regulations make provision for relief from the payment of non-domestic rates in respect of lands and heritages where the proprietor, tenant or (as the case may be) occupier has adopted sustainable business practices.
- (2) For the purposes of this section “sustainable business practices” include—
 - (a) reducing waste,
 - (b) reducing greenhouse gas emissions,
 - (c) procuring goods which are—
 - (i) produced locally to the lands and heritages,
 - (ii) environmentally sustainable,
 - (d) the use of energy derived from renewable, zero emission sources, as well as energy saved through energy efficiency measures.
- (3) Regulations under subsection (1) may (in particular) make provision for or about—
 - (a) rates of relief (including by reference to thresholds),
 - (b) periods for which relief is available,
 - (c) eligibility for relief.
- (4) Regulations under subsection (1) may make different provision for different purposes.
- (5) Regulations under subsection (1) are subject to the affirmative procedure.>

Sarah Boyack

91 After section 9, insert—

<Positive business practices: rates relief

- (1) The Scottish Ministers may by regulations make provision for relief from the payment of non-domestic rates in respect of lands and heritages where the proprietor, tenant or (as the case may be) occupier has adopted positive business practices.
- (2) For the purposes of this section “positive business practices” include—
 - (a) not using zero hours contracts,
 - (b) the payment of a living wage,
 - (c) practices which have a positive effect on the—
 - (i) local economy,
 - (ii) environment,
 - (d) the use of district heating.
- (3) Regulations under subsection (1) may (in particular) make provision for or about—
 - (a) rates of relief (including by reference to thresholds),

- (b) periods for which relief is available,
 - (c) eligibility for relief.
- (4) Regulations under subsection (1) may make different provision for different purposes.
 - (5) Regulations under subsection (1) are subject to the affirmative procedure.
 - (6) In this section—
 - “living wage” means remuneration which is sufficient to ensure an acceptable standard of living,
 - “zero hours contract” means a contract of employment or other worker's contract under which—
 - (a) the undertaking to do or perform work or services is an undertaking to do so conditionally on the employer making work or services available to the worker, and
 - (b) there is no certainty that any such work or services will be made available to the worker.>

Sarah Boyack

92 After section 9, insert—

<Contribution to net-zero emissions target: rates relief

- (1) Section 153 of the 1994 Act (power of Secretary of State to prescribe amount of non-domestic rate), is amended as follows.
- (2) After subsection (3)(b) insert—
 - “(c) whose contribution to the net-zero emissions target including through investment in district heating fall into different categories prescribed for the purpose of this paragraph in rules under subsection (1).”.
- (3) In section (3A) after “subsection (3)(b)” insert “and (c)”.>

Andy Wightman

11 After section 9, insert—

<Schemes for reduction and remission of rates

In section 3A(6) of the 1962 Act (schemes for reduction and remission of rates)—

- (a) after “authority” in the first place that it appears, insert—
 - “(a)”,
- (b) after “authority” in the second place that it appears, insert—
 - “(b) may set a regional rate under section 7ZB of the Local Government (Scotland) Act 1975 so as to increase the authority’s income in such a way as to enable it to exercise the power under subsection (2).”.>

Andy Wightman

12 After section 9, insert—

<Schemes for reduction and remission of rates

In section 3A(6) of the 1962 Act (schemes for reduction and remission of rates)—

(a) after “must”, insert—

“(a)”,

(b) after “authority” in the second place that it appears, insert—

“(b) ensure that the non-domestic rate set under section 7A of the Local Government (Scotland) Act 1975 is at least the same as it was under the Non-Domestic Rates (Scotland) Order 2019 (SSI 2019/35).”.>

Liz Smith

73 After section 9, insert—

<Charitable relief

In section 4 of the 1962 Act (reduction and remission of rates payable by charitable and other organisations), after subsection (5) insert—

“(5A) For the avoidance of doubt, any body entered in the Scottish Charity Register is eligible for remission or reduction in rates leviable on lands and heritages falling under subsection (1).”.>

Andy Wightman

15 After section 9, insert—

<Eligibility of certain public schools for rates relief

(1) Section 4 of the 1962 Act (reduction and remission of rates payable by charitable and other organisations) is amended as follows.

(2) In subsection (2) (which provides for lands and heritages which are eligible for a reduction or remission in rates)—

(a) after paragraph (aa) insert—

“(ab) are occupied by a public school which—

(i) selects pupils on the basis of musical ability or potential,

(ii) follows a curriculum which includes classes aimed at developing musical excellence, and

are wholly or mainly used for the purpose of developing musical excellence,”

(b) after “paragraphs (a), (aa)” insert “, (ab)”.

(3) In subsection (9) after “trustee” insert “or as a public school within the meaning of subsection (2)(ab)”.

(4) In subsection (10) after paragraph (a) insert—

“(ab) “public school” has the meaning given by section 135(1) of the Education (Scotland) Act 1980.”.>

Section 10

Liz Smith

- 74 In section 10, page 8, line 21 after <which> insert <, subject to subsection (9ZA),>

Liz Smith

- 75 In section 10, page 8, line 24, at end insert—

<“(9ZA) If lands and heritages are wholly or mainly used for the purpose of carrying on of nursery classes provided by an independent school then they—

- (a) must be entered into the valuation roll separately from the lands and heritages used for the purpose of carrying on the independent school that the nursery classes are provided by,
- (b) are eligible for reduction and remission of rates.>

Liz Smith

- 76 In section 10, page 8, line 30 after <is> insert <—

(i)>

Liz Smith

- 77 In section 10, page 8, line 30 after second <school> insert <, or

- (ii) an independent school which is not itself a special school, but which provides education specially suited to the additional support needs of children or young persons selected for attendance at the school, class or (as the case may be) unit by reason of those needs>

Liz Smith

- 78 In section 10, page 8, line 34, at end insert—

<“(ab) “nursery class” has the meaning given by section 135(1) of the Education (Scotland) Act 1980,”>

Liz Smith

- 79 Leave out section 10

After section 10

Sarah Boyack

93 After section 10, insert—

<Charitable relief: arms-length bodies and external organisations

- (1) Section 4 of the 1962 Act (reduction and remission of rates payable by charitable and other organisations) is amended as follows.
- (2) After subsection (13) insert—

“(14) Any reduction or remission of rates under subsection (5) in respect of lands and heritages which are wholly or mainly used by bodies where a local authority is a trustee should not be offset by a reduction in annual central government grants to that authority.”>

Section 11

Sarah Boyack

94 In section 11, page 9, line 18, after <must> insert <—

- (a) lay a draft of the proposed guidance before the Scottish Parliament,
- (b)>

Sarah Boyack

95 In section 11, page 9, line 22, at end insert—

- <(7DA) The Scottish Ministers must not issue guidance under subsection (7A) until after a period of 40 days beginning with the day on which the draft guidance was laid before the Parliament under subsection (7D)(a).
- (7DB) If, within that period, the Parliament resolves that the guidance proposed should not be issued, Ministers must not issue it.
- (7DC) In calculating any period of 40 days for the purposes of subsection (7DA) or (7DB) above, no account is to be taken of any time during which the Parliament is dissolved or is in recess for more than 4 days.>

Kate Forbes

40 In section 11, page 9, line 26, leave out <publish,> and insert <—

- () as soon as reasonably practicable after issuing guidance under subsection (7A), lay a copy of that guidance before the Scottish Parliament, and
- () publish the guidance>

Kate Forbes

41 In section 11, page 9, line 27, leave out <, any guidance issued under subsection (7A)>

After section 11

Kate Forbes

42 After section 11, insert—

<Unoccupied properties

- (1) The Local Government (Scotland) Act 1966 is amended as follows.
- (2) Section 24 (unoccupied lands and heritages) is repealed.
- (3) In section 24A (lands and heritages partly unoccupied for a short time)—
 - (a) in subsection (2), the words “, subject to subsection (4),” are repealed,
 - (b) subsection (4) is repealed,
 - (c) in subsection (5), for “, (3)(a), (c) and (d) and (4)” substitute “and (3)(a), (c) and (d)”,
 - (d) subsection (6) is repealed.
- (4) In section 24B (certain lands and heritages to be treated as unoccupied)—
 - (a) in subsection (1)—
 - (i) for “section 24” substitute “section 24A”,
 - (ii) for “lands and heritages” where it first occurs substitute “a part of lands and heritages”,
 - (iii) for “they” where it first occurs substitute “the part”,
 - (iv) for “lands and heritages” where it second occurs substitute “part”,
 - (v) in paragraph (a), for “lands and heritages when they were” substitute “part of the lands and heritages when it was”,
 - (vi) in paragraph (b), for “lands and heritages” substitute “part”,
 - (b) subsections (2) to (4) are repealed.
- (5) In section 25(1) (provisions supplementary to section 24), for “section 24 of this Act” substitute “any scheme under section 3A of the Local Government (Financial Provisions etc.) (Scotland) Act 1962 which provides for the rates leviable in respect of lands and heritages to be reduced or remitted by virtue of the lands and heritages being unoccupied”.
- (6) The section title of section 25 becomes “**Newly erected, altered etc. buildings: completion notices**”.
- (7) In schedule 3 (rating of unoccupied property), in paragraph 2—
 - (a) for “section 24 of this Act” substitute “any scheme under section 3A of the Local Government (Financial Provisions etc.) (Scotland) Act 1962 which provides for the rates leviable in respect of lands and heritages to be reduced or remitted by virtue of the lands and heritages being unoccupied”,
 - (b) in paragraph 5, the words “under section 24 of this Act” are repealed.>

Section 12

Kate Forbes

- 43 In section 12, page 9, line 34, leave out <24 to 25> and insert <24A and 24B>

Section 13

Kate Forbes

- 44 In section 13, page 11, line 4, leave out <rating authority has issued a demand note for the payment of> and insert <person (the “ratepayer”) is liable to pay the>

Kate Forbes

- 45 In section 13, page 11, line 5, after <year> insert <, or part of a year,>

Kate Forbes

- 46 In section 13, page 11, line 7, leave out <person who is liable to pay the rates (the “ratepayer”)> and insert <ratepayer>

Kate Forbes

- 47 In section 13, page 11, line 21, after <year> insert <(or part of the year)>

Kate Forbes

- 48 In section 13, page 11, line 28, after <year> insert <(or part of the year)>

Kate Forbes

- 49 In section 13, page 12, line 1, after <year> insert <(or part of the year) to which the notice relates>

After section 13

Kate Forbes

- 50 After section 13, insert—

<Electronic communications

Electronic communication of information

- (1) The Scottish Ministers may by regulations make provision allowing or requiring a notice falling within subsection (2) to be given by electronic means.
- (2) A notice falls within this subsection if it—
 - (a) is to be given to a person in accordance with an enactment, and
 - (b) relates to—
 - (i) the valuation of lands and heritages under the Valuation Acts,
 - (ii) the valuation roll,

- (iii) the charging and collection of non-domestic rates (including relief from payment of rates or reduction or remission of rates),
 - (iv) any other matter connected with the assessment of liability to or levying of non-domestic rates.
- (3) Regulations under subsection (1) may include provision for or about—
 - (a) the manner in which a notice may be given, including circumstances in which information to be given in a notice to a particular person may be so given by being made available to that person and to others (for example, by publication on a website),
 - (b) information to be provided to facilitate the giving or receipt of a notice by electronic means (for example, an electronic address),
 - (c) circumstances in which a notice may be given by electronic means only with the consent of the intended recipient,
 - (d) exceptions to a provision allowing or requiring a notice to be given by electronic means,
 - (e) the calculation of the date on which a notice given by electronic means is to be treated as having been given,
 - (f) such other matters in connection with the giving of a notice by electronic means as the Scottish Ministers consider appropriate.
- (4) Regulations under subsection (1) may—
 - (a) modify any enactment (including this Act),
 - (b) make different provision for different purposes,
 - (c) make incidental, supplementary, consequential, transitional, transitory or saving provision.
- (5) In this section—
 - “notice” includes any information given to another person,
 - “the Valuation Acts” means the 1854 Act, the Acts amending that Act, and any other enactment relating to valuation.>

Kate Forbes

51 After section 13, insert—

<Procedure for regulations under section (*Electronic communication of information*)

- (1) Regulations under section (*Electronic communication of information*) are subject to the affirmative procedure.
- (2) Before laying a draft of a Scottish statutory instrument containing regulations under section (*Electronic communication of information*) 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, or
 - (ii) assessors,

- as the Scottish Ministers consider appropriate,
- (b) such person or persons as appear to the Scottish Ministers to represent the interests of ratepayers or potential ratepayers, and
 - (c) such other persons as the Scottish Ministers consider appropriate.
- (3) The Scottish Ministers must, as soon as reasonably practicable after consultation under subsection (2) begins, notify the Scottish Parliament about the consultation.
 - (4) The Scottish Ministers must have regard to any representations about the regulations proposed to be made under section (*Electronic communication of information*) as a result of the consultation.>

Andy Wightman

- 4 After section 13, insert—

<PART

PROCEDURE FOR POWER TO PRESCRIBE AMOUNT OF NON-DOMESTIC RATES

Procedure for power to prescribe amount of non-domestic rates

In section 153 of the Local Government etc. (Scotland) Act 1994 (power of Secretary of State to prescribe amount of non-domestic rate) in subsection (6) for “shall be subject to annulment in pursuance of a resolution of either House of Parliament” substitute “is subject to the affirmative procedure”.>

Section 14

Kate Forbes

- 52 In section 14, page 12, line 14, leave out <within the assessor’s area> and insert <which the assessor has the function of valuing>

Kate Forbes

- 53 In section 14, page 12, line 21, leave out <56> and insert <28>

Section 16

Sarah Boyack

- 96 In section 16, page 13, line 14, leave out <21> and insert <42>

Section 18

Kate Forbes

- 54 In section 18, page 13, line 31, leave out <of £100> and insert <determined in accordance with subsection (2A)>

Kate Forbes

- 55 In section 18, page 13, line 32, leave out <(4)> and insert <(3A)>

Kate Forbes

56 In section 18, page 13, line 33, at end insert—

<(2A) For the purposes of subsection (2)(b)—

- (a) where the lands and heritages concerned are entered in the valuation roll, the penalty is the greater of—
 - (i) £200, and
 - (ii) 1% of the rateable value of the lands and heritages concerned for the day on which the penalty notice is given,
- (b) where the lands and heritages concerned are not so entered, the penalty is £1,000.>

Kate Forbes

57 In section 18, page 13, line 34, leave out <21> and insert <28>

Kate Forbes

58 In section 18, page 13, leave out lines 36 to 38 and insert—

- <(a) where the lands and heritages concerned are entered in the valuation roll, to a further penalty of the greater of—
 - (i) £1,000, and
 - (ii) 20% of the rateable value of the lands and heritages concerned for the day on which the penalty notice is given,
- (b) where the lands and heritages concerned are not so entered, to a further penalty of £10,000.>

Kate Forbes

59 In section 18, page 13, line 38, at end insert—

<(3A) If the person fails to comply with the assessor information notice within the period of 56 days beginning with the day on which the penalty notice is given, the person is liable—

- (a) where the lands and heritages concerned are entered in the valuation roll, to a further penalty of the rateable value of the lands and heritages concerned for the day on which the penalty notice is given,
- (b) where the lands and heritages are not so entered, to a further penalty of £50,000.>

Kate Forbes

60 In section 18, page 14, line 1, leave out subsection (4)

Kate Forbes

61 In section 18, page 14, line 6, leave out <subsection (4)(a)> and insert <subsections (2A), (3) and (3A)>

Kate Forbes

- 62 In section 18, page 14, line 9, at beginning insert <in a case where subsection (2A)(a), (3)(a) or (3A)(a) applies,>

Kate Forbes

- 63 In section 18, page 14, line 12, leave out from <make> to end of line 13 and insert <modify the penalties to which a person may become liable under this section, including by increasing or decreasing any sum or percentage for the time being set out in subsections (2A), (3) or (3A) or by otherwise modifying the way in which any penalty is determined.>

Sarah Boyack

- 97 In section 18, page 14, leave out lines 23 and 24

Section 19

Kate Forbes

- 64 In section 19, page 14, line 33, after <18(3)> insert <or (3A)>

Kate Forbes

- 65 In section 19, page 15, leave out lines 10 and 11

Sarah Boyack

- 98 In section 19, page 15, leave out lines 14 and 15

After section 19

Kate Forbes

- 66 After section 19, insert—

<Payment of penalties into the Scottish Consolidated Fund

- (1) An assessor must pay any money recovered under or by virtue of section 18 into the Scottish Consolidated Fund.
- (2) But an assessor may do so after deduction of reasonable expenses incurred in relation to the giving of penalty notices under section 18 and the collection of penalties.
- (3) The Scottish Ministers may by regulations make provision about the expenses that may be deducted under subsection (2).
- (4) Regulations under subsection (3) are subject to the negative procedure.>

Section 20

Sarah Boyack

- 99 In section 20, page 16, leave out lines 9 and 10

Section 21

Kate Forbes

- 67 In section 21, page 16, line 27, leave out subsection (5)

Kate Forbes

- 68 In section 21, page 16, leave out lines 34 and 35

Sarah Boyack

- 100 In section 21, page 16, leave out lines 38 and 39

After section 21

Kate Forbes

- 69 After section 21, insert—

<Penalties under section 20: enforcement

- (1) A penalty under section 20 is recoverable as a civil debt due to the local authority.
- (2) The Scottish Ministers may by regulations make further provision about the collection of penalties imposed under section 20.
- (3) Regulations under subsection (2) may in particular—
 - (a) provide for penalties to be included in a demand note or an adjustment to a demand note under section 8 of the 1975 Act (payment of rates by instalments) as if they were a liability to rates,
 - (b) provide that, where an appeal is made against the imposition of a penalty, the penalty is not payable while the appeal is outstanding,
 - (c) make provision for cases where the penalty is mitigated or remitted, and may in particular provide for the reimbursement of a penalty by way of deduction from a sum due.
- (4) Regulations under subsection (2)—
 - (a) may modify any enactment (including this Act),
 - (b) may make different provision for different purposes,
 - (c) may make incidental, supplementary, consequential, transitional, transitory or saving provision.
- (5) Regulations under subsection (2) are subject to—
 - (a) the affirmative procedure, if they add to, replace or omit any part of the text of an Act,
 - (b) otherwise, the negative procedure.>

Section 23

Sarah Boyack

101 In section 23, page 17, line 16, at end insert—

<() Regulations under subsection (1) may make provision for the recovery of rates from the proprietor, tenant or occupier of lands and heritages where any of those persons has sought to obtain an advantage arising from a non-domestic rates avoidance arrangement.>

Section 27

Kate Forbes

70 In section 27, page 19, line 5, after <must> insert <, as soon as reasonably practicable after consultation under subsection (2) begins,>

Section 29

Kate Forbes

71 In section 29, page 19, line 30, leave out <or any provision made under it>

Kate Forbes

72 In section 29, page 19, leave out lines 33 and 34

Section 30

Graham Simpson

80 In section 30, page 20, line 13, at end insert—

<() Section 10 comes into force on 1 August 2021.>

Liz Smith

81 In section 30, page 20, line 14, at beginning insert <Subject to subsection (2A)>

Liz Smith

82 In section 30, page 20, line 15, at end insert—

<(2A) Regulations under subsection (2) bringing section 10 into force may not be made until after the first revaluation year following the Bill for this Act receiving Royal Assent.>

Liz Smith

83 In section 30, page 20, line 15, at end insert—

<(2A) Regulations under subsection (2) bringing section 10 into force may not be made until—
(a) the Scottish Ministers have consulted—

- (i) independent schools,
 - (ii) such other persons as they consider appropriate,
about the financial effects of that section,
 - (b) the Scottish Ministers have laid a report on that consultation before the Scottish Parliament,
 - (c) after the first revaluation year following the Bill for this Act receiving Royal Assent.
- (2B) Subsection (2A)(a) is not complied with if the consultation took place, or began, before the Bill for this Act received Royal Assent.>

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