Mr Edward Mountain MSP  
Convener  
Rural Economy and Connectivity Committee  
The Scottish Parliament  
EH99 1SP  

By email: rec.committee@parliament.scot

30 March 2017

Dear Edward,

I write to offer an update in respect of non-domestic rates for shootings and deer forests, following the commencement of Part 6 of the Land Reform (Scotland) Act 2016 and consequently the entry of shootings and deer forests in the valuation rolls.

As you may be aware, this is a revaluation year for non-domestic property, with the Assessors producing new rateable values for over 200,000 properties, forming the basis for non-domestic rates from 2017-18. Valuation notices for most properties issued in March. The Scottish Budget for 2017-18 set out a competitive rates package, including reduction of the annual poundage, expansion of the Small Business Bonus Scheme (SBBS) and limiting the application of the Large Business Supplement. Rates billing is already underway, or shortly about to be, across respective local authorities.

However, the Assessors have certain scope to make entries in the valuation rolls retrospectively. This is going to be the case for shootings and deer forests, for which valuation notices are set to issue after 1 April 2017, with rates bills issuing separately in due course, effective from that date.

Before and since the commencement of this provision, the Assessors have been engaging the sector, including issuing of questionnaires to gather information, and considering a scheme of valuation. The Assessors' work in this respect is still on-going, recognising the imperatives of finalising these valuations and ensuring that they are sufficiently informed and accurate. The Government for its part is also continuing to engage the sector to provide factual information and updates.

I would stress that many shootings will be eligible for 100% rates relief under SBBS, in the same way as other properties, particularly in light of the increased threshold for 100% relief from 2017-18.

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Part of our engagement with the sector is focusing on outlining the general processes related to valuation and rating, bearing especially in mind those who might be receiving a valuation notice and a rates bill for the first time, and signposting how to apply to local authorities for rates relief such as SBBS and how to engage Assessors and appeal valuations.

I would, of course, be happy to update you further once the Assessors' valuations of shootings and deer forests are available, and confirm the Government's position in respect of non-domestic rating for these properties.

Looking forward, the external review of non-domestic rates led by Ken Barclay is due to conclude this summer, and we have committed to respond swiftly. Please let me know if there is any further information I can provide meantime. I am copying this letter to the Convenors of Environment, Climate Change and Land Reform Committee, Local Government and Communities Committee and Finance and Constitution Committee.

DEREK MACKAY