

# Business to receive almost £10 billion in rates relief

- Businesses are set to receive a discount of £9.7 billion on their rates bills this financial year in response to coronavirus
- Support comes after Budget 2020 increased business rates retail discount to 100% from 50% for 2020 to 2021
- Part of comprehensive package of measures to support businesses during the coronavirus pandemic

Businesses are expected to receive almost £10 billion in business rate relief as part of the government's comprehensive package of support for the economy during the coronavirus pandemic.

[New statistics published today](#) (22 April 2020) by the government show the business rate relief predicted by councils for businesses across England in the retail, hospitality and leisure sector.

It means that those which may be the hardest hit by the pandemic, such as eligible shops, restaurants, cafes and pubs will pay no business rates whatsoever this financial year.

Businesses are benefiting from this scheme right now with discounts on their rates bills helping them with their cashflow. The government has committed to compensating local authorities in full for the business rate relief with payments due to begin shortly.

The news follows the announcement that £3.2 billion of extra funding is being given to councils, helping them continue to provide essential services and support to those who need it most. This includes getting rough sleepers off the street, supporting new shielding programmes for clinically extremely vulnerable people and assistance for our heroic public health workforce and fire and rescue services.

Local Government Secretary Rt Hon Robert Jenrick MP said:

Today's figures demonstrate that, through working with local authorities, we are giving businesses the support that they need during this national emergency; an unprecedented nearly £10bn in business rates relief.

The government was clear that we would do whatever it took to support local business and that is exactly what we are doing. We stand behind them and their employees as we work to protect the NHS and save lives.

Minister for Local Government Simon Clarke MP said:

This government has announced a comprehensive programme of support for business to help them deal with the economic impact caused by the Covid19 pandemic, including providing 100 per cent rate relief for the retail and leisure industry.

It is great that councils estimate they will provide almost £10 billion in additional business rate relief this financial year. This will provide businesses with a much-needed boost at this unprecedented time and builds on over £6 billion already awarded to business in grants announced earlier this week.

In the Budget last March, the government announced it would take the exceptional step of increasing the Business Rates Retail Discount to 100% from 50%. This, and the measures announced in response to the Coronavirus, take the value of the Expanded Retail Discount and the Nursery Discount to £10.1 billion in 2020/21.

This support comes as part of a wider package of measures to help businesses to deal with the economic impact of Coronavirus.

It includes a £12.3 billion package for local authorities to deliver grants of up to £25,000 to eligible businesses and the commitment to pay the wages of millions of employed and self-employed people by covering 80% of monthly incomes through the Coronavirus Job Retention Scheme and the Self Employment Income Support Scheme.

- Some properties are eligible for discount from their business rates bill – this is called business rates relief. Local authorities bill businesses a standard rate with a total on how much they have to pay in a certain year. Today's announcement means that local authorities will issue updated bills to business that reduce their bills substantially.
- Businesses do not need to take any action as their local council will apply the discount automatically.
- See [more information](#) on which businesses are eligible for the relief.