

Finance Secretary proposes changes to improve collection of business rates in Wales

Non-domestic rates raise more than £1bn each year in Wales, raising vital funding for public services, including education, social care, waste management and housing.

While the vast majority of businesses pay their rates on time, information collected from local authorities suggests up to £20m may be lost to avoidance every year.

Professor Drakeford said:

“As with any tax system, there are those who set out to avoid or reduce their non-domestic rates liability.

“The Welsh Government is committed to reducing the opportunities for avoidance behaviour and to helping organisations investigate cases more effectively.

“It cannot be right that the efforts of the considerable majority to abide by the rules and pay their dues are undercut by a minority intent on exploiting or abusing the system.

“I am pleased to publish a consultation about a range of ideas which could help to address the avoidance of non-domestic rates. I am keen to hear the views of ratepayers, industry representatives and local authorities, about how we can make our non-domestic rates system more effective, fairer and less vulnerable to misuse.

“While avoidance may involve only a small minority of ratepayers, when they do not contribute their fair share it is to the detriment of local services, the wider community and other ratepayers.”

The Welsh Government provides more than £200m of support to businesses every year to help them pay their rates bills, this includes the new permanent small business rates relief scheme, which will come into effect on April 1 this year.

[The consultation will run from 4 April until 27 June 2018.](#)