

Labour hold emergency business roundtable to discuss business rates “ticking time bomb” – Rebecca Long-Bailey

Labour hold emergency business roundtable to discuss business rates “ticking time bomb”

Senior

Labour politicians met today with representatives from ten major business organisations to discuss the mounting business rates crisis.

New

rates are due to kick in on 1st April but thousands of businesses are unsure whether they will be able to pay.

Labour

joined forces with businesses to put pressure on the Government to provide emergency transitional relief for struggling businesses in the budget next week. They also agreed to begin an ongoing dialogue about how to fundamentally reform business rates in the longer run.

The

meeting followed Labour’s earlier announcement of a five point plan for business rates, which is intended to help businesses through this difficult period, and develop a system of business taxation that is fairer on businesses and local communities alike.

Labour’s

Five Point Plan for Business Rates:

1.
Set up an emergency transitional relief fund for businesses facing “cliff edge” increases in their rates, and revise the appeals process to ensure businesses get a swift and fair hearing
2.
Bring forward CPI indexation so that businesses aren’t paying more because of how inflation is measured
3.
Exclude new investment in plant and machinery from future business rates valuation

4.
Introduce more regular valuations in law to stop businesses facing periodic, unmanageable hikes

5. Fundamental
reform of the business rates system to ease the burden on traditional high streets and town centres in the age of online shopping; support the traditional fabric of our communities, including community pubs and incentivising free cash machines; and create a fairer system of business taxation.

**Rebecca
Long-Bailey, Shadow Business Secretary, said:**

“We’ve called this emergency meeting with business organisations today because time is running out to save our local businesses and we need to keep the pressure on.

It’s clear that there is a way out of this crisis, the question is whether the Government are going to take it.”

**Jim
McMahon, Shadow Minister for Local Government, said:**

“Our town centres and high streets are already struggling – and this latest hike in rates threatens to send many businesses under. Small businesses in particular need far more support than the Government is currently offering.”

“This business rate revaluation has exposed the inherent flaws in this antiquated and unfair system. That’s why we are calling for a full review of business rates. The Government must move towards a system which works for businesses, and their local communities.”

**Mike
Cherry, National Chairman at the Federation of Small Businesses, said:**

“Business rates are an outdated tax. FSB is keen for all political parties to help those small firms hardest hit by the current revaluation, and to start to focus on fundamental longer-term reform of business rates to make sure it’s fair for small firms. It is incredibly important to support small businesses and the self-employed so they don’t face shock tax rises, so we are delighted to take part in the roundtable.”

Andrew

Silvester, Head of Campaigns & Deputy Director of Policy at the Institute of Directors said:

“It’s hugely important that politicians on all sides look for constructive ways to reform business rates. This is a 20th century system and in a 21st century economy it looks painfully out of date.”

Christopher

Richards, Senior Business Environment Policy Adviser at the Engineering Employers Federation, said:

“Establishing the principle that plant and machinery has no place in the business rates system is an important first step for all political actors to take, this is the top priority action for industry. The inclusion of plant and machinery in business rates bills represents a tax on productive investment and undermines the international competitiveness of UK manufacturing. Excluding future investments from being taxed is therefore a significant step in the right direction, is consistent with the government’s industrial strategy aims and if enacted would give some confidence to manufacturers about the likely post-Brexit investment environment in the UK.”