

# Press release: Businesses to pay rates bills that better reflect current property values

Business rates payers in England will have bills that more accurately reflect current property values under [new legislation](#) introduced by ministers today (12 June 2019).

Property revaluations will increase to every 3 years, from the current 5 years, and the next revaluation will be brought forward a year from 2022 to 2021.

A property's business rates bill is based on a precise estimate of the premise's rental value.

Business rates revaluations help ensure this estimate accurately reflects the market value of the property and maintain fairness by redistributing the total amount payable across the country.

This delivers on commitments made by the Chancellor at the Autumn Budget in 2017 and the Spring Statement in 2018.

Local Government Minister Rishi Sunak MP said:

We've listened to businesses asking for more frequent revaluations and are now acting so their bills will more accurately reflect current property values.

By bringing forward the next revaluation to 2021, we are making sure businesses can benefit from the change as soon as possible.

We have also published today a [factsheet](#) providing further background information on the measures within the Non-Domestic Rates (Lists) Bill.

A property's business rates bill is determined by its rateable value, which is its estimated open market rental value on a set date. This is assessed by the Valuation Office Agency in England, independently of the government.

Revaluation is the review of the rateable values of all business and other non-domestic property in England at a particular point in time.

The Autumn Budget 2018 saw business rates relief cut small retailers' bills by a third, part of over £13 billion of business rates support from the government since 2016.

In response to recommendations from the independent expert panel, led by Sir

John Timpson, the government has recently launched a £675 million Future High Streets Fund to help improve infrastructure and access to high streets, put historic buildings back to use and make town centres fit for the future.

The government completed a fundamental review of business rates in 2016, and respondents agreed that property-based taxes were stable, easy to collect, and difficult to avoid. While alternative taxes were proposed, there was no consensus on these, and respondents were clear that such alternatives were not without their own issues. The government has therefore maintained business rates as a property tax.

The UK is separately introducing a UK Digital Services Tax. This will be a narrowly-targeted tax on the UK-generated revenues of specific digital platform business models to ensure that they pay their fair share towards supporting our public services. This is not an online-sales tax on goods ordered over the internet.