

Scottish Government must close business rates loophole

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The Scottish Conservatives have demanded that the Scottish Government closes a loophole to ensure that certain small businesses receive financial support in circumstances where they pay rates in their rent but are not the 'named' ratepayer.

This loophole currently affects a number of businesses in shared premises who are equally affected by the current economic lockdown but are usually tenants and thus not eligible for support as the named business ratepayer – for example, units in covered markets.

Donald Cameron, Scottish Conservative shadow finance secretary raised the issue with Kate Forbes, Scottish Finance Secretary today in the Scottish Parliament, asked that that this loophole is closed and that these Scottish businesses are not forgotten.

Bespoke Canvas Art & Interiors Ltd is one of the 100 businesses who currently trade within the Forge Market in Glasgow and pay a single unit cost each month which includes their business rates.

Glasgow City Council has refused the shop's application for the Business Support Grant Scheme on the grounds that they are not the ratepayer, despite proof that they pay their business rates as part of their rent.

In exactly the same way as all other businesses, without assistance from the Business Support Scheme, many of the small businesses within the market will find it difficult to continue trading without any income.

Lastly, the UK Government has already taken steps to fix exactly this oversight in the rest of the UK. On the 2nd May the UK Government announced the 'Top-up to local business grant fund scheme' in England which has accommodated certain small businesses previously outside the scope of the business grant funds scheme and allows for the allocation of funding to be at the discretion of local authorities.

The Scottish Conservatives are advocating that the Scottish Government follows this approach and supports all Scottish businesses in the same way.

Donald Cameron, Scottish Conservative shadow finance secretary said;

"This is an utterly nonsensical position and is causing many small businesses extreme hardship.

"Many businesses are suffering at the moment because of public health

restrictions necessary to keep us all safe – and will need financial support.

“This is just the latest hole in the Scottish Government’s patchy and insufficient support package for the Scottish economy.

“The SNP have already u-turned on support for businesses with multiple premises, they must now close this loophole immediately and give businesses who indirectly pay rates proper support.”