



UNITED KINGDOM - September 2017

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[Tax on vacant land could net £200 million for public services](#)

Andy Wightman of the Green Party wants a tax on vacant land to help fund public services.

A tax on vacant land in Scotland could raise £200 million a year for public services, according to research by the Scottish Greens.

The report published by Andy Wightman MSP highlights there are 12,763 hectares of vacant or derelict land in Scotland, of which 69 per cent could be developed.

Glasgow has 782 derelict sites, North Lanarkshire 487, North Ayrshire 281 and Edinburgh, where house prices are the highest of any Scottish city, 76.

In 2016, while 30 per cent of Scotland's population lived within 500 metres of a derelict site, that rose to 59 per cent for those in the most deprived areas.

Bringing such sites into the non-domestic rates system could raise cash to build affordable homes and tackle the housing crisis, the report said.

The Greens have also put forward proposals for a vacant site levy, similar to that in Ireland, which would allow local councils to levy charges.

Mr Wightman, the party's housing and land reform spokesman, said: "Over half of Scotland's most deprived communities are within 500 metres of vacant and derelict land so there is huge potential to develop and regenerate where it is most needed, and ease the pressure to build on green spaces valued by communities.

"The Scottish Government, in rejecting bolder land reform legislation last year, promised to consult on the taxation of derelict and vacant land and I hope this paper brings that forward.

"Given the lack of affordable housing and continuing financial pressures on public services, it's unacceptable that landowners can profit from withholding land suitable for housing.

International Property Tax Institute

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“There is growing political consensus in Scotland that we need big changes to tackle the housing crisis, so let’s not be timid when it comes to giving local councils the power to tax vacant and derelict land.”

Landmark case could see Belfast International win £1m+ rate refund

Belfast International Airport could be in line for a million pound-plus refund after winning a potentially landmark challenge to its rates revaluation.

In a case being seen as setting a precedent for other businesses, it won an appeal against a hike imposed following development work on the main terminal building.

A Lands Tribunal directed that a £3m Net Annual Value (NAV) assessment should be reduced to £2.3m.

Proceedings centred on a decision reached by a Land and Property Services District Valuer in February 2016.

The new valuation took into account Project Phoenix - the major construction work undertaken by Belfast International Airport (BIA) in 2010.

Lawyers representing BIA contended that the new NAV was excessive and incorrect.

Complex arguments focused on the rationale behind the assessment, along with expert opinion by chartered surveyors on either side.

During the case the tribunal compared BIA's NAV with that of Belfast City Airport.

The panel, which included High Court judge Mr Justice Horner, questioned whether City Airport's £2m lower valuation was warranted.

It also held that the respondent's chartered surveyor failed to detail what factors had been included in one of the stages of the valuation process, and the amount allocated to each factor.

Backing BIA's assessment that the NAV should be based on April 2001 economic circumstances, the panel confirmed: "The tribunal therefore allows the appeal and directs that the NAV of BIA in the valuation list be altered to £2,300,000."

Sources close to the case predicted that the verdict, when backdated, will result in a repayment to the Airport in excess of £1m.

A further hearing is scheduled to determine costs of the legal action.

Let town halls increase council tax on empty luxury homes

Town halls should be allowed to increase council tax charged on empty luxury properties in central London, Sadiq Khan said today.

The Mayor wrote to ministers calling for boroughs to be given the power to put up the levy on high-value homes standing empty above the current 50 per cent.

City Hall believes this could encourage occupation and generate substantial funds to support investment in new affordable homes and other measures to tackle the housing crisis.

It follows a report last year into foreign investment in the capital's property market. It found that although the overall number of empty homes was low, there were substantial numbers in prime locations.

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The Mayor's call, ahead of his housing strategy this week, was backed by Tory-run Westminster council where the problem is particularly acute.

Westminster's top band-H properties may be worth many millions of pounds but their empty homes levy is capped at £688 a year.

Mr Khan said: "In the midst of a housing crisis just one home left unoccupied is one too many. I will be working with boroughs like Westminster to call for the Government to allow boroughs to charge a higher council tax on empty properties."

Westminster council leader Nickie Aiken added: "Not only is it an important message to send out, it would generate funds to be invested in our areas."

Think tank urges wide-ranging review of charity tax reliefs

New Philanthropy Capital wants ministers to examine what happens to the £4bn of charity tax breaks the sector gets each year

The think tank New Philanthropy Capital has called for a wide-ranging review of charity tax reliefs to make them work better for the voluntary sector.

NPC has today urged the government to examine where the near £4bn generated each year in charitable tax relief and the extra resources it generates goes in the charity sector and whether it can be improved upon.

The think tank said any review should be revenue-neutral and not used to cut financial support to the sector.

The charity sector received about £4bn in tax reliefs in the 2016/17 financial year, with Gift Aid and business rates relief accounting for £1.28bn and £1.87bn respectively.

VAT reliefs are worth £400m to the charity sector and stamp duty land tax reliefs are worth approximately £220m, according to figures provided by NPC.

Individual people also get charitable tax reliefs, with inheritance tax reliefs worth £840m in 2016/17 and the higher-rate relief on Gift Aid worth £520m.

Other charitable reliefs include payroll giving, social investment tax relief and gifts of shares and property.

Dan Corry, chief executive of NPC, said: "As politicians return to Westminster, they need to look at how they can best use resources to support a strong and thriving civil society. We think that a review of the £4bn or so of tax breaks currently on offer is an important part of this process.

"NPC spends a lot of time urging individual charities to look hard at the way they allocate their resources to see if they maximise impact. It is only right that government should do the same."

The call comes after NPC wrote an open letter to the political parties before the general election that set out the case for strengthening the charity sector, including moving the Office for Civil Society to a "cross-cutting department" such as the Cabinet Office.

NORTHERN IRELAND - Calls for rates relief for city centre traders after another Derry family business announces it is to close

CALLS have been made for business rates to be reduced after one of the city's best known shoe shops is to close its doors next month.

The family owned Gormley Shoes on Ferryquay Street announced that it would be shutting down after almost 45 years of trading.

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Speaking to the Derry News earlier this week, Glynn Roberts Chief Executive of Retail NI, (formerly NIIRTA), a business organisation which represents independent retailers, said rates are the biggest problem facing small business owners.

"I am very sorry to hear about Gormley Shoes," he commented.

"They were a very well respected independent retailer in the city.

"It will be a big loss to retail in Derry, and the northwest as a whole.

"Independent retailers still face a huge uphill struggle and are the top issue. We are continuing to push rates reform right at the top of our agenda."

Mr Roberts said Retail NI and Hospitality Ulster wrote a plan for a targeted and costed rates relief scheme which was given to Stormont Finance Minister Mairtin O' Muilleoir last year.

"Along with the Assembly those plans went into limbo," said Mr Roberts.

"We need Stormont back and we need them to address the business rates and we have brilliant independent retailers who are doing a fantastic job.

"Jim Roddy and his team at the City Centre Initiative (CCI) are doing a great job in very difficult circumstances."

The news Gormley Shoes is to shut comes after locally owned dry cleaners, Smooth Operators in Sackville Street closed its doors in May after 18 years in business.

Speaking to the Derry News at the time owner, Deirdre McBay, said that the running costs meant that she could sadly no longer sustain the business.

The city's out of town offering also suffered a setback earlier this week after the supermarket giant ASDA confirmed it had withdrawn its plans for a store in the Crescent Link, five years after it was granted planning permission.

A spokesperson for Derry City and Strabane District Council said that it would be in contact with Gormley Shoes to explore 'any assistance' it can offer.

The spokesperson said that the council 'deeply regrets that a local business of this calibre has decided to close and advised that a member of the Small Business team will be touch with Gormley Shoe's owners in the coming days to explore any specific assistance that can be offered.'

In relation to business rates and rental costs, the spokesperson explained that while all businesses have to pay rates to help fund local services 'it's important to note that there are two sets of rates - one is a district rate set by each local council and the other is a regional rate struck by the NI Assembly'.

The spokesperson said business rates depend on the net annual valuation of the business premises and can be calculated by multiplying this by the sum of the district and regional rates.

"Assistance and relief schemes are available to small businesses suffering hardship and more information is available on the NI Direct website."

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