

2022 No. X (W. X)

**RATING AND VALUATION,
WALES**

**The Non-Domestic Rating
(Amendment of Definition of
Domestic Property) (Wales) Order
2022**

EXPLANATORY NOTE

(This note is not part of the Order)

This Order amends section 66 of the Local Government Finance Act 1988 (“the 1988 Act”), which defines domestic property for the purposes of Part 3 (non-domestic rating) of that Act.

Section 66(2BB) of the 1988 Act sets out the circumstances in which a building or a self-contained part of a building which is commercially let for short periods as self-catering accommodation (“the accommodation”), is prevented from being considered as domestic property. Those circumstances include specification of the number of days for which the accommodation has been available for letting, or is intended to be available for letting, so as to prevent it from being considered as domestic property.

Article 2(2) of this Order amends the number of days required to meet the circumstances set out in section 66(2BB) so that—

- (a) the requirement to intend to let the accommodation for short periods totalling 140 days or more in the year following the day of assessment, is increased to 252 days or more,
- (b) the requirement to have made the accommodation available for let for short periods totalling 140 days or more in the year prior to the day of assessment, is increased to 252 days or more, and
- (c) the requirement that the short periods for which the accommodation was, or for the short periods for which the accommodation and other buildings or self-contained parts of those other buildings at the same location as

or in very close proximity to the accommodation were, actually let as self-catering accommodation in the year prior to the day of assessment amounting to at least 70 days, is increased to at least 182 days.

Article 3 contains transitional provision.

The Welsh Ministers' Code of Practice on the carrying out of Regulatory Impact Assessments was considered in relation to this Order. As a result, a regulatory impact assessment has been prepared as to the likely costs and benefits of complying with this Order. A copy can be obtained from Local Government Finance Reform, Welsh Government, Cathays Park, Cardiff, CF10 3NQ and is published on www.gov.wales.

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2022**

Made XXX

Laid before Senedd Cymru XXX

Coming into force 1 April 2022

The Welsh Ministers make the following Order in exercise of the power conferred on the Secretary of State by sections 66(9)(1) and 143(2)(2) of the Local Government Finance Act 1988(3), and now vested in them.

Title and commencement

1. The title of this Order is the Non-Domestic Rating (Amendment of Definition of Domestic Property) (Wales) Order 2022 and it comes into force on 1 April 2022.

Amendment to the Local Government Finance Act 1988 - definition of domestic property

2.—(1) Section 66 of the Local Government Finance Act 1988 is amended as follows.

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- (1) The power under section 66(9) of the Local Government Finance Act 1988 (c. 41), so far as exercisable in relation to Wales, was transferred to the National Assembly for Wales by virtue of article 2 of, and Schedule 1 to, the National Assembly for Wales (Transfer of Functions) Order 1999 (S.I. 1999/672). By virtue of section 162 of, and paragraphs 30 and 32 of Schedule 11 to, the Government of Wales Act 2006 (c. 32), the power is now vested in the Welsh Ministers.
- (2) Section 143(2) of the Local Government Finance Act 1988 was amended by section 154(3)(a) of the Local Government and Elections (Wales) Act 2021 (asc 1) which inserted a reference to the Welsh Ministers.
- (3) 1988 c. 41.

(2) In subsection (2BB)(1)—

- (a) for “140”, in both places it occurs, substitute “252”;
- (b) for “70”, in both places it occurs, substitute “182”.

Transitional provision

3.—(1) In relation to an assessment day that falls before 1 April 2023, the references to 252 and 182 inserted by article 2 into section 66(2BB) of the Local Government Finance Act 1988 are to be interpreted as references to 140 and 70 respectively.

(2) In this article, “assessment day” means the day in relation to which the question is being considered under section 66(2BB) of the Local Government Finance Act 1988.

Name

Minister for Finance and Local Government, one of
the Welsh Ministers
XX March 2022

(1) Section 66(2BB) was inserted by S.I. 2010/682 (W. 65) and further amended by S.I. 2016/31 (W. 12).