To Mr Sammy Wilson MLA (DFP Minister)  
  
12 August 2011  
  
Dear Mr Wilson,  
  
I ask if you could review the question of rating empty commercial property at 50%, so that changes might be introduced in your next budget.  
  
The 50% rates charge on such empty property is having a series of unintended and deleterious consequences of which you are probably aware:

* The charges are ensuring little or no construction or repair of commercial property, depressing that sector further.
* They are encouraging the demolition of property still in tolerable condition by businesses which cannot afford to pay rates, and which would otherwise go under.
* They are obliging hard-pressed businesses to offer zero rents to registered charities and even to pay them to take up occupancy in empty premises.
* They are unfortunately encouraging unscrupulous owners, and near bankrupt developers, to set buildings on fire or render them otherwise unusable and thus free of rates to avoid the 50% charge.
* Banks possess increasing amounts of such empty property and are panicking at their rates bills. Their only interest now is to offload them at whatever price, further depressing the market.
* The original 50% rates concept was designed for prosperous times, more to encourage domestic property owners to put empty dwellings on the market or develop them, than take account of business needs.

This is an area, unlike employers’ national insurance contributions or corporation tax, over which you presently have full control, and I hope you could therefore consider an early reform of this policy.   
  
It would be unusually effective in encouraging growth in SMEs in Northern Ireland. Perhaps more importantly it will ensure more such businesses survive and are enabled to take advantage of the gradual upturn in the economy.   
  
As you know, it takes a lot more time and money to get a new business up-and-running and prospering, than for an existing one to tick-over and keep on staff, awaiting better days.  
  
Yours sincerely  
  
Jeffrey Dudgeon

**England - Empty and partly occupied rates relief**

As of 1 April 2008, empty relief was altered, removing the previous total relief for industrial properties, and removing the 50% relief for other properties. The three month period of total relief for non-industrial properties was retained, and a six month period instituted for industrial properties. *As before, some properties retained 100% empty relief; these included all properties below a certain rateable value (£2200 from 2005), and* [*listed buildings*](http://en.wikipedia.org/wiki/Listed_building)*.*[*[29]*](http://en.wikipedia.org/wiki/Business_rates_in_England_and_Wales#cite_note--28)[*[25]*](http://en.wikipedia.org/wiki/Business_rates_in_England_and_Wales#cite_note-mbr_reliefs-24) *In the Pre Budget Report 2008, the Chancellor increased the rateable value for full relief to £15,000 for the period 1 April 2009 to 31 March 2010.*

Where part of a property is to be empty for a short time, a discretionary form of empty relief exists for that empty part. The local authority can request an apportionment of the rateable value between empty and occupied parts from the Valuation Office Agency; the empty part can then receive relief in the normal way. This apportionment does not affect the rating list entry.[[30]](http://en.wikipedia.org/wiki/Business_rates_in_England_and_Wales#cite_note-S44A-29)