

A Short Guide to Non-Domestic Rates and Reliefs 2024-25

If you pay non-domestic rates (NDR), your property may be eligible for non-domestic rates relief. A number of reliefs are available for certain types of property.

Below is a summary of the property rates and main reliefs for 2024-25 (note these are set out in legislation and are subject to Scottish parliament scrutiny). Rates and reliefs for the next financial year (which runs from 1 April to 31 March) are announced annually in the Scottish Budget, usually published in December.

Most reliefs are application-based and ratepayers who think they may be eligible for an NDR relief on their property should check their council website for further information and the process for application.

Non-Domestic Rates 2024-25

Basic Property Rate ('poundage') (properties with a rateable value up to and including £51,000)	49.8p
Intermediate Property Rate (properties with a rateable value between £51,001 and £100,000)	54.5p
Higher Property Rate (properties with a rateable value above £100,000)	55.9p

Small Business Bonus Scheme (SBBS)

Up to 100% relief is available through the Small Business Bonus Scheme where:

- the combined rateable value of all the ratepayer's properties in Scotland is £35,000 or less;
- the rateable value of the individual property relief is sought on is £20,000 or less; and
- the property is actively occupied.

For ratepayers with only one non-domestic property, the relief available is:

Rateable Value	Relief
Up to and including £12,000	100%
from £12,001 to £15,000	tapers from 100% to 25%
from £15,001 to £20,000	tapers from 25% to 0%

For ratepayers with more than one property, the relief available is:

Cumulative Rateable Value	Relief
Up to £12,000	100%
from £12,001 to £15,000	25% on each individual property with a rateable value of £15,000 or less
from £15,001 to £35,000	Tapers from 25% to 0% for individual properties with rateable values from £15,001 to £20,000

SBBS is not available to advertisements, car parks, betting shops or payday lending businesses.

Islands and Remote Areas Hospitality Relief

100% relief in 2024-25 for properties in the hospitality sector located on islands as defined by the Islands (Scotland) Act 2018, as well as in specified areas of Knoydart, Scoraig and Cape Wrath, capped at £110,000 per business.

General Revaluation Transitional Relief

The General Revaluation Transitional Relief caps annual gross bill increases caused by the 2023 revaluation at a specified percentage increase. These caps apply to all property types.

General Revaluation Transitional Relief 2024-25 (year-on-year caps)

Rateable Value (per property)	2024-25
Up to £20,000	25%
£20,001 to £100,000	50%
Over £100,000	75%

Additional conditions apply if the property is split or re-organised with effect from 1 April 2023.

Small Business Transitional Relief (SBTR)

Where, due to the 2023 revaluation, a property is no longer eligible for the SBBS, or Rural Rate Relief, or the amount of SBBS relief the property is eligible for has reduced, the maximum increase in the NDR bill for each qualifying property, compared to the amount payable as at 31 March 2023, is capped at £1,200 in 2024-25. This will rise to £1,800 in 2025-26 with no SBTR cap in place from 2026-27.

Parks Transitional Relief

Properties in parks liable for rates for the first time on 1 April 2023 are eligible for 33% relief in 2024-25. No Parks Transitional Relief will be in place from 2025-26.

Fresh Start Relief – for newly re-occupied properties

Ratepayers occupying certain long-term empty properties may be entitled to 100% relief for up to 12 months where:

- the property had previously been empty for at least 6 months and was occupied on or after 1 April 2018;
- the property has a rateable value up to and including £100,000; and
- the property is actively occupied.

Business Growth Accelerator Relief (BGA) – for new build properties, or property improvements or expansions

Ratepayers investing in new build property or property improvements may be entitled to 100% relief on the property for a specified period of time.

New build

Where a newly built property has been entered in the valuation roll within the last 12 months, 100% relief is available until 12 months after the property becomes occupied, or four years after the date on which the entry in the valuation roll took effect, whichever is sooner.

Where the new build has been entered into the valuation roll more than 12 months previously, 100% relief is available until 12 months after the property becomes occupied or the latter of the following dates: 31 March 2025 or four years after the date that the entry in the valuation roll took effect.

Property Improvements

Where a property is expanded or improved, the property may be eligible for BGA relief which would mean the non-domestics rates charged on the property would not increase (to reflect the improvement or expansion) for 12 months.

Where a property in receipt of new-build relief is further improved during the period for which BGA relief for a new build has been granted, relief available is the amount of non-domestic rates payable that has resulted from the increase in rateable value.

Where an existing entry on the valuation roll comprises a building which has had a property improvement, 100% relief is available for 12 months on the *increase* in rateable value due to that improvement.

Certain conditions apply in relation to properties which are divided, split, merged or re-organised. See the Annex for examples.

District Heating Relief

Premises being used wholly or mainly for a district heating network may be eligible for 50% relief until 31 March 2032.

Where district heating networks are powered by renewables, 90% relief is available where at least 80% of the thermal energy generated derives from renewable sources (see below for eligible renewables). This relief is available until 31 March 2027.

Renewable Energy Generation Relief

Up to 100% relief is available for renewable energy generation schemes which give one or more community organisations at least 15% of their annual profit, or an amount equal to the annual profit equivalent to 0.5 megawatt of the total installed capacity of the project.

Renewable Energy Relief thresholds

Rateable Value	Relief (%)
up to £145,000	100
over £145,000 and up to £430,000	50
over £430,000 and up to £860,000	25
over £860,000 and up to £4 million	10
over £4 million	2.5

To be eligible the generation activity should both take place at the eligible property itself, be the main use of the property, and the heat or power must use from renewable sources (see below).

Hydro schemes with a rateable value of no more than £5 million are eligible for 60% relief until 31 March 2032.

Renewables means producing heat or power from any of the following sources:

- biomass
- biofuels
- fuel cells
- photovoltaics
- water (including waves and tides, but excluding production from the pumped storage of water)
- wind
- solar power
- geothermal sources.

Rural Relief

Certain properties in a designated rural area (with a population below 3,000) may be eligible for up to 100% relief. Those properties must be on the council's rural settlement list and be:

- a small food shop, general store or post office with a rateable value below £8,500
- a small hotel, public house or petrol filling station with a rateable value of up to £12,750
- any other business providing a benefit to the community with a rateable value of up to £17,000.

Enterprise Areas Relief

For businesses in receipt of Enterprise Areas relief in 2023-24, the following levels will be available for 2024-25, and 2025-26. This relief will end on 31 March 2026.

Enterprise Areas Relief and Thresholds

Rateable Value	Relief Available	
	2024-25	2025-26
£120,000 or less	66.7%	33.3%
£120,001 to £240,000	33.3%	16.7%
£240,001 to £480,000	16.7%	8.3%
£480,001 to £1,200,000	6.7%	3.3%
£1,200,001 to £2,400,000	3.3%	1.7%
Over £2,400,000	1.7%	0.8%

Sports Club Relief

Properties occupied by a Community Amateur Sports Club (CASC) registered with HM Revenue and Customs, may be entitled to 80% relief. Councils have discretion to offer a further 20% relief.

Properties occupied by certain other sports clubs that are not CASCs or registered charities may be eligible to receive up to 100% relief at the discretion of the local authority, and in accordance with the sports club relief statutory guidance (Local Government Finance Circular 03/2021).

Charity Relief

Registered charities may be eligible for 80% rates relief if their property is mostly used for charitable purposes. Councils have discretion to offer a further 20% relief. Councils also have discretion to offer up to 100% relief on properties used by other not-for-profit organisations:

- who carry out work for charitable, philanthropic or religious purposes, or
- who are concerned with education, social welfare, science, literature or the fine arts
- who are mainly used for recreation such as sports clubs.

Other Reliefs

The following other reliefs also continue to be available:

[Day Nursery Relief](#)

[Disabled Persons Relief](#)

[Hardship Relief](#)

[Telecommunications Relief](#)

[New Fibre Infrastructure Relief](#)

Stud Farms Relief

Empty Property Relief was devolved to local authorities on 1 April 2023. Please check individual council websites for information on any local relief they may offer for unoccupied properties in 2024-25.

Further information

An overview of all the national non-domestic rates reliefs in Scotland can be found at: <https://www.mygov.scot/non-domestic-rates-relief>.

Further detail can also be found in [Local Government Finance Circular 05/2024: non-domestic rates relief guidance](#).

The [Non-Domestic Rates calculator](#) gives an estimate of your non-domestic rates bill for the tax year. The calculator also shows whether a property may be eligible for Small Business Bonus Scheme, and which council is responsible for the rates including determining eligibility for any reliefs.

Some reliefs might be affected by subsidy control rules.

Further information on non-domestic valuation can be found at: [Non Domestic Valuation – Scottish Assessors \(saa.gov.uk\)](#)

Business Growth Accelerator (BGA) Relief Examples

Scenario 1: A warehouse is built on bare ground and added to the valuation roll as a new entry with effect from 1 April 2023.

100% relief for 12 months from the date of first occupation, or four years from date of entry on valuation roll (i.e. 1 April 2027) where it has been continuously unoccupied, whichever is sooner.

Where the building is occupied at different stages, with different entries on the valuation roll, for instance if different businesses set up separate units in the warehouse, the relief will be available for each separate eligible entry on the roll.

Scenario 2: A newly built warehouse is later divided resulting in separate entries on the valuation roll.

Where a warehouse was previously granted BGA relief and is then divided with separate entries added to the valuation roll, the relief will continue to be available if the property has not been occupied since the relief was granted.

Relief will continue to be available for the separate entries - the period of relief will depend on whether the building, or part building, in any of the separate entries have been occupied since the relief was first granted for the warehouse.

Scenario 3: An existing warehouse is divided, resulting in separate entries on the valuation roll.

Relief is not available if the buildings, any part of the buildings, were previously shown as an entry on the valuation roll.

Scenario 3: An existing property is altered and now includes new buildings or parts of buildings that were not previously on the valuation roll.

100% relief for 12 months is available, provided the property was unoccupied on the day before the alteration took effect.

Scenario 4: A warehouse benefiting from BGA relief is improved by way of refurbishment, expansion or construction.

100% relief on the new increase in rateable value for 12 months. The improvement must not involve any lands and heritages which were included within a different entry in the valuation roll immediately prior to the day the valuation roll amendment takes effect.

Scenario 5: A shop is extended, refurbished or improved e.g. with air conditioning, resulting in an increase in rateable value.

100% relief for 12 months on the increase in value which is due to the extension or improvement. This does not apply if the extension or improvement arises from a

combination, division or reorganisation of lands and heritages which were previously shown, in whole or in part, in different entries in the roll.

Where the rateable value is reduced during the improvement work, the comparable value is the rateable value of the property before the works commenced.