



Warwick District Council
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Dear Sir or Madam:

Help with Business Rate Bills

We are writing to let you know that there is help available to deal with the Retail Price Increase in your 2012-13 business rate bill.

The Government has decided to put in place a business rates deferral scheme which will give you the option of spreading the Retail Price Index increase in your 2012-13 bill over three years, to help businesses manage their cash flow during the downturn. You will be able to defer payment of 3.2% of your 2012-13 bill – which is equivalent to 60% of the Retail Price Index increase - until 2013-14 and 2014-15. You will then pay back the total amount deferred over the next two years.

The enclosed leaflet provides details of the scheme. If you wish to opt into the scheme, an application form is also enclosed. The form simply asks for your name, the address of the property and its reference number (which can be found on your business rate bill). Just complete those details, sign the form and return it to the above address. You do not need to pay anyone to do this for you.

You can apply at any time until 31 March 2013 provided you have some of your bill left to pay. We would encourage you to apply early so that you see the reduction in your monthly instalments sooner. However, you will be able to defer 3.2% of the whole year's bill regardless of when you apply. Provided that you return the application by 9 June you will see the reduction in your July instalment. If you apply later than that date you will see the reduction reflected in your next instalment or the one after that.

You may also like to know that the Government has temporarily doubled the rate of Small Business Rate Relief. If you are occupying only one property with a rateable value of below £6,000 you will pay no rates at all for 2012/13. Those occupying only one property with a rateable value of below £12,000 will benefit from a discount on your bill. The Government has also made it easier for eligible ratepayers with rateable values below £18,000 (£25,500 in London) to have their bills calculated using the small business multiplier. Details of eligibility are contained in the attached factsheet. If you are not claiming and think you may be eligible, speak to your local council. You will find the contact details on your business rates bill.

Examples of deferral instalment calculations

Example 1: Based on a 2012/13 Annual Rate Charge of **£2,500**

Deferral requested, 3.2% of £2,500 = **£80.00** to be deferred as follows:

- **£40.00** deferred to **2013/14**, divided into 10 instalments, to be paid alongside the 2013/14 annual instalments
- **£40.00** deferred to **2014/15** divided into 10 instalments, to be paid alongside the 2014/15 annual instalments

Provided deferral application received by 9 June 2012 ...

Instalment Date	Before Deferring	After Deferring	Instalment Reduction
2012 Apr	£250.00	£250.00	-
May	£250.00	£250.00	-
Jun	£250.00	£250.00	-
Jul	£250.00	£242.00	£8.00
Aug	£250.00	£238.00	£12.00
Sep	£250.00	£238.00	£12.00
Oct	£250.00	£238.00	£12.00
Nov	£250.00	£238.00	£12.00
Dec	£250.00	£238.00	£12.00
2013 Jan	£250.00	£238.00	£12.00

Example 2: Based on a 2012/13 Annual Rate Charge of **£5,500**

Deferral requested, 3.2% of £5,500 = **£176.00** to be deferred as follows:

- **£88.00** deferred to **2013/14**, divided into 10 instalments, to be paid alongside the 2013/14 annual instalments
- **£88.00** deferred to **2014/15** divided into 10 instalments, to be paid alongside the 2014/15 annual instalments

Provided deferral application received by 9 June 2012 ...

Instalment Date	Before Deferring	After Deferring	Instalment Reduction
2012 Apr	£550.00	£550.00	-
May	£550.00	£550.00	-
Jun	£550.00	£550.00	-
Jul	£550.00	£524.00	£26.00
Aug	£550.00	£525.00	£25.00
Sep	£550.00	£525.00	£25.00
Oct	£550.00	£525.00	£25.00
Nov	£550.00	£525.00	£25.00
Dec	£550.00	£525.00	£25.00
2013 Jan	£550.00	£525.00	£25.00

Example 3: Based on a 2012/13 Annual Rate Charge = **£10,500**

Deferral requested, 3.2% of £10,500 = **£336.00** to be deferred as follows:

- **£168.00** deferred to **2013/14**, divided into 10 instalments, to be paid alongside the 2013/14 annual instalments
- **£168.00** deferred to **2014/15** divided into 10 instalments, to be paid alongside the 2014/15 annual instalments

Provided deferral application received by 9 June 2012 ...

Instalment Date	Before Deferring	After Deferring	Instalment Reduction
2012 Apr	£1,050.00	£1,050.00	-
May	£1,050.00	£1,050.00	-
Jun	£1,050.00	£1,050.00	-
Jul	£1,050.00	£1,002.00	£48.00
Aug	£1,050.00	£1,002.00	£48.00
Sep	£1,050.00	£1,002.00	£48.00
Oct	£1,050.00	£1,002.00	£48.00
Nov	£1,050.00	£1,002.00	£48.00
Dec	£1,050.00	£1,002.00	£48.00
2013 Jan	£1,050.00	£1,002.00	£48.00