



Heart of London Business Alliance
The Business Improvement District

BID LEVY RULES

INTRODUCTION

The following rules must be read in conjunction with the Regulations. Where the rules conflict with the Regulations the Regulations prevail.

Section A

Hereditaments Subject to the BID Levy:

1. A BID Levy Payer will be subject to the BID Levy in respect of a Hereditament if on a particular day in a Chargeable Period the Hereditament is in:
 - 1.1 the BID; and
 - 1.2 the Valuation List; and
 - 1.3 the BID RV is greater than £49,999.

Section B

The BID Levy:

The BID Levy will be calculated for a Chargeable Period as follows:

BID RV x BID Multiplier x (D/Y) where:

- 2.1 the BID RV is:
 - 2.1.1 the rateable value of the Hereditament in the 2000 Valuation List in relation to 1 April 2004; or

- 2.1.2 in the event that there is no such rateable value the BID RV will be the rateable value of the Hereditament in either the 2000 or 2005 Valuation List on the Hereditament Start Date provided always that if the Valuation Officer provides a different rateable value to that stated in 2.1.1 or 2.1.2 the rateable value shall be the rateable value provided by the Valuation Officer;
- 2.2 the BID Multiplier is:
- 1% (or 0.5% for advertising rights (Valuation Office analysis code CA)) in 2004/5. A 3% increase in the BID Multiplier will apply with effect from 1st April 2005 (i.e. (taking the increase to two decimal places only) the 1% BID Multiplier will increase to 1.03%) and a further 3% increase will apply with effect from 1st April 2006 (i.e. (taking the increase to two decimal places only) the original 1% BID Multiplier will have increased to 1.06);
- 2.3 D is:
- 2.3.1 the number of days in a Chargeable Period for which the BID Levy Payer is liable for the daily BID Levy;
- 2.4 Y is:
- 2.4.1 the number of days in the Chargeable Period, e.g. 46 until 31st March 2005, 365 between 1st April 2005 and 31st March 2006 and 365 between 1st April 2006 and 31st March 2007.
- 2.5 The BID Levy will be rounded to the nearest penny. (NB. £0.005 will be rounded up to £0.01).
- 2.6 How the amount of the BID Levy is to be calculated cannot be altered during the BID Term without an alteration ballot.

Section C

Persons/Organisations Liable for the BID Levy:

- 3.1 The BID Levy will be a daily charge.
- 3.2 Liability for the daily BID Levy will fall on the occupier of the Hereditament on the relevant day.
- 3.3 If a Hereditament is empty, the liability for the daily BID Levy will fall on the organisation or person entitled to possession on the relevant day. For this purpose 'entitled to possession' shall have the same meaning as under s65 of the Local Government Finance Act 1988.
- 3.4. A BID Levy for a Chargeable Period is payable in advance upon service of a Demand Notice.

Section D

BID Levy Allowances:

Empty Hereditaments

- 4.1. BID Levy Payers will receive a 50% allowance of their daily BID Levy in relation to empty Hereditaments.
- 4.2. BID Levy Payers will not receive a three month void exemption or any other empty rate exemption in relation to empty Hereditaments or Hereditaments that become empty during the BID Term.
- 4.3. If there is no NNDR Payer in existence on a particular day such as in the case of an NNDR empty “listed” Hereditament no BID Levy is payable.
- 4.4. ‘Empty’ in relation to Hereditaments shall have the same meaning as under the National Non Domestic Rate.
- 4.5. If on a particular day a BID Levy Payer in respect of a Hereditament is in receipt of NNDR Mandatory Charitable relief the BID Levy for that day will be reduced by 80% and such 80% allowance will be applied after first applying any other applicable allowances. There will be no allowances applicable to the BID Levy corresponding to NNDR Discretionary Relief, NNDR Hardship Relief, Section 44a (Partly Occupied) Relief, Small Business Rate Relief or NNDR Transitional Phasing.

Section E

Collection of the BID Levy:

- 5.1. The BID Levy for a Chargeable Period must be paid by the Single Instalment Due Date. The Demand Notice will be served as soon as practicable after the Council becomes aware of a BID Levy liability. The Council may serve a Demand Notice before the beginning of a Chargeable Period in accordance with paragraph 5(2) of the Regulations.
- 5.2. The BID Company may authorise refunds to BID Levy Payers, as appropriate.
- 5.3. The BID Company may authorise write-offs, as appropriate.