

Applying for business rates in Wales



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The qualifying test is, **looking back 12 months**, was the property available for 252 days and actually let for 182 days. On what day did that first happen?



2

E.g. if you started holiday letting the property on 1 Feb 2024, you would be on council tax (CT) until you met both thresholds. i.e. the first day you could look back 12 months and say both thresholds met. So earliest could move to business rates (BR) (aka non-domestic rates) is 252 days after 1 Feb 2024. *Note: the relevant period is not the financial year; it's on any given day looking back 12 months.*



3

When you meet the thresholds for first time you apply to the Valuation Office Agency (VOA) using [this form](#). If you met the thresholds a while ago, the form takes this into account – you enter the day you first met the thresholds.



4

If VOA agrees eligible for BR, it calculates rateable value and informs local council.



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The VOA are separate from your local council. So you might have now met the thresholds and told the VOA but you are still receiving CT bills. You could contact the council and explain that you now qualify for BR. However, they won't reissue as a BR statement until they hear from the VOA.



6

The VOA will tell the local council the date from which you qualified for business rates. They will backdate the switch from CT to BR to that date and reissue bills, which may involve reimbursement, if applicable.



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E.g.: You started holiday letting on 1 Feb 2024. You realise on 1 March 2025 that you met both thresholds on 15 Jan 2025. I.e. looking back 12 months from that date (so 16 Jan 2024 – 15 Jan 2025), the property was available for 252+ days and actually holiday let for 182+ days. So you apply in March 2025 to the VOA with the form above. You may have already paid your CT bill for financial year 2024-5 but the local council will need to re-issue as:

- a CT bill for the period 1 Apr 2024 to 15 Feb 2025; and
- a BR bill for the period 15 Feb 2025 to 31 March 2025.

With Small Business Rates Relief, or other reliefs, the overall bill may be smaller and so you should be due a reimbursement. If they've already issued a CT Bill for 2025-6, they'll need to re-issue as a BR bill.



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Small Business Rates Relief is administered by local authorities and is automatically applied to the bills for eligible properties. More info [here](#).

If not eligible, it would switch once you are deemed eligible for BR, the VOA will aim to assess the property every two years. To do so, they will send a slightly longer form for you to complete. If not, it could switch the property to CT, backdating it to when the property no longer met both thresholds. If at any point you fail to meet the thresholds you need to get in touch with the VOA. You should then tell them again if you re-meet the thresholds.



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There are a number of ways to try to encourage more bookings to boost the number of days let:

- Open up as much of your calendar as possible to bookings.
- Review your prices and allow our pricing team to flex your prices especially in off-peak periods and thinking about how a week is priced compared with a weekend;
- If you don't already, think about allowing pets at your property and offering short break bookings.

Note: this is just an example of how the process may work and is intended as a prompt to assist when considering the BR application process, rather than advice to be replied upon. We are not tax advisors and cannot be held liable for any loss suffered as a result of relying on the above. For full guidance visit the Welsh Government's guidance [here](#).