Business rates - Pre-budget comment from BNP Paribas Real Estate’s head of rating, Jim Ruthven:

Will the Government continue to target sitting ducks in budget?

When it comes to raising taxes in this week’s budget, businesses, particularly SME’s, are sitting ducks for the Government to aim at because, unlike council taxpayers, those that pay business rates do not have a vote in the general election.

It would be very disappointing if the Government does nothing to relieve the burden of ever increasing rates, especially as it is their stated aim to encourage businesses not to appeal against their assessments. By increasing the rates burden year on year they are simply doing the opposite.

What the Government should do to help business growth, is not increase the rates for 2012/13. Despite all the canvassing done by businesses and associations, a freeze is unlikely to happen.

When in opposition the Conservatives were opposed to the changes made by the previous Government back in 2008 on empty rates relief. Yet now they are in power they have chosen to retain the legislation. Increasing the rateable value threshold when empty rates become chargeable is something that would at least provide some assistance especially for struggling small businesses.

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About BNP Paribas Real Estate
BNP Paribas Real Estate is a leading international real estate provider, and the 2nd player in Europe, in terms of results. It offers to its clients a comprehensive range of services that span the entire real estate lifecycle: property development, transaction, consulting, valuation, property management and investment management.

BNP Paribas Real Estate has local expertise on a global scale through its presence in 30 countries (15 wholly owned subsidiaries) across Europe, India and Middle East with 3,300 employees in about 150 offices. BNP Paribas Real Estate is a subsidiary of BNP Paribas, one of the world’s six strongest banks in the world according to Standard & Poor’s (rated AA- by Standard & Poor's i.e. 3rd rating level on a scale of 22).

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