STATUTORY INSTRUMENTS

2026 No. 4

RATING AND VALUATION, ENGLAND

The Local Government Finance Act 1988 (Calculation of Non-Domestic Rating Multipliers for Retail, Hospitality or Leisure) (England) Regulations 2026

Made - - - -	*6th January 2026*
Laid before the House of Commons - - - -	*7th January 2026*
Coming into force - -	*1st April 2026*

The Treasury make these Regulations in exercise of the powers conferred by paragraphs A6A(1)(b) and 9B(1)(a)(ii) and (b) of Schedule 7 to the Local Government Finance Act 1988(**1**).

Citation, extent, application and commencement

1.—(1) These Regulations may be cited as the Local Government Finance Act 1988 (Calculation of Non-Domestic Rating Multipliers for Retail, Hospitality or Leisure) (England) Regulations 2026.

(2) These Regulations extend to England and Wales and apply in relation to England only.

(3) These Regulations come into force on 1st April 2026.

Interpretation

2. In these Regulations—

"the Act" means the Local Government Finance Act 1988;

"RHL hereditament", in relation to a chargeable day, means a hereditament which is a qualifying retail, hospitality or leisure hereditament for that day(**2**).

(**1**) 1988 c. 41. Paragraphs A6A and 9B were inserted by sections 1(3) and 2(2) of the Non-Domestic Rating (Multipliers and Private Schools) Act 2025 (c. 12). Those amendments have effect in relation to financial years beginning on or after 1st April 2026 (see section 6(1) of the Non-Domestic Rating (Multipliers and Private Schools) Act 2025).

(**2**) The term "qualifying retail, hospitality or leisure hereditament" is defined in paragraph 10(9C) of Schedule 4ZA to the Local Government Finance Act 1988 and regulation 2 of the Non-Domestic Rating (Definition of Qualifying Retail, Hospitality or Leisure Hereditament) Regulations 2025 (S.I. 2025/1093) in relation to occupied hereditaments. Paragraph 10(9C) was inserted by section 3(2)(b) of the Non-Domestic Rating (Multipliers and Private Schools) Act 2025.

Calculation of RHL multipliers

3. In relation to financial years beginning on or after 1st April 2026—

(a) the small business RHL multiplier is specified as D minus 0.05;

(b) the standard RHL multiplier is specified as B minus 0.05.

Calculation of RHL multipliers: meaning of "B" and "D"

4. In regulation 3—

(a) in relation to an RHL hereditament for which the billing authority is a special authority(**3**), "B" and "D" have the meanings given in paragraphs 10(3)(a) and 10(5)(a) respectively of Schedule 4ZA(**4**) to the Act;

(b) in any other case, "B" and "D" have the meanings given in paragraphs 10(3)(b) and 10(5)(b) respectively of Schedule 4ZA to the Act.

Gen Kitchen
Christian Wakeford
Two of the Lords Commissioners of His Majesty's Treasury

6th January 2026

(**3**) The term "special authority" is defined in section 144(6) of the Local Government Finance Act 1988.

(**4**) Schedule 4ZA was inserted by section 1(3) of the Non-Domestic Rating Act 2023 (c. 53) and that insertion has effect in relation to financial years beginning on or after 1st April 2024 (see section 19(2)(a) of the Non-Domestic Rating Act 2023). Paragraph 10(3)(b) was amended by paragraph 9 of the Schedule to the Local Government Finance (Wales) Act 2024 (asc 6).

EXPLANATORY NOTE

(This note is not part of the Regulations)

Paragraphs A6A and 9B of Schedule 7 to the Local Government Finance Act 1988 (c. 41) ("the Act") were inserted by the Non-Domestic Rating (Multipliers and Private Schools) Act 2025 (c. 12), enabling the Treasury to make regulations for additional non-domestic rating multipliers for the purpose of the calculation of business rates under the Act. These Regulations specify the additional multipliers that will apply to retail, hospitality or leisure ("RHL") hereditaments in respect of financial years beginning on or after 1st April 2026. The Regulations specify the calculation for the RHL multipliers that apply to occupied RHL hereditaments, including those located in a special authority (as defined in section 144(6) of the Act).

An impact assessment has not been produced for this instrument because it amends an existing local tax regime. Publication of a full impact assessment is not necessary for such legislation.