



**SHEPHERD**

**CHARTERED SURVEYORS**

**Scottish Budget 2026-27  
Non Domestic Rates Update**

## Rates Poundage

Rates poundages to reduce by approximately 3.5% from 1<sup>st</sup> April 2026, as follows:

Property Rate	RV Range	2026-27 Poundage	2025-26 Poundage
Basic Property Rate	RV up to and including £51,000	48.1 pence	49.8 pence
Intermediate Property Rate	RV between £51,001 and £100,000	53.5 pence	55.4 pence
Higher Property Rate	RV above £100,000	54.8 pence	56.8 pence

## Small Business Bonus Scheme (SBBS) Relief

SBBS relief to be maintained at existing rates and thresholds for the three years of the revaluation cycle (ie 2026-27, 2027-28 and 2028-29).

Shootings and deer forests will be excluded from eligibility for SBBS relief (other than in certain specific circumstances).

Payday lenders, advertisements, car parks and betting shops will remain ineligible for SBBS relief.

All property categories which are ineligible for SBBS Relief will also be ineligible for Fresh Start Relief from 1<sup>st</sup> April 2026.

From 1<sup>st</sup> April 2026 premises requiring a short term let licence to operate will only be eligible for SBBS Relief if they have a short-term let licence.

SBBS relief can provide up to 100% relief if all of the following is true:

- The combined RV of all the ratepayers business premises is £35,000 or less
- The RVs of individual premises is £20,000 or less
- The property is actively occupied

SBBS relief for ratepayers with one business property is calculated as follows:

Rateable Value	Relief
Up to £12,000	100%
From £12,001 to £15,000	Scales from 100% to 25%
From £15,001 to £20,000	Scales from 25% to 0%

SBBS relief for ratepayers with more than one business property is calculated as follows:

Total Rateable Value	Relief
Up to £12,000	100%
From £12,001 to £15,000	25% on each individual property with RV of £15,000 or less
From £15,001 to £35,000	Scales from 25% to 0% for individual properties with RVs from £15,001 to £20,000

## Retail, Hospitality & Leisure (RHL) Relief

15% RHL Relief will be available to properties in the retail, hospitality and leisure sectors in years 2026-27, 2027-28 and 2028-29. This will apply to properties within those sectors which have a Rateable Value up to and including £100,000. Relief is capped at a maximum of £110,000 per business per year.

100% RHL Relief will be available to properties in the retail, hospitality and leisure sectors in years 2026-27, 2027-28 and 2028-29 which are located on islands as defined by the UIslands (Scotland) Act 2018 and in three prescribed remote areas (Cape Wrath, Knoydart and Scoraig), capped at £110,000 per business per year.

## Transitional Relief

Increases in year on year non-domestic rates gross liabilities for those properties most affected by the 2026 Revaluation will be capped as follows:

Rateable Value	2026-27 increase cap	2027-28 increase cap	2028-29 increase cap
Small (RV up to £20,000)	15%	22%	38%
Medium (RV £20,001 to £100,000)	30%	44%	75%
Large (RV over £100,000)	50%	75%	113%

## Small Business Transitional Relief

There is to be Small Business Transitional Relief to ensure that those ratepayers losing, on 1<sup>st</sup> April 2026, eligibility for SBBS Relief, rural relief, hospitality relief or Small Business Transitional Relief introduced for the 2023 Revaluation cycle do so in a phased manner.

Under Small Business Transitional Relief, eligible ratepayers will pay 25% of any increase to their net bill in 2026-27, 50% of any increase to their net bill in 2027-28 and 75% of any increase to their net bill in 2028-29.

## Electric Vehicle Charging Points

There will be 100% relief for eligible EV charging points for 10 years from 1<sup>st</sup> April 2026.