

Module 3 – Split Calculator

# Calcurate

Friday  
11/05/2018

EXIT

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England	Scotland	Wales
2017 England	2017 Scotland	2017 Wales
2010 England	2010 Scotland	2010 Wales
2005 England	2005 Scotland	2005 Wales
	2000 Scotland	2000 Wales

2000e England	<div style="text-align: center;"> <div style="border: 1px solid gray; padding: 5px; background-color: #e6e6fa; margin-bottom: 5px;">Scheduliser 2017</div> <div style="border: 1px solid gray; padding: 5px; background-color: #ffe0b2; margin-bottom: 5px;">Scheduliser 2010/17</div> <div style="border: 1px solid gray; padding: 5px; background-color: #bbdefb;">Scheduliser 2005</div> </div>
1995 England	
1990 England	

BL Calc	Instalment Calc	Interest	Interest 2	DayCalc
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11/05/2018

help

?

### Calcurate 2017 (England)

Business Rates Liability and Savings Calculator for the 2017 Rating List

<input type="checkbox"/> <a href="#">Basic Calculation</a>	<input type="checkbox"/> <a href="#">Interest</a>
<input type="checkbox"/> <a href="#">Advanced Calculation</a>	<input type="checkbox"/> <a href="#">BRS Levying Authorities</a>
<input type="checkbox"/> <a href="#">Split</a>	<input type="checkbox"/> <a href="#">Update</a>
<input type="checkbox"/> <a href="#">Merge</a>	<input type="checkbox"/> <a href="#">Riverlake Settings</a>
<input type="checkbox"/> <a href="#">R x J / S (Recon)</a>	<input type="checkbox"/> <a href="#">Saved Calculations Folder</a>
<input type="checkbox"/> <a href="#">Enter the Property Details</a>	

## Calcurate

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Version:      Calcurate 17 v 4.0

                  Renewal Due    15/08/2018

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EXIT

**Calcurate Menu**

Open 2010 Calcurate

Scheduliser    ?

Multi-Recon Calculator    ?

Intermittent Occupation Planner    ?

data

## The Split Calculator

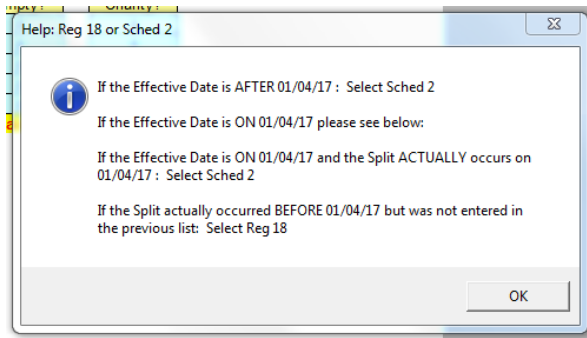
**Split** – A Quick and Easy way to calculate liability and savings resulting from a split of one property into one or more other properties.

Start by selecting the location, England, Greater London or City of London, and then enter the effective date

The screenshot shows the 'Split: 1 Hereditament into 2, 3, 4, or 5 - England' calculator. The location is set to 'England'. The effective date of split is currently blank, with a red 'START' label and a yellow 'Please Enter Effective Date' message. The prior list RV is set to 0. There are buttons for 'Sched 2' (selected), 'Reg 18', and a '?' help button. Below the main form are sections for 'New RV's' and 'Enter Address Details'.

The screenshot shows the calculator after entering the effective date '01/04/2017'. A yellow circle highlights the 'Sched 2' radio button and the '?' help button. A yellow message above the date field says 'Schedule 2 is selected. Click the ? Button for help'. The 'Input Not Complete' message now asks to enter the RV as at 31/03/17 or a zero if none.

If you enter the effective date as 1/4/17 you will be asked to select either Schedule 2 or Regulation 18. If you're not sure which applies, click the "?" button for help – see below.



If you select Regulation 18 the panel to enter the certified values at 31/3/17 will be displayed.

menu **Split: 1 Hereditament into 2, 3, 4, or 5 - England**

reset > BRS Levying Authority GL? England clear ... go to split report (without calculating)

Sched 2 ?  
 Reg 18

Effective Date of Split: 01/04/2017 Regulation 18 is selected. Click the ? Button for help

Prior List RV or zero if none: 0 SBRR? n Empty? n Charity? n Error Check

RV as at 01/04/17 or a zero if none

	Cert Val at 31/03/17	New RV's	SBRR?	Empty?	Charity?
RV of New Property 1			n	n	n
RV of New Property 2			n	n	n
RV of New Property 3			n	n	n
RV of New Property 4			n	n	n
RV of New Property 5			n	n	n

more than five? Input Not Complete - Please Enter the RV as at 31/03/17 or a zero if none Calculate

address Enter Address Details

If you enter a date after 1/4/17 Regulation 18 can't apply.

menu **Split: 1 Hereditament into 2, 3, 4, or 5 - England**

reset > BRS Levying Authority GL? England clear ... go to split report (without calculating)

Sched 2 ?  
 Reg 18

Effective Date of Split: 01/11/2017

Prior List RV or zero if none: 0 SBRR? n Empty? n Charity? n Error Check

RV as at 01/04/17 or a zero if none

RV of this hereditament on 31/10/17

	New RV's	SBRR?	Empty?	Charity?
RV of New Property 1		n	n	n
RV of New Property 2		n	n	n
RV of New Property 3		n	n	n
RV of New Property 4		n	n	n
RV of New Property 5		n	n	n

more than five? Input Not Complete - Please Enter the RV as at 31/03/17 or a zero if none Calculate

address Enter Address Details

Complete the details for the “original” (or “Parent”) property in the top section

menu **Split: 1 Hereditament into 2, 3, 4, or 5 - Greater London**

reset > Greater London GL? Greater London clear ... go to split report (without calculating)

Sched 2 ?  
 Reg 18

Effective Date of Split: 01/11/2017  
 Prior List RV or zero if none: 160,000  
 RV as at 01/04/17 or a zero if none: 120,000  
 RV of this hereditament on 31/10/17: 110,000

	SBRR?	Empty?	Charity?
	n	n	n

Error Check

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RV of New Property 1: 50,000  
 RV of New Property 2: 50,000  
 RV of New Property 3: 25,000  
 RV of New Property 4: 2,000  
 RV of New Property 5: n

New RV's	SBRR?	Empty?	Charity?
50,000	n	n	n
50,000	n	n	n
25,000	n	n	n
2,000	n	y	n
n	n	n	n

more than five? Calculate

address Enter Address Details

Enter the details of the “new” (or “Child”) properties in the lower section.

menu **Split: 1 Hereditament into 2, 3, 4, or 5 - Greater London**

reset > Greater London GL? Greater London clear ... go to split report (without calculating)

Sched 2 ?  
 Reg 18

Effective Date of Split: 01/11/2017  
 Prior List RV or zero if none: 160,000  
 RV as at 01/04/17 or a zero if none: 120,000  
 RV of this hereditament on 31/10/17: 110,000

	SBRR?	Empty?	Charity?
	n	n	n

Error Check

---

RV of New Property 1: 50,000  
 RV of New Property 2: 50,000  
 RV of New Property 3: 25,000  
 RV of New Property 4: 2,000  
 RV of New Property 5: n

New RV's	SBRR?	Empty?	Charity?
50,000	n	n	n
50,000	n	n	n
25,000	n	n	n
2,000	n	y	n
n	n	n	n

more than five? Calculate

address Enter Address Details

## Exercise

A large industrial unit is split into four separate units - three workshops and a small storage unit. The ratepayer remains in occupation of one workshop, the others are let to tenants, and the small storage unit is empty.

**Question: What is the liability on each unit, and what is the overall saving – if any?**

The property is in Greater London. The RV at 31/3/17 was 160,000.

The RV at 1/4/17 was 120,000

The RV was permanently reduced to 110,000 with effect from 1/5/17 due to an MCC

It is split with effect from 1/11/17 into:

RV 50,000 (occupied)

RV 50,000 (occupied)

RV 25,000 (occupied)

RV 2,000 (empty)

## Method

Select the location Greater London and enter the effective date of 1/11/17

Enter the Prior List RV, i.e. the RV at 31/3/17 160,000 and the RV at 1/4/17 120,000

You will see that – in the green cell – you must enter the RV on the day **before** the split

This will be automatically completed as the same as the RV at 1/4/17, because in most cases, it will be the same. However, in this case the RV changed to 110,000 on 1<sup>st</sup> May 2017 so the RV on the day before the split must be 110,000

Change the figure in the green cell to 110,000

Split: 1 Hereditament into 2, 3, 4, or 5 - Greater London

reset > Greater London GL: Greater London clear ... go to split report (without calculating)

Sched 2 Effective Date of Split 01/11/2017  
Reg 18 ? Prior List RV or zero if none 160,000  
RV as at 01/04/17 or a zero if none 120,000  
RV of this hereditament on 31/10/17 120,000

Property	New RV's	SBRR?	Empty?	Charity?
RV of New Property 1	<	n	n	n
RV of New Property 2		n	n	n
RV of New Property 3		n	n	n
RV of New Property 4		n	n	n
RV of New Property 5		n	n	n

more than five? Calculate

Input Not Complete - Please Enter at Least One New RV

menu **Split: 1 Hereditament into 2, 3, 4, or 5 - Greater London**

reset > Greater London GL? Greater London clear ... go to split report (without calculating)

Sched 2 ?  
 Reg 18

Effective Date of Split: 01/11/2017  
 Prior List RV or zero if none: 160,000  
 RV as at 01/04/17 or a zero if none: 120,000  
 RV of this hereditament on 31/10/17: 110,000

	RV	SBRR?	Empty?	Charity?
RV of New Property 1	50,000	n	n	n
RV of New Property 2	50,000	n	n	n
RV of New Property 3	25,000	n	n	n
RV of New Property 4	2,000	n	y	n
RV of New Property 5	<	n	n	n

more than five? Calculate Error Check

address Enter Address Details

Enter the four new RV's, and remember the small one is empty

menu **Split: 1 Hereditament into 2, 3, 4, or 5 - Greater London**

reset > Greater London GL? Greater London clear ... go to split report (without calculating)

Sched 2 ?  
 Reg 18

Effective Date of Split: 01/11/2017  
 Prior List RV or zero if none: 160,000  
 RV as at 01/04/17 or a zero if none: 120,000  
 RV of this hereditament on 31/10/17: 110,000

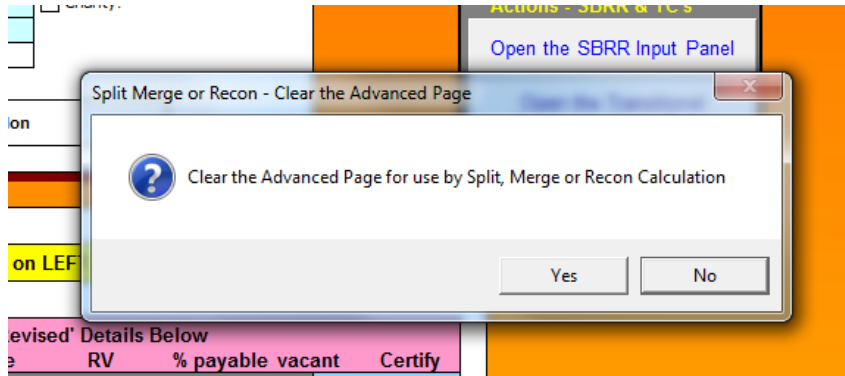
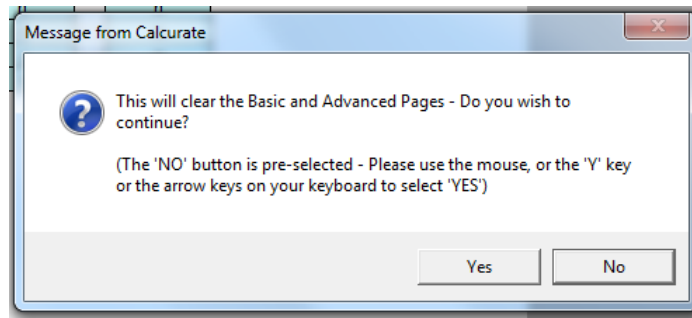
	RV	SBRR?	Empty?	Charity?
RV of New Property 1	50,000	n	n	n
RV of New Property 2	50,000	n	n	n
RV of New Property 3	25,000	n	n	n
RV of New Property 4	2,000	n	y	n
RV of New Property 5	<	n	n	n

more than five? Calculate Error Check

address Enter Address Details

Click the Calculate button. You will see the following messages, click YES

(the reason for the warning is that the Split Calculator uses both the Basic and Advanced Calculators therefore you will lose any calculations you have been working on)



The report page will be displayed

menu go to split input print this go to interest Copy as Excel Copy as PDF

### Split - Business Rates Liability and Savings 2017 List

Prepared by: Please Complete the Details Page File Ref: Complete the Details Page  
 For: Please Complete the Details Page Your ref: 29/05/2018  
 Date: 29/05/2018

Please Complete the Details Page  
 Please Complete the Details Page  
 Please Complete the Details Page

Rateable Value (RV)						
31/03/2017	160,000					
bl	77,440.00	R x J/S	R x J/S	R x J/S	R x J/S	R x J/S
	Original	Revised	Revised	Revised	Revised	Revised
01/04/2017	120,000					
01/11/2017	110,000	50,000	50,000	25,000	2,000	Empty

**Liability and Saving**  
 Greater London  
 BRS Levying Authority: Greater London

Rate Year	Original	Analysis	Analysis	Analysis	Analysis	Analysis	Saving
		Property 1	Property 2	Property 3	Property 4	Property 5	
2017/18	Phased 30,228.02	R x J / S 13,057.41	R x J / S 13,057.41	R x J / S 6,528.70	R x J / S 0.00		(2,415.50)
2018/19	Phased 71,860.91	Phased 27,633.07	Phased 27,633.07	True 12,000.00	True 0.00		4,594.77
2019/20	e Phased 69,697.24	True 24,700.00	True 24,700.00	True 12,350.00	True 0.00		7,947.24
2020/21	e Phased 67,732.40	True 25,450.00	True 25,450.00	True 12,725.00	True 0.00		4,107.40
<b>TOTAL</b>	<b>239,518.57</b>	<b>90,840.48</b>	<b>90,840.48</b>	<b>43,603.70</b>	<b>0.00</b>	<b>0.00</b>	<b>14,233.91</b>

Inflation Rates used are 2017: 2%; 2018: 3%; 2019: 3%; 2020: 3%;

	original	total revised	saving
2017/18	30,228.02	32,643.52	(2,415.50)
2018/19	71,860.91	67,266.14	4,594.77
2019/20	69,697.24	61,750.00	7,947.24
2020/21	67,732.40	63,625.00	4,107.40
<b>Total</b>	<b>239,518.57</b>	<b>225,284.66</b>	<b>14,233.91</b>

prepared by Lambert Smith Hampton


The liability on each property is shown. Notice that on the empty unit the liability is nil because the RV is below the Empty property Rate threshold.

**Answer: There is an increase in the first year, but over the four year period there is an overall saving.**

To see the calculation of liability in the creation year (R x J / S), click the “Analysis” button (See below)

Liability and Saving  
Greater London  
BRS Levying Authority: Greater London

Rate Year	Original	<	Analysis
2017/18	Phased 30,228.02	R x J / S	Property 1 13,057.41
2018/19	Phased 71,860.91	Phased	27,633.07
2019/20	Phased 69,697.24	True	24,700.00
2020/21	Phased 67,732.40	True	25,450.00
<b>TOTAL</b>	<b>239,518.57</b>		<b>90,840.48</b>



**Liability on Property Created from Split**

Please Complete the Details Page  
Please Complete the Details Page  
Please Complete the Details Page

**How Liability is Calculated in the 'Creation' year**

The rate liability on a new property (often called the 'Child' property) in the year in which it is created, is determined by reference to the original or 'Parent' property using the formula  $R \times J / S$

R is the annual charge that would have applied to the Parent property, including Transitional Relief or Transitional Premium, but on the assumption that Small Business Rate Relief Regulations do not apply. Therefore, R should be calculated using the Large Multiplier irrespective of the Rateable Value.

In this case the value of R is £70,867.74. (RV 110,000 x 0.479 ADD Transitional Premium of 18,177.74)

J is the Rateable Value of the new (Child) Property, in this case J is 50,000

S is the Rateable Value of the old (Parent) Property, on the day immediately before the creation day. In this case S is 110,000

Therefore, liability for the property is based on  $70,867.74 \times 50,000 / 110,000 = 32,212.61$

This amount includes a supplement which will not apply to the Child property if the Rateable Value is below 51,000

The amount without the supplement is 31,562.61. This will be used as the 'Base Liability' for the following year.

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**Chargeable amount for the creation year**

The annual amount determined by  $R \times J / S$ , as detailed above, is £32,212.61  
As the RV is below 51,000 we deduct the supplement of 650.00  
The occupier is not a charity so we do not apply charitable relief  
Small Business Rate Relief does not apply  
This gives a chargeable ANNUAL amount of £31,562.61  
To determine the liability from the creation day (01/11/2017) to the end of the year we divide this figure by the number of days in the year, which is 365  
then we multiply by the number of days from 01/11/2017 to the end of the year which is 151  
which gives a figure of £13,057.41

**This gives a total charge for the period of £13,057.41**

This full description of the R x J / S calculation may be useful for training purposes or to support your calculation of liability in the event of a dispute.