

# Business Rates

# Business Rates

## What will happen if I don't pay my Business Rates?

Instalments for Business Rates are due on the first day of each month. If you don't pay your instalment or your payment arrives after the first day of each month, you will receive a reminder.

If you continually pay late or do not pay at all, you will receive a final notice or court summons. Once you have received either of these, you will lose your right to pay by instalments, and you will also need to pay the full balance for the year in one payment.

If you would like to pay your Business rates on a different date in the month, you can set up a direct debit quickly and easily. Call us on 020 8496 3000 or go online at [www.walthamforest.gov.uk/directdebit](http://www.walthamforest.gov.uk/directdebit). Please have your bank sort code and account number with you, and we will do the rest. There are a choice of payment dates when paying by Direct Debit, and paying by this method will stop the need for us to send you reminders, final notices or summonses and adding costs to the amount you owe.

## What should I do if I receive a reminder for Business Rates?

As soon as you miss a payment, we will send you a reminder. If you do not bring your account up to date within seven days of receiving the reminder you will lose the right to pay the rest of the year's rates by instalments. This means you will have to pay the rest of the year's rates in one lump sum.

If you do bring your account up to date, but then miss another payment, we will send you a final notice and you will lose your right to pay by instalments. You will only receive a maximum of two notices in any one year – a reminder and a final notice. If you do not pay after receiving these notices, a summons with costs of up to £195 will be issued to you.

## What will happen if I receive a final notice for Business Rates?

If you receive a final notice for Business Rates, you have lost your legal right to pay by instalments. The remaining balance is due in full. If you do not pay the full balance shown on the final notice, we will send you a summons and you will be charged additional costs of up to £195.

## What will happen if I receive a summons for Business Rates?

If you receive a summons because you have not paid your Business Rates, costs of £175 will be added to your account. At the court hearing, we will ask the Magistrates to issue a Liability Order against you and further costs of £20. The £20 will be added to your account after the hearing, making the total costs payable £195. A Liability Order is the court's agreement that you are liable to pay Business Rates for the premises in question. Your ability to pay is not a matter that the Magistrates will take into account when issuing a Liability Order. The Liability Order gives the Council extra powers to collect the money that you owe. If you are liable for this debt and wish to avoid further recovery action being taken, you must have either paid the amount shown on the summons or have agreed a payment arrangement plan with the Revenues and Benefits Service before the court hearing date.

If you are disputing your liability to pay, please contact the Revenues and Benefits Service immediately. We will aim to resolve your query before the court hearing.

## Can I make a payment arrangement?

If you would like to make a payment arrangement to clear your outstanding Business Rates and any costs that you owe, please call us on 020 8496 3000 or email [revenue.services@walthamforest.gov.uk](mailto:revenue.services@walthamforest.gov.uk)

Please note that the arrangement balance will include the costs of £20, which will be added to your account if the summons balance is not paid in full by the hearing date.

## Do I need to attend court?

You have the right to attend the Magistrates' Court. The hearing to which you have been summonsed to appear is known as a 'Bulk Hearing'. This means that the Council has issued a large number of summonses for the same date and time as yours.

All of these will be dealt with at the same time. The court will only hear individual cases if you have a valid defence against the issue of a summons. It is for the courts to decide what is a valid defence.

To help you, we have listed the main defences:

- we have been notified of an amendment to your Rateable Value and your account has not yet been updated
- small Business Rate, mandatory or empty relief has not been awarded, although you have applied for it.

In all other cases full payment must be made before the court hearing date. You also have the opportunity to accept the arrangement offered to you on the back of your summons. In all cases the Liability Order along with the court costs will remain on your account and be included in any arrangement made.

If you do not make full payment including the costs, or you do not have a payment arrangement we will recover the debt in one of the following ways:

## Bankruptcy proceedings

We will apply to the High Court to have you made bankrupt. This is extremely serious action and will badly affect your ability to get credit for a long period of time. Once made bankrupt you cannot

be concerned or involved in forming or managing a company without the court's permission. You will also incur substantial additional costs of between £1,500 and in excess of £40,000 and any properties you own can be sold to pay your debt.

## Compulsory liquidation

If you run a limited company we may petition for winding up proceedings against your company. This will result in your company being dissolved and you may be disqualified as a director.

## Bailiffs / Enforcement Agents (Business Rates)

We will instruct Enforcement Agents to collect the debt on our behalf. Any payments that you make will then have to be paid direct to the Enforcement Agents.

The Enforcement Agents will charge fees of £75 when your account is passed to them. If you fail to make contact with them within 7 days an enforcement fee of £235 will be charged. If you owe more than £1,500 an additional 7.5% will be charged. Some of your company or personal possessions could be sold at public auction. The money collected from the auction will be used to pay the Enforcement fees and the Business Rates that you owe.

**Do not delay. Contact us if you require assistance.**

Email us at:  
[revenue.services@walthamforest.gov.uk](mailto:revenue.services@walthamforest.gov.uk)



# Your Guide to Council Tax and Business Rates Recovery



## What will happen if you don't pay your Council Tax or Business Rates



# Council Tax Council Tax Council Tax

## What will happen if I don't pay my Council Tax?

Instalments for Council Tax are due on the first day of each month. If you don't pay your instalment or your payment arrives after the first day of each month, you will receive a reminder.

If you continually pay late or do not pay at all, you will receive a final notice or court summons. Once you have received either of these, you will lose your right to pay by instalments, and you will also need to pay the full balance for the year in one payment.

If you would like to pay your Council Tax on a different date in the month, you can set up a direct debit quickly and easily. Go online at [www.walthamforest.gov.uk/directdebit](http://www.walthamforest.gov.uk/directdebit). Please have your bank sort code and account number with you, and we will do the rest. There are a choice of payment dates when paying by Direct Debit, and paying by this method will stop the need for us to send you reminders, final notices or summonses and adding costs to the amount you owe.

## What should I do if I receive a reminder for Council Tax?

If you receive a reminder for Council Tax, you have seven days to bring your instalments up to date. If you do not pay within seven days, you will lose your legal right to pay by instalments. This means that we can send you a summons and you will be charged additional costs of up to £120. You will also need to pay the full balance for the year in one payment.

If you do bring your account up to date but then fail to continue to pay your instalments as requested, we will send you a second reminder. You can only receive two reminders in any one year.

If you fall behind a third time, you will receive a final notice and you will lose your legal right to pay by instalments for the remainder of the year. If you do not pay after receiving these notices, we can issue a summons.

## What will happen if I receive a final notice for Council Tax?

If you receive a final notice for Council Tax, you have lost your legal right to pay by instalments. The remaining balance is due in full. If you do not pay the full balance, we will send you a summons and you will be charged additional costs of up to £120.

## What will happen if I receive a summons for Council Tax?

If you receive a summons because you have not paid your Council Tax, costs of £112 will be added to your account. At the court hearing, we will ask the Magistrates to issue a Liability Order against you and further costs of £8. The £8 will be added to your account after the hearing, making the total costs payable £120.

A Liability Order is the court's agreement that you are liable to pay Council Tax at the property in question. Your ability to pay is not a matter that the Magistrates will take into account when issuing a Liability Order. The Liability Order gives the Council extra powers to collect the money that you owe.

## Can I make a payment arrangement?

If you would like to make a payment arrangement to clear your outstanding Council Tax and any costs that you owe, please email [revenue.services@walthamforest.gov.uk](mailto:revenue.services@walthamforest.gov.uk)

Please note that the arrangement balance will include the costs of £8, which will be added to your account if the summons balance is not paid in full by the hearing date.

## Do I need to attend court?

You have the right to attend the Magistrates' Court. The hearing to which you have been summonsed to appear is known as a 'Bulk Hearing'. This means that the Council has issued a large number of summonses for the same date and time as yours.

All of these will be dealt with at the same time. The court will only hear individual cases if you have a valid defence against the issue of a summons. It is for the courts to decide what is a valid defence.

To help you, we have listed the main defences:

- the property named on your summons is not shown as an entry in the valuation list
- the tax has not been properly set
- the amount has not been demanded in accordance with the statutory provisions
- the amount demanded has been paid in full
- more than six years have elapsed since the day on which the sum became due
- bankruptcy or winding up proceedings have been initiated.

In all other cases full payment must be made before the court hearing date. You also have the opportunity to accept the arrangement offered to you on the back of your summons. In all cases the Liability Order along with court costs will remain on your account and be included in any arrangement made. With any arrangement made you will be required to supply us with the name and address of your employer and

your payee number or proof of your self employed status if applicable

Please contact us at [revenue.services@walthamforest.gov.uk](mailto:revenue.services@walthamforest.gov.uk) to discuss this further. If you do not make full payment including the costs, or you do not have a payment arrangement validated by your employer details or self employment status we will recover the debt in one of the following ways:

## Bankruptcy proceedings

We will apply to the High Court to have you made bankrupt. This is extremely serious action and will badly affect your ability to get credit for a long period of time. You will also incur substantial additional costs of between £1,500 and in excess of £40,000 and any properties or other assets you own can be sold to pay your debt.

## Attachment of Earnings Order

If you are working we will instruct your employer to make deductions from your salary or wages. The amount taken will depend on your net earnings and are set out in regulations.

## Bailiffs / Enforcement Agents

We will instruct a Enforcement Agents to collect the debt on our behalf. Any payments that you make will then have to be paid direct to the Enforcement Agents. The Enforcement Agents will charge fees of £75 when your account is passed to them. If you fail to make contact with them within 7 days an enforcement fee of £235 will be charged. If you owe more than £1,500 an additional 7.5% will be charged. Some of your personal possessions can be sold at public auction. The money collected from the auction will be used to pay the Enforcement fees and the Council Tax that you owe.

## Charging Orders

If you own your property, we can apply to the County Court for a Charging Order. Once the Charging Order is registered at the Land Registry Office, the property cannot be sold unless we are paid the debt plus interest and costs out of the net proceeds of the sale. The Charging Order will remain as a caution against the title of the property so long as the debt remains due. The Council may choose to force the sale of your property to pay the outstanding debt

## Job Seeker's Allowance or Employment and Support Allowance

Please note that if you are in receipt of Income Support, Job Seeker's Allowance or Employment and Support Allowance, deductions from your benefit may be applied for or our external agents may be instructed to collect the debt.

## Committal proceedings

If we cannot collect the money that you owe by using one of the methods listed above, we will start committal proceedings against you. This means you will be summonsed to attend the Magistrates' Court and further costs will be added to your account. If the Magistrates think that you have the money to pay but are deliberately not paying, they may decide to send you to prison for up to 90 days.